



Management Report 2025

Seven & i Holdings Co., Ltd.



Editorial Policy

Aiming for collaborative value creation and sustainable growth through constructive dialogue with stakeholders

Seven & i Holdings, as a corporate group newly dedicated to convenience store operations since September 2025, is advancing the global growth strategy outlined in the “Transformation of 7-Eleven,” looking ahead to 2030.

This Management Report serves as an integrated report issued at a significant milestone for our Group’s sustainable growth. It systematically discloses financial and non-financial information that contributes to medium- to long-term value creation, alongside our growth strategy and commitment to maximizing shareholder value under our new organizational structure.

We hope this report will serve as a useful tool for further deepening constructive dialogue and mutual understanding with our stakeholders.

Publication date:

January 2026

Reporting period:

March 1, 2024 to February 28, 2025, including certain disclosures and business activities conducted after March 2025

Scope of coverage:

Seven & i Holdings Co., Ltd. and its consolidated subsidiaries





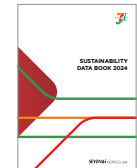

Guidelines referenced:

International Financial Reporting Standards (IFRS) Foundation’s “Integrated Reporting Framework,” Ministry of Economy, Trade and Industry’s “Guidance for Collaborative Value Creation 2.0 (https://www.meti.go.jp/policy/economy/keiei_innovation/kigyokukaikei/guidance_for_collaborative_value_creation_2.0_en.pdf),” the Task Force on Climate-related Financial Disclosures (TCFD) Final Report, and the Taskforce on Nature-related Financial Disclosures (TNFD) Recommendations Version 1.0

Forward-looking statements:

This report contains certain statements based on Seven & i Holdings’ current plans, estimates, strategies, and beliefs. All statements that are not historical fact are forward-looking statements. These statements represent the judgments and hypotheses of the Company’s management, based on currently available information. It is possible that the Company’s future performance will differ significantly from the contents of these statements. Accordingly, there is no assurance that the forward-looking statements in this report will prove to be accurate.

Information disclosure guide

Information for shareholders and investors (Financial Information)	Sustainability / ESG information (Non-financial Information)	
  Corporate Outline https://www.7andi.com/en/ir/file/library/co/pdf/2025_all_a_en.pdf	  Management Report (Integrated Report) https://www.7andi.com/en/ir/library/mr.html	  Sustainability Data Book https://www.7andi.com/en/sustainability/report.html

Abbreviations and official names

SEJ : SEVEN-ELEVEN JAPAN CO., LTD.

SEO : SEVEN-ELEVEN OKINAWA Co., Ltd.

SEI : 7-Eleven, Inc.

7IN : 7-Eleven International LLC

SEA : 7-Eleven Australia

CVS : Convenience store

SST : Superstore

PB : Private brand

YHD : YORK Holdings Co., Ltd.

IY : Ito-Yokado Co., Ltd.

YB : York-Benimaru Co., Ltd.

SG : SHELL GARDEN CO., LTD.

AH : Akachan Honpo Co., Ltd.

DJ : Denny’s Japan Co., Ltd.

LO : THE LOFT CO., LTD.

PDL : Peace Deli Co., Ltd.

CL : Create Link Co., Ltd.

7BK : Seven Bank, Ltd.

SS : Sogo & Seibu Co., Ltd.

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Management Philosophy / Stakeholder Dialogue

Placing trust and sincerity at the core of everything

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.

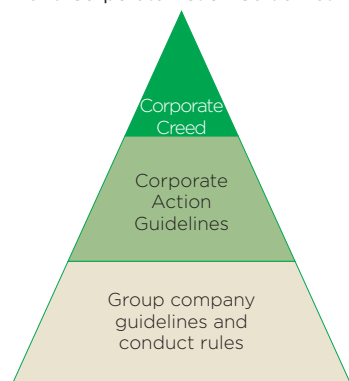
Basic Stance

We aim to contribute to the local community both in Japan and overseas by providing new experiences and values from the customer's perspective.

Corporate Action Guidelines

The spirit embodied in the Corporate Creed is our unchanging philosophy, which will remain undisturbed no matter how greatly the social environment changes in the future. The attitudes needed to realize this philosophy have been formulated as our Corporate Action Guidelines.

Structure of the Corporate Creed and Corporate Action Guidelines



Leveraging stakeholder dialogue as a key catalyst



The Company aims to be a sincere company in line with its Corporate Creed, earning the trust of its stakeholders and viewing the evolving needs of society and its customers as opportunities to create new distribution services.

Under the slogan "Responding to Change while Strengthening Fundamentals," we are striving to provide services that meet the demands of the times. We will earnestly practice stakeholder engagement by promptly responding to feedback from stakeholders gathered through dialogue and reflecting these in our business activities and management decision-making, thereby accurately grasping stakeholder expectations and concerns.

At a Glance

Revenues from operations

Approx.
¥10.0 trillion

EBITDA

Approx.
¥0.9 trillion

Human capital



Number of employees

Approx.
36,480

(As of August 31, 2025)

Intellectual capital



Seven Premium, a PB product
with annual sales exceeding
¥1 billion

315 items

Manufacturing capital



Number of commissaries
producing Seven-Eleven
merchandise

SEJ

171 (154 commissaries dedicated to
SEJ merchandise)

SEI

31 (2 dedicated commissaries)

Social capital



Number of customers visiting
7-Eleven stores (per day)

Global Approx.
60.3 million

Japan Approx.
20.0 million

Number of 7-Eleven stores

Europe
367

Asia
69,524

Of which, Japan^{*1}
21,743

85,816

(As of February 28, 2025 for Japan /
As of December 31, 2024 for other countries)

North America^{*2}
13,102

Latin America
2,076

Oceania
747

^{*1} Across SEJ and SEO
^{*2} Including Hawaii

(Note) The results for FY2024 do not include YHD,
7BK, or their subsidiaries.

7-Eleven in Pictures

Japan

Since our founding, we have evolved the unique value we provide while staying close to our customers' diversifying lifestyles. Through innovation, we continue to challenge ourselves daily to deliver exciting merchandise and services.



In our desire to create an environmentally friendly society with a circular economy, we are advancing the use of renewable energy, including by installing solar panels.



As part of our efforts to create an environment where franchisee employees can thrive in a motivating environment, we hold a Customer Service Contest. In 2025, approximately 2,000 participants from franchisee stores nationwide entered the contest.



SEVEN CAFÉ Smoothies, only found at 7-Eleven, are health-conscious products that also contribute to reducing food waste.



We operate a mobile sales service called "Seven Anshin Delivery Service" in certain areas, delivering products to regions where daily shopping is challenging, supporting the lives of those in local communities.

7NOW is a service where customers can use their smartphones to order merchandise from nearby 7-Eleven stores to be delivered to their specified location in as little as 20 minutes.



We are advancing initiatives to reduce store operational burdens while updating the customer shopping experience, such as introducing self-checkout registers and testing a unique 7-Eleven smartphone checkout service in select stores.



Upcoming store features include SEVEN CAFÉ Tea, conveniently providing freshly brewed tea made with carefully selected tea leaves, and SEVEN CAFÉ Bakery, featuring items baked in dedicated in-store ovens.



7-Eleven in Pictures

North America

In the United States, the birthplace of the 7-Eleven brand, we are accelerating innovative initiatives to evolve into an even more beloved CVS brand.



We are focusing on developing and expanding our private brand 7-Select products, which offer quality equal to or better than national brands at lower prices, while significantly outperforming them in gross profit margin.

We are also focusing on the restaurant business attached to our stores. We operate over 1,000 locations under three main brands: Laredo Taco, Raise the Roost, and Speedy Café.



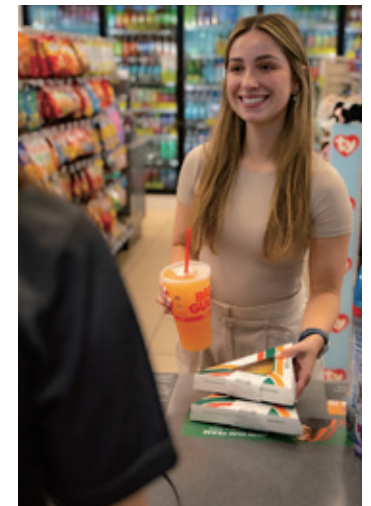
We offer freshly made and high-demand products, such as our original pizza.



SEI is expanding its food-focused offerings, including restaurants, as well as stores with large-scale gas stations attached.



The delivery service 7NOW is being offered at over 7,000 stores across the United States. Focusing on hot food, snacks, and beverages, orders are delivered to customers within 30 minutes.



7-Eleven in Pictures

Around the world

Ho Chi Minh City, Vietnam

Our merchandise is developed in close alignment with local food culture. 7-Eleven stores offer a comfortable shopping experience, centered around prepared dishes and beverages to satisfy customers on the go, along with cashless payment options, eat-in spaces, and free Wi-Fi.

**Beijing, China**

In a city where tradition and innovation intersect, 7-Eleven has become an everyday favorite for its combination of convenience and quality.

**Brisbane, Australia**

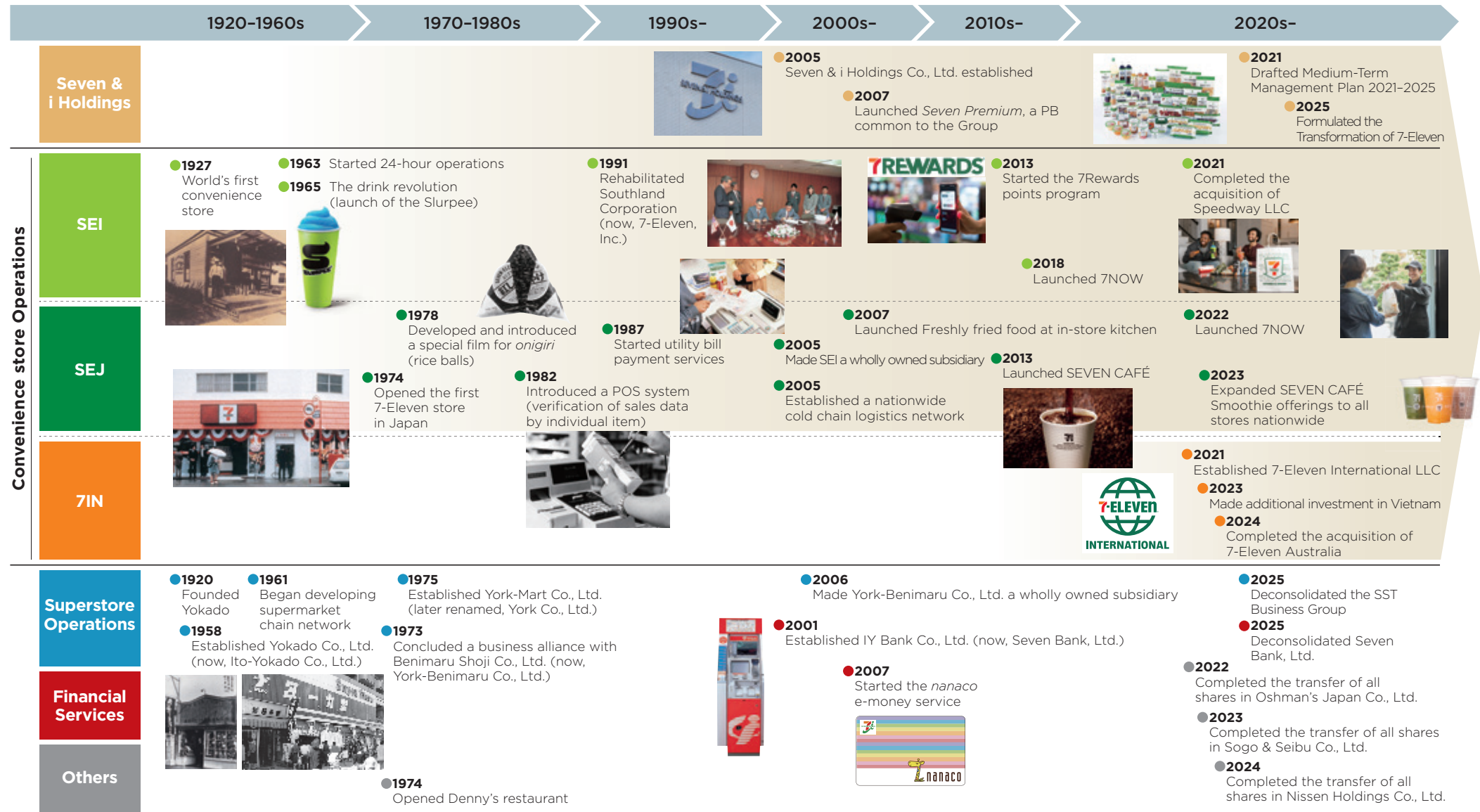
We are committed to expanding our selection of fresh foods and fast foods focused on great taste, strengthening our brand, and providing community-rooted services.



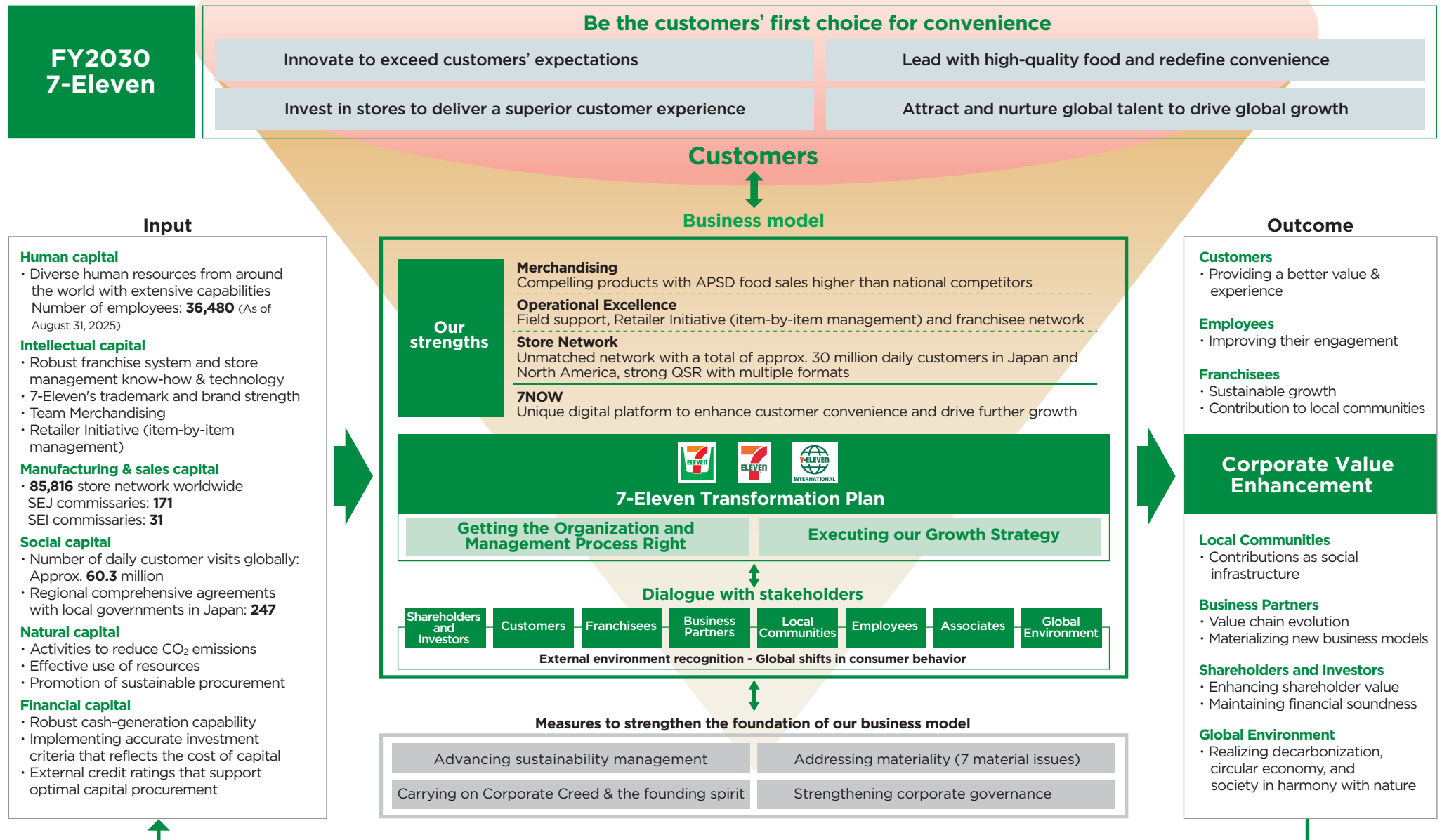
Milestones

Building a future on a century of innovations

Becoming a truly global company by passing on 7-Eleven's history of innovation and success



Value Creation Process



Message from the CEO



Stephen Hayes Dacus
Representative Director, President & CEO

We are accelerating innovation to stay ahead of our customers' evolving needs, exceed expectations, and become their first choice for convenience.

Taking on the CEO role

Prior to my appointment as CEO, I served as a non-executive director of Seven & i for three years. During that time, I was both the chairman of the strategy committee and chairman of the Board. This gave me a unique perspective on both the opportunities and challenges facing our Company. It was clear to me that Seven & i has a great business model and formidable strengths. However, we were not fully leveraging our strengths globally to better serve our customers and create value for our stakeholders.

Since its founding, our Company has been guided by the spirit of “Trust, Integrity and Embracing Change.” These principles have long served as the foundation of our growth. Yet, over time, we lost some of our entrepreneurial mindset and became more conservative. We were no longer embracing and leading change. We were not driving innovation in anticipation of our customers' evolving needs and exceeding expectations as we

had previously.

I take on this role with a determination to transform the business and position us for another generation of success. I am clear-eyed about the challenges inherent in transformation and encouraged that we have a strong, aligned team to achieve it.

Embracing change

The transformation of Seven & i has already begun. In August, we shared our “Transformation of 7-Eleven” plan. This was our first truly global strategic plan, which clearly defines our global priorities and how we will deliver on them. This has given us a stronger sense of alignment and shared direction across the Group. To ensure timely execution and delivery of the Plan, we have fundamentally changed our management processes and systems, enhancing communication, speed, and accountability. With a clear, unified strategy and frequent, transparent, and substantive communication across regions, we

Message from the CEO

are beginning to operate as a global enterprise. The operating units know what is expected of them and are able to execute with greater autonomy, speed and discipline.

Transformation takes time, but early results are already visible. Clearly defining and aligning on our goals and changing how we work to achieve them are important steps that underpin our long-term value creation.



Leveraging our strengths

In September 2025, Seven & i transitioned to a structure focused on our CVS business, designed to drive future growth. This strategy is built on three core strengths: merchandising, operational excellence, and our unmatched store network.

Over many decades, we have developed deep expertise in creating high-quality products that excite and delight our customers. In both Japan and North America, our average daily sales per store significantly exceed those of competitors, proof that our product strength gives us a clear competitive edge. We also excel in store operations, ensuring the right products are available in the right quantities, at the right time and place. Together with our franchise partners, this enables a consistently strong customer-centric focus. Scale is another of our greatest strengths. Our network of approximately 34,000 stores across Japan and North America serves more than 30 million customers daily. Over 90% of Japan's population lives within two kilometers of a 7-Eleven, and more than 50% of the North American population lives within two miles. No other food retailer has a comparable footprint.

Building on these advantages, we are expanding 7NOW, our digital delivery platform, to provide new levels of convenience and create even greater value for customers. In North America,

7NOW has already reached \$1 billion in annual sales, and we see this as a new pillar of growth that will help redefine the future of convenience. By leveraging our capabilities, we will continue to accelerate global growth with food that delivers great taste, quality, and value.

Maximizing growth opportunities across businesses

Each of our operating companies is working to maximize its growth opportunities. Across the Group, we are strengthening our advantage in fresh food, private brands, and proprietary products. We are broadening our store network with diverse, optimized formats, and are scaling 7NOW.

At SEJ, we will reestablish SEJ as a leader in innovation. At SEI in North America, we will seek to capture untapped profit pools within our supply chain as the largest fuel retailer in the United States. Both companies are executing transformation programs to optimize the entire value chain and tighten cost control, thereby reinforcing our competitiveness. Meanwhile, 7IN is pursuing a disciplined investment approach to drive faster growth and higher returns.

We will support these efforts with the establishment of Centers of Excellence focused initially on technology, supply chain and talent. This will allow us to leverage the power and scale of

Message from the CEO

the entire Group to create sustainable competitive advantage in these key areas.

Commitment to long-term value creation for shareholders

As outlined in August 2025, over the next five years, we plan to increase EBITDA by approximately 45%, and grow EPS by approximately 144% to ¥210 per share, while also improving ROIC from 4.8% in FY2024 to 12.6%.

We are fully committed to maximizing long-term shareholder value through a disciplined capital allocation framework that we believe will drive a significant increase in shareholder returns over FY2030.

Strengthening global talent and leadership for transformation

To achieve our global objectives, we need to attract, develop, and empower outstanding talent. We are expanding global talent management programs to identify high-performing individuals across regions and develop them into global leaders. In addition to SEJ and SEI, we are building a global talent base that includes our teams in Australia as well as exchange programs with exceptional licensees around the world.

Advancing sustainability as a long-term growth driver

We aim not only to meet the needs of today's customers, but also to support the lives of customers tomorrow. Our initiatives in human rights, climate

action, and responsible sourcing will both strengthen our resilience over the long term and generate new opportunities for sustainable growth.

Our stores already serve as more than just places to shop. They function as community infrastructure, providing a base for disaster response, crime prevention, resource recycling, and social connection. By embedding sustainability into our daily operations and culture, we will continue to grow together with society and enhance our corporate value in ways that resonate with all stakeholders.

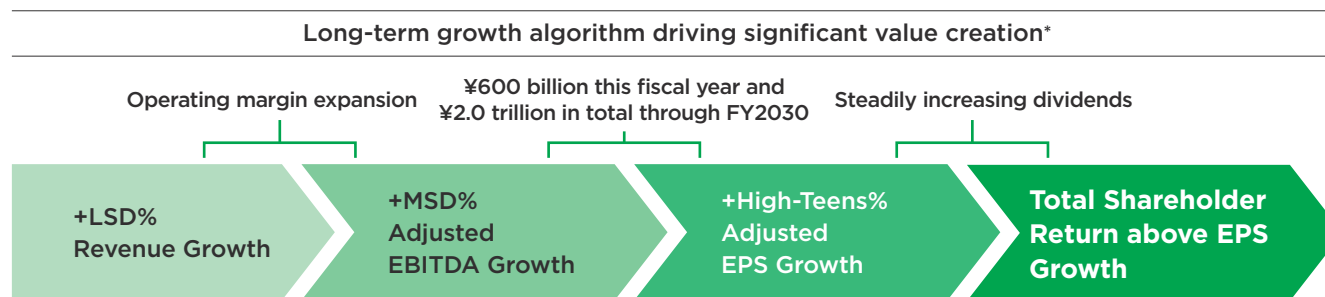
To our stakeholders

As a global organization, we possess unmatched scale and know-how in the industry, and our untapped potential remains significant.

By executing a coherent, integrated growth strategy under the single 7-Eleven brand, through disciplined management processes and empowered local operations, we will further maximize corporate and shareholder value.

I ask for your continued support as we take the next steps in this journey of transformation.

■ Commitment to an improved long-term growth algorithm



* Inclusive of deconsolidation of the SST Business Group and 7BK, and IPO of SEI
Note: LSD = Low Single Digit; MSD = Middle Single Digit

Stephen Hayes Dacus
Representative Director, President & CEO

Transformation of 7-Eleven

In this section, we briefly explain the recently released “Transformation of 7-Eleven,” which encompasses the future strategy and implementation plan for our business transformation.



I. Goals of the New Transformation Plan

A new transformation plan to overhaul our management

The Company has formulated a transformation plan to launch a new structure focused exclusively on the CVS business. This plan involves transforming our operations to concentrate on creating value for customers and delivering superior returns to shareholders through the provision of new experiential value. Through this transformation, we will build a lean organization and adapt swiftly to any change.

We have expanded our 7-Eleven business globally, maintained the top position for many years, and established our status as a market leader. However, despite numerous successes, the risks of slowing innovation and declining business momentum have become apparent in recent years. The new management team shares a deep sense of urgency regarding this point and recognizes the need to swiftly transform business operations.

To drive this transformation, the Company's management team and their counterparts at Group operating companies have maintained close communication and worked together as one to focus on formulating our new transformation plan.

Through this transformation plan, we will clearly

define key initiatives, their priorities, timelines, and targets. To ensure disciplined execution, we will implement a rigorous and transparent management process. As a result, management of the Company and its subsidiaries will differ significantly from the past.

Returning to our founder's mentality and pursuing swift self-driven innovation

In driving this transformation forward, we will uphold the founder's mentality of "trust and sincerity" and "responding to change" as unwavering values and philosophy. Based on this, we will cultivate a corporate culture within our Group characterized by a humble attitude toward learning and a proactive stance toward driving change.

Throughout our history, we have achieved numerous innovations in the retail industry. These include developing merchandise and services such as *Seven Premium* and SEVEN CAFÉ, installing ATMs in stores, implementing unique methods including item-by-item management, and building our own supply chain.

However, in recent years, our pace of innovation has slowed. Now, it is essential that we redefine our business,

challenge ourselves, think proactively, and change our actions. It is crucial that all employees think and act like founders to drive innovation and accelerate growth.

Identifying management issues requiring urgent attention

To achieve this Groupwide reconstruction of corporate culture and the fundamental transformation outlined in this plan, the new management team will establish a framework for advancing management as a single, unified team, working closely with leadership from each operating company, and executing various initiatives.

The management team engaged in extensive dialogue and discussion with each operating company during the formulation of the transformation plan, identifying key management issues requiring urgent attention. Beginning on the next page, we present our respective actions in these areas.

II. Our Key Challenges and Approach for Growth

Management challenges and solutions focused on strengthening global business management processes and maximizing growth opportunities for each operating company

	■ Key challenges	■ How to address the challenges	■ Our approach for growth
HD/HQ	<ul style="list-style-type: none"> Global planning and management Global decision-making Global talent HQ functions Global leverage 	Establish a basis for effective management	1-A Set clear global management approach and cadence 1-B Upgrade HD function
Operating Companies			
Across SEI/SEJ 7IN	<ul style="list-style-type: none"> Consumer spending Channel shift Cost inflation Franchisee profitability 	More customer centric Shift to digital Optimize value chain	2-A Invest in stores/equipment for distinctive food offering 2-B Store network expansion with optimal store formats 2-C 7NOW expansion 2-D Cost control to invest in growth
SEI	<ul style="list-style-type: none"> Consumer perception re: food Fuel demand 	Build foundation as growth engine Maximize existing opportunities	2-E Expand proprietary products and Private Brand 2-F Maximize fuel vertical integration opportunities
SEJ	<ul style="list-style-type: none"> Consumer perception re: brand Intensifying competition 	Reestablish SEJ as the leader in innovation	2-G Enhance customer engagement
7IN	<ul style="list-style-type: none"> Global talent Investment process 	Solidify and roll out the equity model	<ul style="list-style-type: none"> Accelerate global talent acquisition/development Set rigorous investment criteria and management rules

III. Getting the Organization and Management Process Right

1-A Set clear global management approach and cadence

Establishing Centers of Excellence

With respect to our global business management practices, we have historically fallen short in consistently implementing management processes as an integrated global enterprise, with inadequate oversight by the holding company and insufficient coordination and collaboration among operating companies. This lack of consistency and clarity has hindered the execution capabilities and speed of operating companies.

By introducing a new global business management process, the leadership teams of our operating companies will be able to clearly understand KPIs and execute their duties with a high degree of autonomy. Additionally, progress can now be regularly checked and evaluated.

Furthermore, we are establishing Centers of

Excellence, which are central organizations that consolidate functions such as technology, DX, talent management, supply chain, and operations. By creating a system to globally share various insights and best practices, we will enhance the competitive advantage of each operating company in key areas. This will enable us to maximize our Group's existing and potential advantages on a global scale, achieving more steady results than ever before.

1-B Upgrade HD function

Adapting to the new Group structure

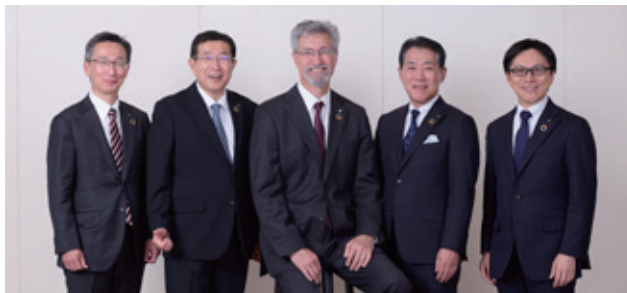
With our redefined roles and responsibilities, we are no longer a conglomerate. Under an optimized headquarters structure, we will maximize scale and capabilities through the deployment of new global functions and talent, building an organization aligned with our business objectives. These initiatives are being advanced under

new leadership at the Company and SEJ, with leaders from both companies spearheading the transformation. Our efforts have given rise to new ways of working, and a clear direction for transformation. Plans are global, concrete, and time-bound, with clear ownership and accountability.

We will establish a more focused support system and launch a Global Leverage Team composed of even more outstanding talent. This team will enhance competitive advantage in key areas such as technology, DX, talent management, supply chain, and operations. These are areas where we possess existing or potential advantages that we have not been able to leverage on a global scale, and we will actively pursue them going forward.

Through these measures, we will make our headquarters robust and impactful, aiming to achieve approximately ¥40 billion in cost reductions by 2030.

Leadership team



From left to right: Yoshimichi Maruyama, Junro Ito, Stephen Hayes Dacus, Shigeki Kimura, Tamaki Wakita

Upgrade HQ and HD functions for a pure CVS group



Centers of Excellence to leverage global scale and best practices

- DX / technology
- Supply chain
- Operations



Create lean and streamlined HD function

- Optimize support functions
- IT system to focus on CVS

IV. Growth Opportunities for CVS Operations

2-A Distinctive fresh food offering

SEI



In the United States, competition for market share in the ready-to-eat meal market is intensifying among CVS, dollar stores, quick-service restaurants (QSR), drugstores, and delivery services. To beat the competition, SEI is promoting its Food and Beverage Modernization Program in four key areas to strengthen its proprietary merchandise lineup.

First, SEI is introducing equipment capable of baking a variety of foods ideal for breakfast, lunch, and snacks (such as breakfast sandwiches, chicken sandwiches, and cookies).

Second, SEI has installed a self-service roller grill, a popular feature in the United States that allows



In-store bakery



Self-service roller grill



Grab and Go case



Specialty beverages

customers to grab their own favorites. Third, hot food cases offer warm foods such as pizza.

Finally, SEI also focuses on offering a selection of freshly ground coffee, cappuccino, and other specialty beverages. This program has been deployed either fully or partially across approximately 6,700 stores, as part of a strategy to expand food and beverage sales through proprietary merchandise.

SEI is also focusing on expanding its restaurant

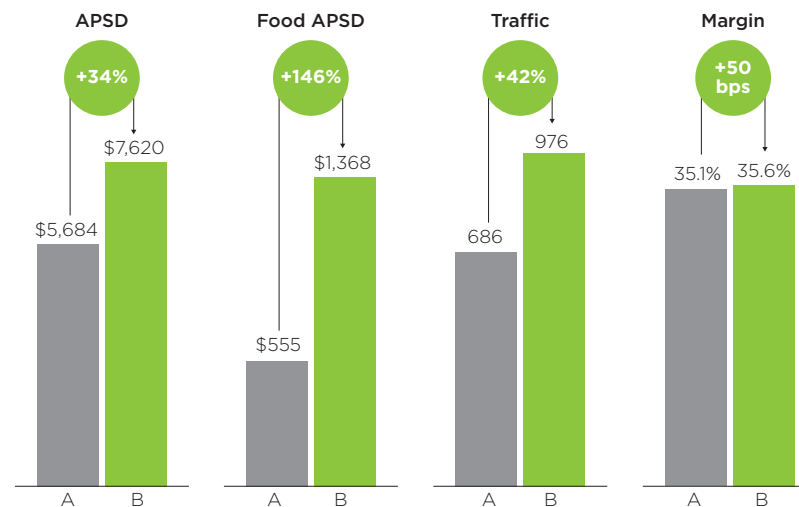
business attached to convenience stores, currently operating over 1,000 QSR under three main brands: Laredo Taco, Raise the Roost, and Speedy Café.

The number of stores with attached restaurants is to be doubled by 2030. These kinds of stores offer a highly profitable business model, achieving an average daily sales increase of 34%, a 42% increase in customer count, and a gross profit margin 50 basis points higher compared to stores without attached restaurants.

Offering differentiated foods with better taste

Investing in restaurants

Restaurants drive higher sales & traffic

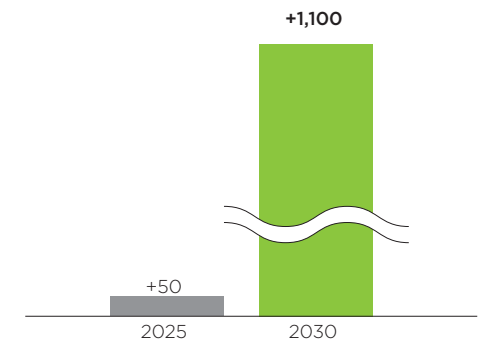


U.S. same store merchandise sales: October 2024–September 2025

■ A: Stores without attached restaurants ■ B: Stores with attached restaurants

Growth plan

Building 1,100 new restaurants by 2030 (No. of new restaurants)



2-A Distinctive fresh food offering

SEJ



Merchandise development focused on novelty and visual appeal

As the first step, in September 2025, we launched the Umasa-Aimori *onigiri* (rice ball), followed in October by a new noodle series called Oyogase-men, the latter offering a novel cooking experience. In November, we strengthened our merchandise displayed at checkout, such as Hydrogen-Roasted Coffee and fried foods, utilizing TV commercials. These initiatives are beginning

to steadily generate results, and we will continue to strengthen our efforts going forward.

Expanding just-made merchandise

SEJ is expanding its just-made merchandise to provide new value to customers. SEVEN CAFÉ Bakery (just-made bread and sweets) has been introduced to approximately 4,000 stores by the end of October 2025, contributing to both sales and gross profit margin. This will be expanded to 8,000 stores by the end of FY2025 and to all approximately 18,000 stores where this offering could feasibly be deployed by the end of FY2026.

Furthermore, sales and gross profit have increased at stores where SEVEN CAFÉ Tea has been implemented, which we began rolling out in October 2025. We plan to expand this to 2,000 stores within FY2025 and 8,000 stores during FY2026.

Regarding new merchandise, we are conducting test sales of just-made noodle dishes and soft-serve ice cream at select stores. These have received high customer ratings and have the potential to change a store's profit

structure.

Moving forward, we will continue to actively conduct test sales while providing customer experience value centered on novelty and deliciousness that meets customer needs.

■ **Just-made merchandise utilizing an oven**

2026 → 2028

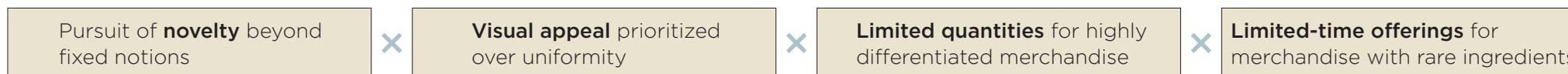


■ **Freshly made merchandise enabled by new capital investment**

2026 → 2028



■ Updating our fundamental merchandise development concept



■ Continuously launching new merchandise



IV. Growth Opportunities for CVS Operations

2-A Distinctive fresh food offering

7IN

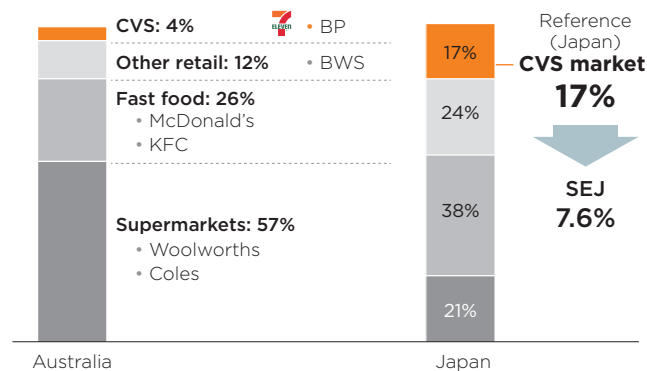


SEA strengthening measures for food-focused convenience stores

7IN supports existing country licensees in creating food-focused convenience stores in each market as part of its growth strategy. In April 2024, we acquired and made 7-Eleven Australia (SEA), which operates the 7-Eleven-branded CVS business and fuel retail business in Australia, a subsidiary.

Australia is a growing market with a diverse population of many young people and immigrants, and its population is expected to grow at an average annual rate

Overview of the Australian market



of 1.4% until the mid-2060s. Furthermore, the country's food retail market is dominated by supermarkets, with CVS holding only a small market share.

Within this market, SEA is promoting its “My Convenient Neighborhood Store” concept, enhancing value propositions and differentiation through new marketing campaigns to boost sales. Furthermore, embodying this concept, SEA is developing pilot stores across various states, including the Bowen Hills store in Queensland. It is also enhancing its food format through renovations of existing stores and developing new merchandise and suppliers. This aims to create highly functional CVS where customers can find all their everyday items. In terms of merchandise, SEA is working to expand its selection of fresh foods and fast foods with a focus on great taste.

As a member of the Group, SEA will further strengthen its collaboration with SEJ and SEI in product development and store operations while accelerating store openings in the country.



New merchandise (sushi rolls)



The newly launched “any:time is 7-Eleven time” brand campaign



Fresh food items such as Japanese-style egg salad rolls and hamburgers

Furthermore, not only for SEA but also in markets such as Thailand and Taiwan where the 7-Eleven brand is well-established and enjoys strong customer support, we will actively collaborate with local licensees to develop next-generation convenience store models and drive innovation, aiming to further enhance brand value.

IV. Growth Opportunities for CVS Operations

2-B Store network enhancement

SEI



New standard stores improve profit margins

In the United States, we plan to accelerate new store openings from 125 per year to over 250, aiming to open 1,300 stores over the next five years. This is expected to contribute over \$400 million to EBITDA.

The new standard stores, which make up the majority of new openings, are larger, feature integrated gas stations, and offer enhanced assortments including pioneering food and beverage options and restaurants, along with a frictionless shopping experience.

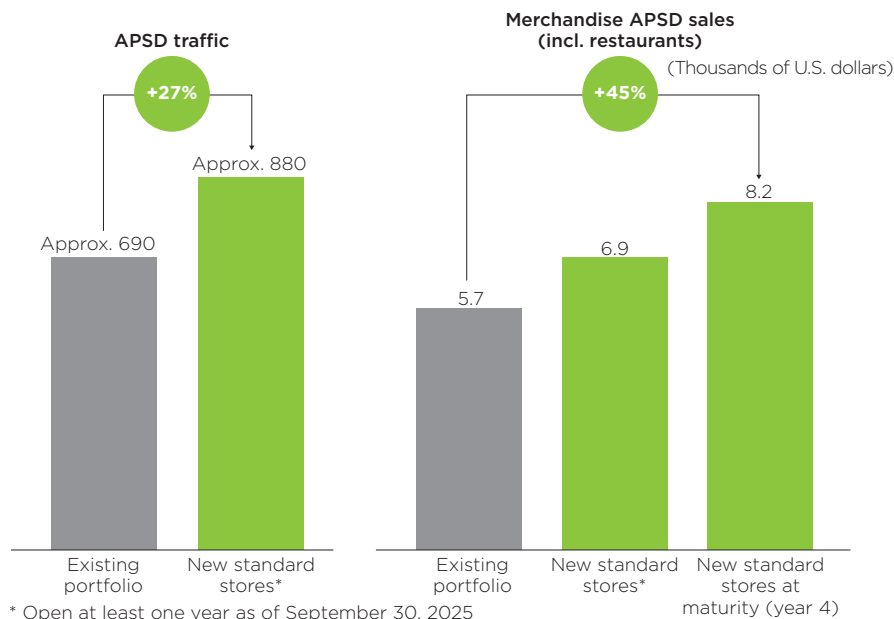
The strength of these new stores is supported by actual data, with new standard stores expected to see 27% more customers than existing stores and a 45% increase in average merchandise sales per day in their fourth year after opening. Despite higher construction

costs for new standard stores than traditional stores, we expect the ROIC to be equivalent to or higher than that of existing stores.

With many untapped markets in North America, we will accelerate our aggressive expansion going forward.

Growing new standard stores

New standard stores outperform existing store network



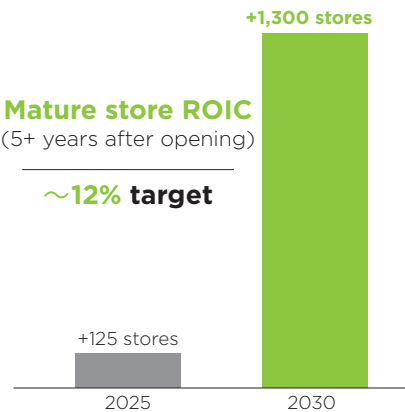
Accelerating store expansion

Estimated EBITDA impact in 2030
\$400 million or more

Open 1,300 new stores by 2030

Mature store ROIC
(5+ years after opening)

~12% target



Exterior of a new standard store



A Laredo Taco inside a new standard store

IV. Growth Opportunities for CVS Operations

2-B Store network enhancement

SEJ



Planning for a net increase of 1,000 stores by 2030

As evidenced by SEJ's average daily sales exceeding industry peers by over 20%*, we believe we can achieve steady store growth going forward by leveraging the robust revenue foundation built with our customers' support.

While we have previously opened new stores based on a standard single-format store of approximately 200 m², recent years have seen demand for diverse store formats that respond to changing times and location environments. Therefore, we are currently beginning test openings of small-scale stores focused on urban areas, as well as prefabricated stores utilizing unit construction

methods tailored for suburban and depopulated regions. Additionally, for the satellite store formats we have developed thus far, we will promote store operations that prioritize labor-saving measures.

Through these initiatives, SEJ plans to achieve a net increase of 1,000 stores by 2030. This is expected to increase gross operating profit by ¥35 billion.

Furthermore, by encouraging owners to manage multiple stores, we can unlock further new store openings. SEJ has maintained a high profitability per store, which is why many owners still operate only one location. Many of these owners practice excellent store operations and have a strong desire to contribute to their communities. We will further support these owners in expanding to multiple stores.

While consideration for existing stores is crucial when opening new locations, opening is possible even

if there is overlap in the trade area, provided it increases the profitability for owners managing multiple stores. A net increase in store count creates a "win-win-win-win" model for customers, franchisees, business partners, and headquarters. Therefore, SEJ is considering introducing a new, more flexible contract model that facilitates multi-store management, with implementation to begin during FY2027.

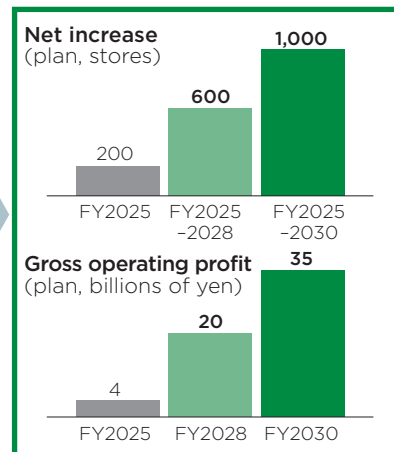
We will advance updates to our franchise model that support medium- to long-term growth by simultaneously enhancing franchisees' profits and promoting new franchise recruitment.

* The average of other companies in the industry is from the FY2024 average daily sales of the two other major CVS chains. Source: Announcements by each company

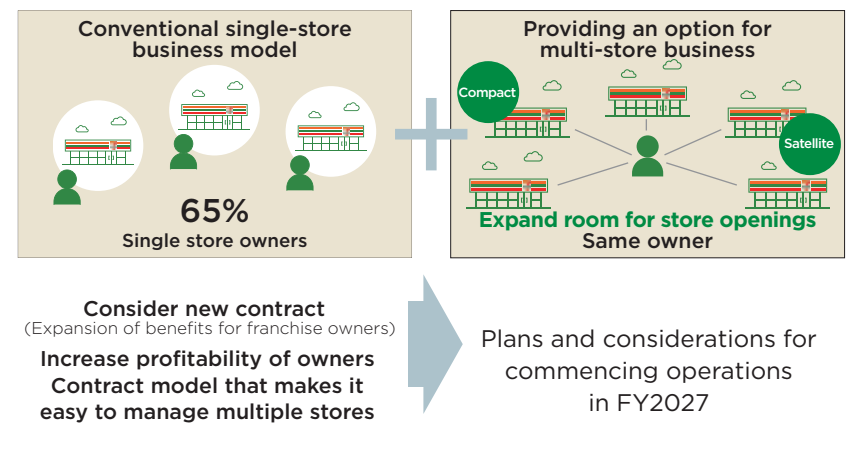
■ Accelerating store openings through expansion with store formats tailored to each commercial area

Areas for store opening Store types

Roadside	Standard Roadside, etc.: Approx. 200 m ²	Small Densely populated areas: Approx. 50-100 m ²
Downtown (Inside the building)		
Suburban areas, depopulated areas	Unit Suburban areas, depopulated areas, etc.: Approx. 330 m ²	Satellite Schools, train stations, hospitals, etc.
Inside the facilities (Schools, train stations, hospitals, etc.)		
Other facilities (Self-service laundry, parking lot, etc.)		



■ Encouraging multi-store business



IV. Growth Opportunities for CVS Operations

2-B Store network enhancement

7IN



Strengthening store expansion through an equity investment model

We operate over 85,000 7-Eleven stores worldwide, serving more than 60 million customers daily. However, there are many areas where we have not yet expanded, indicating significant growth potential in the global market going forward.

When entering new markets, investment generally takes the form of acquisitions or joint ventures. This approach enables direct involvement in the management of the investee company, allowing for more reliable and accelerated business growth. We dispatch directors and other management, as well as specialized talent with extensive knowledge and experience, to new markets. Working as a unified team with local colleagues, they directly transplant the insights we have cultivated globally, adapting these insights to local conditions.

While investing management resources carries risk, we aim to rapidly reap high returns.

In Europe, with the exception of the three Nordic countries, there are currently no 7-Eleven stores. 7IN plans to develop Europe into the Group's fourth major growth pillar after Japan, North America, and Asia by executing expansion and concentrated store openings through an equity investment model. Furthermore, for new markets and new stores, we will deploy the three strengths—merchandising, operational excellence, and store network—that constitute 7-Eleven's Winning Formula for improving and enhancing the performance of our investees.

■ Status of our global market approach

Building the fourth pillar of growth

Currently, stores exist only in the Nordic countries -European countries are attractive markets with high purchasing power and strong growth potential

Direct investments in best-in-class local partners to accelerate growth

Sustain market leadership

Pursue expansion into untapped markets while driving faster growth in existing markets

Explore further opportunities

Explore entering markets with scale and high growth potential



IV. Growth Opportunities for CVS Operations

2-C 7NOW expansion

SEI



Introducing a subscription plan

Around 52% of the U.S. population resides within a two-mile radius of a 7-Eleven store, giving us a competitive advantage. Leveraging this platform, 7NOW is already available at approximately 7,100 stores

nationwide, and we aim to expand its deployment to 8,500 stores by 2030.

Customers can choose from a wide selection of over 2,000 items, with delivery times averaging around 28 minutes.

Frequently purchased merchandise includes hot food (such as pizza and taquitos), snacks, beverages, and age-restricted items such as alcohol. Going forward, 7-Eleven will support online purchases using SNAP (federal food assistance) on 7NOW, catering to SNAP

recipients who shop digitally.

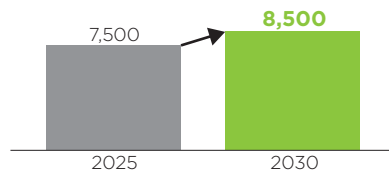
Another noteworthy digital initiative is the Gold Pass subscription plan, launched this year. For \$9.95 per month, subscribing members get unlimited delivery, a 5-cent discount per gallon of gas, seven free drinks per month, and 10% cash back on 7NOW purchases.

Eventually, we plan to integrate car wash services into this plan. This will enhance customer loyalty as we seek stable revenue through omnichannel operations.

7NOW business expansion plan

7NOW delivery service

Growth in 7NOW stores (stores)

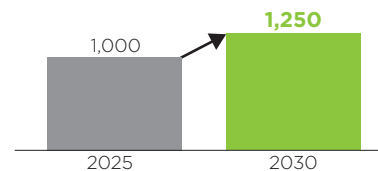


Strong 1H FY2025 7NOW performance

Growth rate of existing store sales:	+21.3%
Average customer spend per transaction:	\$15.37
Industry-leading delivery time:	Approx. 28 minutes
Operating margin:	Approx. 12%

Growing 7NOW to a billion-dollar business

7NOW sales (millions of U.S. dollars)



Growth drivers

- Expand store coverage
- Grow Gold Pass memberships
- Grow fresh foods & restaurants



IV. Growth Opportunities for CVS Operations

2-C 7NOW expansion

SEJ



New mobile ordering functionality

As of February 28, 2025, SEJ has completed its nationwide rollout recommendation for the 7NOW delivery service. Following this rollout, 7NOW's sales have shown steady growth. However, the habit of mobile

ordering for everyday meals has yet to fully take root in the Japanese market. Therefore, SEJ will achieve further growth through steadily addressing each challenge in sequence, such as improving usability and reducing the burden on stores.

Regarding usability, we are working to lower the barriers to placing 7NOW orders by implementing measures such as allowing orders without prior membership registration and integrating the 7NOW ordering function into the 7-Eleven app.

Furthermore, to integrate into the lifestyle habit of ordering meals online, we will introduce a new mobile ordering feature to the 7NOW app starting in spring 2026, giving users the new purchasing experience option to picking up freshly made items at a nearby store. By allowing customers to choose between delivery and pickup within the same 7-Eleven app based on their lifestyle situation, we aim to establish the habit of mobile ordering for daily meals as part of Japan's food culture and expand 7NOW sales.

7NOW business expansion plan

Analysis of current status



Consumer sentiment

- Heightened customer price sensitivity due to inflation
- Not accustomed to ordering ready-to-eat CVS products online



7NOW's issues to be solved

Usability

Orders accepted only via 7NOW app
Not linked with other apps

Customer value

Unable to purchase desired quantity
Affected by store inventory levels

Delivery from store

1

Improving usability Rollout seamless ordering



Integration with 7-Eleven apps and external apps

- Expand contact points with customers
- Enable seamless shopping experiences

Pickup in store

2

Customer value enhancement Rollout mobile ordering on 7NOW app

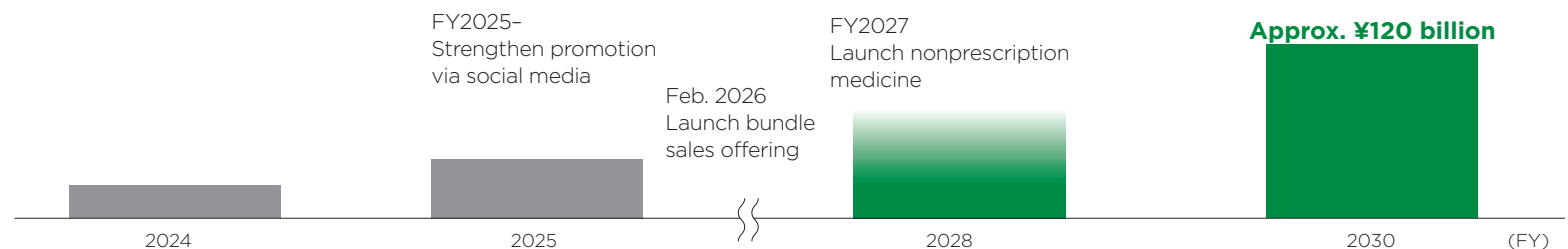


Start of in-store pickup orders

- Expand assortment
- Prepare desired products in desired quantities in advance
- Strengthen handling of freshly made and exclusive products

1 Roll out seamless ordering in FY2026 (no download or login required)

2 Roll out mobile ordering in February 2026



IV. Growth Opportunities for CVS Operations

2-D SG&A control across the value chain

Further reducing SG&A expenses

The corporate business environment contains numerous highly uncertain factors, including economic trends. To achieve steady growth within this environment, it is essential to strictly manage controllable factors.

Based on this approach, our domestic and international operating companies are focusing on managing SG&A expenses. We will invest the funds generated by this initiative in areas where our customers can tangibly experience value, thereby enhancing our competitive advantage. SEI has focused on these control efforts since FY2024, generating results that contribute to improved profitability. SEJ has also initiated Companywide efforts starting in FY2025, taking the entire value chain into consideration, and contributions to profit improvement are anticipated.

SEI



Maintaining cost leadership

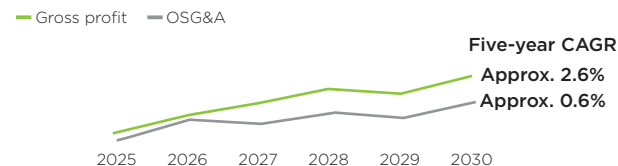
SEI will continue to keep the increase in OSG&A expenses below the growth in sales and gross profit, leveraging reduction impact to improve profitability.

SEI has comprehensively reviewed the cost structure across its entire business, including merchandise and gasoline costs, store expenses, and other costs. Through numerous negotiations and procurement activities, it has achieved cost reductions and will continue its cost leadership initiatives and gross profit margin improvement measures, which have contributed to enhanced profitability.

Controlling OSG&A across the value chain



Year-on-year change of OSG&A and gross profit



Plan through 2030

- **Sustain cost leadership** by keeping OSG&A growth below top-line and gross profit growth
- **Accelerate top-line growth** through investments in new stores, restaurants, and food platform expansion
- **Improve merchandise margin** through cost of goods negotiations, waste reduction, value chain enhancements, and private brand growth

SEJ



Identifying cost control areas

In July 2025, SEJ began identifying areas for transformation in cost control and plans to refine the plan within FY2025. Actionable items will be immediately implemented to generate results.

Going forward, funds generated through cost reductions in each area will be reinvested to support franchisee growth. This includes enhancing promotions, renovating stores, introducing labor-saving equipment, and providing labor support, all aimed at boosting top-line growth.

Cost control to enable growth investment

SG&A control improvement areas (excerpt)



- **HQ costs** Land and building rent, maintenance and repair costs, etc.
- **Store operations** Utilities cost, etc.
- **Marketing** Payment fees, etc.



Reinvesting reduced SG&A expenses into franchise store growth

- **Franchise store growth** Promotion enhancement, renovation, etc.
- **Franchise store support** Introduction of labor-saving equipment, HR support, etc.

- **Immediately execute** areas where we can win quickly
- **Expand the profit pool across the value chain**

Expected effects of the transformation program to be explained in Spring 2026

IV. Growth Opportunities for CVS Operations

2-E Accelerated proprietary product & private brand expansion

SEI



Developing private brand product for a new category

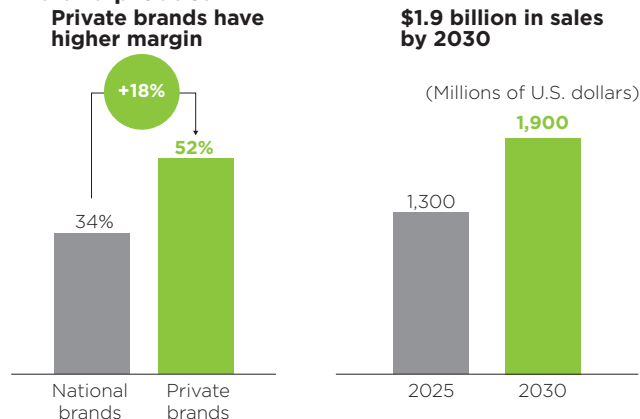
PB product will play a crucial role in SEI's future.

PB product provides customers with high-quality, differentiated merchandise and value while generating higher gross profit margins and strengthening the 7-Eleven brand.

SEI's PB product has a gross profit margin of 52%, significantly ahead of the 34% for national brand product (NB). PB product allows us to provide quality equivalent to or exceeding that of NB product at a lower price.

Over the next few years, PB product sales are expected to grow from \$1.3 billion to \$1.9 billion by 2030.

Enhancing profitability through private brand product



2-F Maximize fuel vertical integration opportunities

SEI



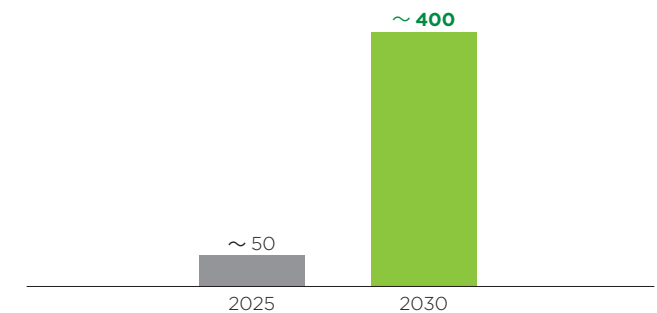
Generating \$400 million in EBITDA

SEI, the largest fuel retailer in the United States, aims to capture untapped profits within the supply chain and improve profitability by leveraging its scale and vertically integrating the value chain.

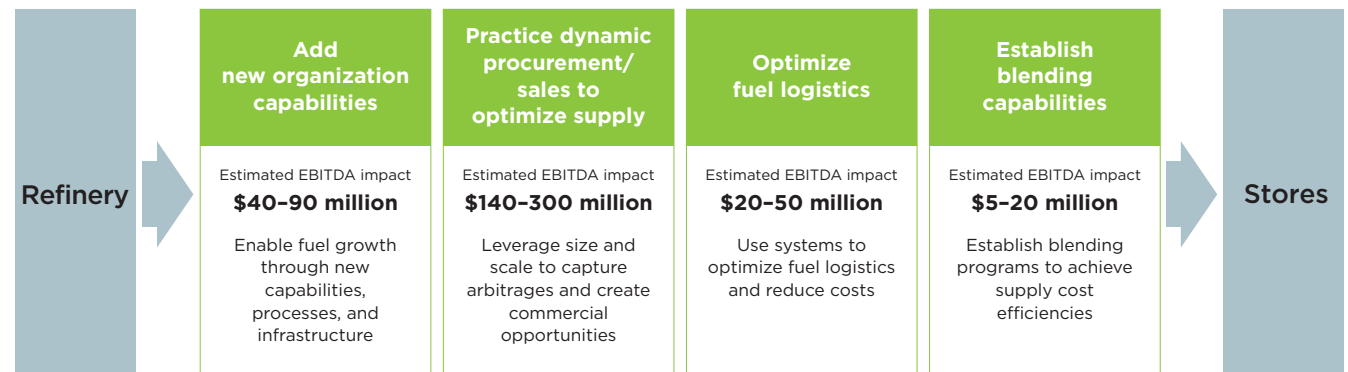
Through strategic expansion into the upstream fuel supply chain, we will leverage our scale to optimize fuel logistics within the system and achieve cost reductions. Furthermore, while securing access to logistics infrastructure, we will continue to optimize our own network by leveraging fuel supply opportunities to customers. To achieve our goals, we are hiring industry experts, defining system requirements and beginning development for energy trading and risk management

(ETRM), and advancing the evaluation of our existing supply portfolio and partnerships. Beyond 2028, we will strengthen organizational capabilities, establish industry-standard practices and processes, and ultimately aim to generate \$400 million in EBITDA by 2030.

EBITDA growth plan (millions of U.S. dollars)



Key initiatives for vertical integration



IV. Growth Opportunities for CVS Operations

2-G Enhance customer engagement

SEJ



Strengthening our marketing system

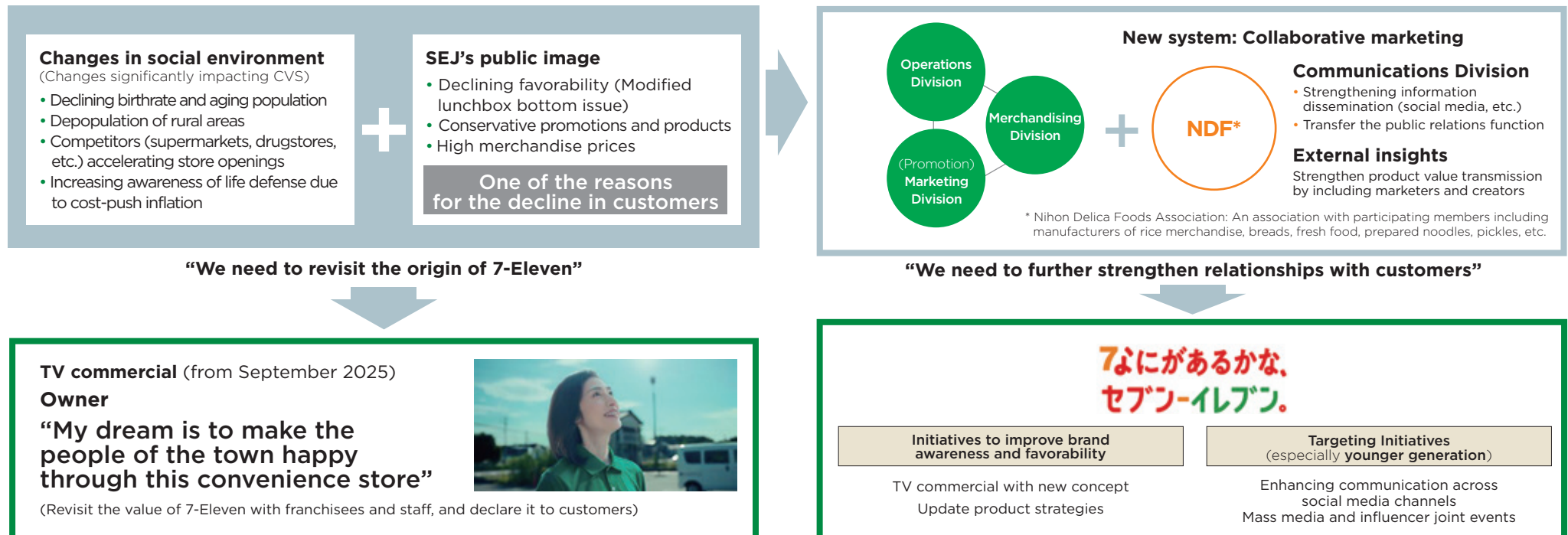
SEJ's leadership team recognizes that 7-Eleven's previously positive image has faded amid recent societal changes, identifying this as a critical management

challenge and advancing efforts by revisiting 7-Eleven's founding principles.



As a starting point, we have revamped our TV commercials to convey a message from the franchise owner's perspective: "My dream is to make the people of the town happy through this convenience store." Additionally, we adopted "What's in store, 7-Eleven?" as our new catchphrase, emphasizing that visiting 7-Eleven always offers something new and exciting.

These marketing activities were traditionally driven by three separate divisions: Operations, Merchandising, and Marketing. However, starting in September 2025, a new Communications Division was established, and the four divisions now collaborate to advance these initiatives.

Strengthening customer relationships to improve the "7-Eleven" brand



V. Operational KPIs toward 2030

	SEI 	SEJ 
2-A Food Offering	Add 1,100 restaurants	Enhance capability in 5,000+ stores
2-B Store Network	Add 1,300 new stores	Net increase of approx. 1,000 stores
2-C 7NOW	Add 200 stores/year \$1.25 billion delivery sales	Approx. ¥120 billion in sales
2-D SG&A	Slower increase than gross profit growth	SG&A ratio under 12%
2-E PB/Proprietary Product	PB sales growth: CAGR at 6.5%	—
2-F Fuel Opportunities	Achieve approx. \$400 million EBITDA uplift	—
Consumer Perception	Merchandise APSD CAGR at 2.4%	APSD CAGR at 2.0%

VI. Roadmap toward 2030

	FY2024 results* ¹	FY2028 plan	FY2030 plan	Growth (FY2024-FY2030)
Revenues from operations	¥10.0 trillion	Approx. ¥10.3 trillion	Approx. ¥11.3 trillion	CAGR Approx. 2.0%
Gross profit from operations	¥2.7 trillion	Approx. ¥3.0 trillion	Approx. ¥3.4 trillion	CAGR Approx. 3.9%
SEI SEJ	¥1,757 billion ¥843 billion		Approx. ¥2.1 trillion Approx. ¥1.1 trillion	CAGR Approx. 2.5% CAGR Approx. 4.0%
SG&A	Approx. ¥2.3 trillion	Approx. ¥2.4 trillion	Approx. ¥2.6 trillion	Same level of SG&A
EBITDA	Approx. ¥0.9 trillion	Approx. ¥1.1 trillion	Approx. ¥1.3 trillion	CAGR Approx. 7.0%
SEI SEJ 7IN	¥573 billion ¥323 billion ¥26 billion		¥0.9+ trillion ¥0.4+ trillion ¥50+ billion	CAGR Approx. 7.5% CAGR Approx. 4.0% CAGR Approx. 14.0%
EPS	Approx. ¥86	Approx. ¥148	Approx. ¥210	CAGR Approx. 17.0%
ROIC* ²	4.8%	Approx. 8.6%	Approx. 12.6%	+Approx. 7.8%
SEI SEJ 7IN	6.0% 21.4% 6.7%		Approx. 10.5% Approx. 22.0% Approx. 11.5%	+Approx. 4.5 ppt. +Approx. 0.7 ppt. +Approx. 5.0 ppt.
Debt/EBITDA	2.5x	Approx. 1.1x	Approx. 0.6x	-Approx. 1.9x

*1 Pro forma with YHD and 7BK being equity method affiliates through full year

*2 Based on current J-GAAP. ROIC = {Net income + Interest expense x (1 - Effective tax rate)} / {Owner's equity + Net interest-bearing debt (both the averages of the figures at the beginning and the end of each fiscal year)}.

Message from the CFO

Achieving the goals of our transformation plan and fulfilling every promise made to our stakeholders

Yoshimichi Maruyama
Director, Managing Executive Officer & CFO



Introduction: Commitment to transformation

In September 2025, the Seven & i Group transitioned to a structure focused exclusively on the CVS business and began advancing various transformation initiatives aimed at further growth in the global market. As CFO, at this major turning point for the Group, I would like to share my perspective on our current challenges and my commitment to sustainably enhancing corporate value.

We are keenly aware that our current corporate and shareholder value, as reflected in our stock price, do not

fully represent our true capabilities. This indicates that there is room to further strengthen market expectations for future growth. Building upon the lessons we have taken from past shortfalls in achieving our plans, we will make enhancing shareholder value our top priority and make every effort to achieve this end.

Harnessing our past experiences and lessons learned as the driving force for our next phase of growth, we will deliver our transformation plan and steadily fulfill the commitments made to our stakeholders.

Rebuilding Seven & i's structure as a CVS business group

This past year has been one of significant changes for the Company. Following the recommendations of the Strategy Committee in April 2024, we have implemented initiatives to maximize corporate and shareholder value for the Group, significantly transforming our structure. Furthermore, since the launch of the new management structure in May 2025, we have established a more effective governance system and announced our roadmap through 2030 in the "Transformation of 7-Eleven" document.

The most significant aspect of this transformation plan is that Seven & i Holdings now specializes in the CVS business. This marks a departure from our previous structure, under which management was conducted separately for each business, each facing distinct operational challenges. Under the new structure, the Company has shifted toward operations centered on a unified 7-Eleven framework. As a result, our management strategy has become clearer, and we are now aligned as a single business entity, prioritizing the allocation of management resources to achieve Groupwide objectives. This represents a significant shift from our previous approach to both business and financial operations, and we believe it will strengthen organizational unity, improve efficiency and accelerate the Company's growth.

With respect to the speed and direction of these transformations, we are receiving earnest opinions from stakeholders. "The direction is clear. Now, it's time to deliver results." We are taking concrete actions to deliver

Message from the CFO

those results. While we have earned a degree of trust, we recognize that we are only halfway there. To solidify this trust, we believe it is essential to steadily fulfill the commitments that we have made and demonstrate our progress through tangible results. We understand that our ability to execute is being tested now more than ever, and we will continue to meet this challenge by diligently executing our plans and delivering results.

Enhancing shareholder value with ROIC as a core metric

As mentioned at the beginning of this message, enhancing shareholder value is our top priority. We believe the primary reason our shareholder value has been slow to improve is low capital efficiency. While quantitative growth, such as EBITDA growth, has been solid to date, improving capital efficiency, particularly at SEI, is an

urgent priority.

We are determined to change this situation. We will make ROIC a core KPI and raise it to a level comparable to global peer CVS companies—specifically, 8.6% in FY2028 and 12.6% in FY2030. To improve ROIC, we must manage both the numerator and denominator of this metric: growing profits while optimizing invested capital.

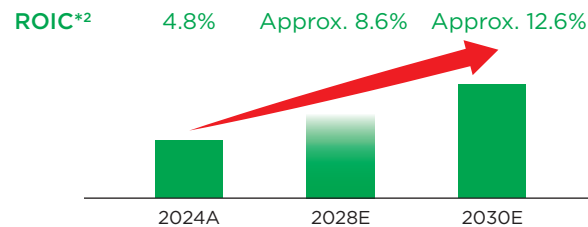
Furthermore, we are preparing for the adoption of IFRS, with implementation starting in FY2028. This will enable stakeholders to compare the Company with global peers on a consistent basis. For example, transitioning from Japanese GAAP to IFRS will eliminate the amortization of goodwill exceeding ¥130 billion based on FY2024 results, boosting profits and increasing EBITDA by several hundred billion yen.

Regarding profit growth, it is essential to deliver results through a customer-centric growth strategy and disciplined execution. Through reflection on our past performance, we have recognized that our sustained growth has led to a weakening of our proactive stance—particularly in anticipating changes to customer behavior and exceeding their expectations. We believe this is a shared challenge in both Japan and the United States.

At SEJ, we tended to believe that if we kept creating high-quality products, customers would naturally purchase them. However, we received feedback criticizing our prices and merchandise variety. We will confront these concerns head-on, strengthen two-way communication with customers, and shift toward an approach focused on developing and delivering merchandise and services that anticipate customer needs. This will help restore robust store growth across our operating regions. Specifically,

Improving ROIC

Profit Plan*1



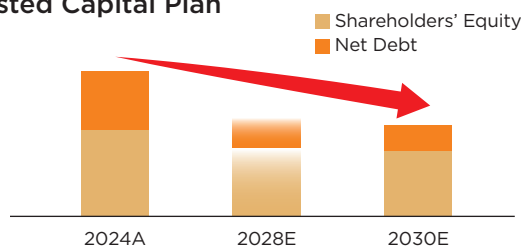
Topline Growth

- Be the customer's first choice for convenience
- Lead with high-quality food and redefine convenience
- Invest in our stores to deliver a superior customer experience
- Global growth underpinned by a broader and more globalized talent base

Profitability Growth

- Execute the transformation program

Invested Capital Plan



Optimize Capital Structure

- Execute share repurchase and capital allocation strategy

No large-scale strategic investments included in the plan above

*1 Net income + Interest expense x (1 - Effective tax rate)

*2 Based on current J-GAAP

Message from the CFO

to address the lack of differentiated merchandise, we are reviewing our merchandise development value chain. In the past, the Merchandising Division led development, while the Operations Division deployed merchandise to stores. Going forward, we need a mechanism to incorporate insights gained through direct customer engagement into merchandise development. To achieve this, we will pursue co-creation marketing that involves not only the Merchandising Division, but also operations, marketing, and communications, creating new value and communicating that value more effectively to customers.

At SEI, amid a challenging economic environment, we are advancing a food-centric strategy to attract customers to our stores. This complements our value-focused initiatives, including the development of merchandise and services tailored to the needs of our core customer base: low- and middle-income earners. At the same time, we are working to strengthen the Japanese food value chain while leveraging the strengths of the Group. Food is an area where regional cultures have a strong influence. Here, we will pursue more rigorously than ever the development of products that earn the support of local customers. In addition, in our fuel business, we will enhance profitability through vertical integration, capturing revenue opportunities across the entire value chain—from refineries to retail stores—including procurement and transportation.

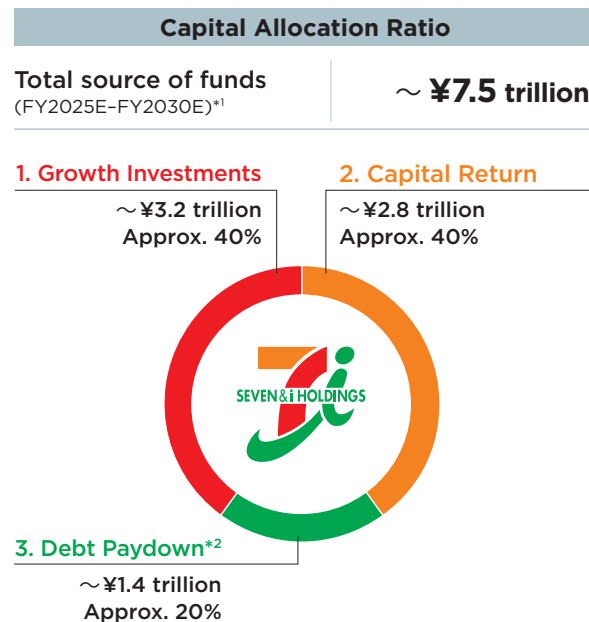
Regarding the optimization of invested capital, we will address this through measures aligned with the capital allocation framework announced in August 2025, as outlined below.

Financial strategy for necessary major investments ahead

Our fundamental policy is to achieve accelerated growth, enhanced shareholder returns and a strengthened financial position in a balanced manner through disciplined capital allocation.

For the period from FY2025 to FY2030, we plan to generate approximately ¥7.5 trillion through a

Enhanced go-forward capital allocation framework

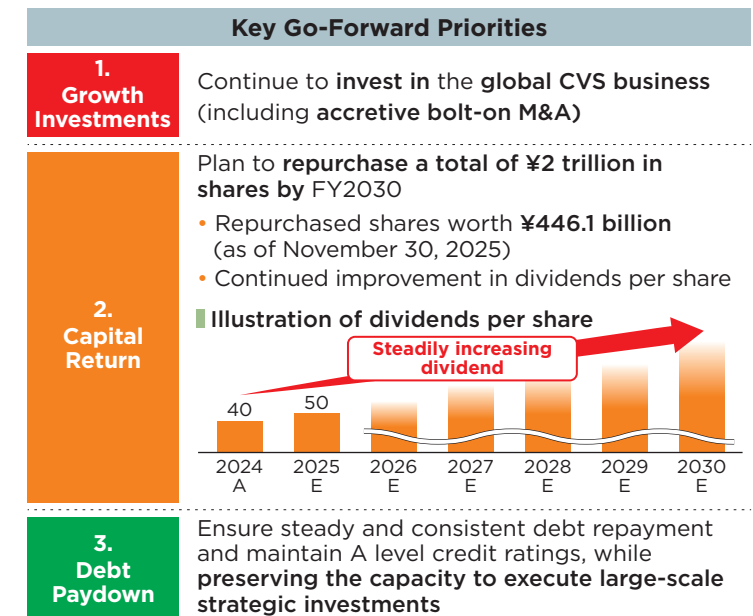


*1 Includes operating cash flow, proceeds from the deconsolidation of the superstore business segment and IPO of SEI

*2 Includes dividends to SEI's minority shareholders

combination of operating cash flow from business growth and capital recovery. We will allocate roughly 40% of these funds each to growth investments and capital returns, with the remaining 20% directed toward debt paydown and other purposes.

Regarding growth investments, we will continue to focus capital expenditures on our global CVS business, allocating ¥3.2 trillion by 2030. This investment includes opportunities for small-scale bolt-on M&A, but the



Message from the CFO

majority will be directed to initiatives for organic growth.

When evaluating investment opportunities, we will apply stricter investment criteria to improve capital efficiency. Previously, our hurdle rates were set at the consolidated level. However, effective investment discipline requires benchmarks that reflect regional risks and economic conditions. Accordingly, we will establish regional hurdle rates going forward to support growth across the Group. As a holding company, we will assess whether investment proposals submitted by each operating company meet these benchmarks. Proposals that meet our criteria will be prioritized under a unified 7-Eleven strategy, while execution discretion will be expanded at the operating company level to allow them greater freedom. For approved investments, the holding company will closely monitor progress and execution, and maintain disciplined governance.



Regarding shareholder returns, we announced in March 2025 our plan to conduct repurchase totaling approximately ¥2 trillion by FY2030. This is a highly significant initiative, representing the cancellation of approximately one-third of our outstanding shares. However, our current stock price suggests that the market has not yet fully recognized its impact. Therefore, we will continue to execute this plan steadily, including the ongoing ¥600 billion repurchase, while further strengthening our efforts to communicate the significance of this initiative to the market.

Furthermore, among the KPIs outlined in our roadmap toward 2030 (see p. 29), our Debt/EBITDA ratio of 0.6 times for FY2030 assumes normal business operations and is not a target in itself. Rather, we want our stakeholders to understand that this level reflects our commitment to prepare for the next phase of growth by maintaining the financial capacity and flexibility to support future growth, including the ability to execute large-scale strategic investments when appropriate, while maintaining strict financial discipline. The disclosed plan does not incorporate large-scale strategic investments. We will therefore continue to secure a strong financial foundation and establish a framework that allows us to implement measures to improve capital efficiency at the appropriate time.

While this capital allocation plan may be viewed as ambitious by external observers, we are confident that there remains further room for growth, particularly as it does not incorporate large-scale strategic investments. We believe the most important priority is to deliver results steadily and, in doing so, strengthen our credibility.

Fostering a corporate culture of taking on challenges

We believe the most important element of our plan is the transformation of our corporate culture. We will move away from a traditional model of goal achievement driven primarily by top-down directives, which relied on strong central control, toward a culture in which each individual takes ownership, thinking independently about what role they should play to achieve our 2030 targets. Through this shift, we aim to foster an environment where employees can think creatively and innovate. SEJ President Tomohiro Akutsu has called for the establishment of an “Error & Learn” culture, where employees learn quickly from mistakes and apply those lessons to future efforts. This approach is aligned with our founding philosophy, and with the emphasis placed by CEO Stephen Hayes Dacus across the Group on maintaining a spirit of humility and aggressiveness.

To transform our corporate culture, it is crucial not only to cultivate talent internally, but also to actively bring external talent into the Group. As we pursue our goal of becoming a global retail company, we recognize that we currently lack sufficient talent fully aligned with that ambition. Given the need for swift transformation, it is essential that we recruit outstanding talent from outside the organization. To this end, we will strengthen our recruitment efforts, including hiring individuals from different industries and from outside Japan.

In addition, we will integrate the specialized knowledge and expertise in technology, supply chain development, and talent development drawn from our

Message from the CFO

diverse global workforce into an integrated Center of Excellence built on a unified 7-Eleven philosophy. This will allow us to better leverage these capabilities across regions. Through these initiatives, we will advance the integration of previously fragmented regional systems and strengthen global procurement with key suppliers.

To enable diverse talent to thrive in the global marketplace, we must also significantly transform our talent assignment and compensation systems. In particular, compensation frameworks currently differ between SEI in the United States and SEJ in Japan. While achieving complete uniformity is difficult given regional differences, at a minimum we must align our fundamental approach to compensation in order to support talent mobility. For example, for employees transferring to the United States, where the cost of living is high, it is necessary to introduce a flexible system that maintains compensation at a level that is comparable in real terms to what they received while working in Japan.

Meanwhile, as part of our management culture transformation, CEO Dacus himself has significantly changed the way how communication takes place within the decision-making process. As a general rule, within the holding company, meetings with internal directors are held daily, and weekly one-on-one meetings are conducted with the heads of operating companies. Additionally, we have begun holding monthly business review meetings between the operating companies and the holding company's management team.

By significantly increasing the frequency of these interactions, we have been able to share in greater depth the progress of plans, challenges, and our competitive positioning. As a result, issues are identified and shared

earlier, improving both the speed and effectiveness of our responses. For example, through dialogue, it became clear that the challenges faced by SEI and SEJ share more structural similarities than previously anticipated. With this understanding, we initiated discussions from the perspective of what is best for the Group as a whole. By increasing the frequency and depth of communication in this way, and by driving the management PDCA cycle forward, we aim to achieve results more quickly.

Continuously leveraging issues raised as opportunities for management

We view engagement with our shareholders and investors as a key initiative in enhancing shareholder and corporate value. In FY2024, we held individual meetings with 475 companies in Japan and overseas, and further strengthened our engagement through IR Days and overseas roadshows. Feedback received from investors is promptly shared with the Board of Directors and operating companies and is reflected in actions to strengthen our strategy and disclosure practices. In fact, many of our strategic initiatives are direct responses to issues raised by investors, and we believe that deepening mutual understanding through dialogue is essential.

Going forward, we will further strengthen our investor and shareholder relations (IR/SR) activities to accurately identify the highest-priority issues they expect us to address and incorporate these into our plans and strategies. In addition, as discussed earlier in relation to the Debt/EBITDA ratio, we will continue to communicate clearly and consistently through a range of channels to ensure that our intentions are widely understood.



In conclusion

We recognize that this large-scale transformation will not be an easy journey. However, by returning to our founder's spirit of "trust and sincerity" and "responding to change," we will actively drive transformation with humility and aggressiveness, delivering tangible results step by step. We believe this journey reflects our sincerity and will earn the trust of all our stakeholders. We will pursue this transformation with strong resolve and dedicate our full efforts to creating new value for the future.

Communication (Dialogue) with Shareholders and Investors

 For details, please visit our corporate website.
<https://www.7andi.com/en/ir/management/governance/shareholder.html>

REPORT 1

IR/SR activity policy

The Company carries out investor and shareholder relations activities to deepen understanding by various stakeholders of our management strategy, which is aimed at achieving the Group's vision. Our goal is to cultivate expectations for increased corporate value and shareholder value through sustainable growth.

In FY2024, we held financial results presentations, IR Days, overseas roadshows, small meetings, and others. In response to requests from shareholders and investors, we have also facilitated dialogues between our upper management and our shareholders and investors.

■ Dialogue with shareholders and investors: Track record (FY2024)

Type of dialogue	Results	Activities
Financial Results Presentation	4 times	<ul style="list-style-type: none"> Results for Q2 and Q4 presented by the CEO, CFO, and persons responsible for individual businesses Results for Q1 and Q3 presented by the CFO and persons responsible for individual businesses
Group Meeting	16 times	<ul style="list-style-type: none"> Group meetings attended by the CEO, CFO, and persons responsible for individual businesses, held approximately four times each quarter (with analysts and institutional investors participating, resulting in dialogue with a total of 302 companies)
Conference Organized by Securities Companies	6 times	<ul style="list-style-type: none"> Conducted with attendance from the CFO and members of the Investor & Shareholder Relations Department, engaging in dialogues with a total of 62 institutional investors
IR Day	2 times	<ul style="list-style-type: none"> Held IR Days twice in 2024 (April and October) The CEO, CFO, CSuO, and persons responsible for individual businesses attended, introducing the Group's medium- to long-term strategy and sustainability strategy, as well as measures in line with these
Overseas Roadshow	2 times	The CEO, CFO, and persons responsible for CVS operations in North America visited institutional investors in North America, Europe, and elsewhere to explain the Group's strategy and gain feedback. Conducted dialogues with a total of 58 institutional investors
Interview (Of which, Japanese institutional investors, etc.)	475 companies (239 companies)	Conducted dialogue on business performance and sustainability initiatives, with attendance not only by the Investor & Shareholder Relations Department, but also the CEO, CFO, CSuO, and persons in charge of other relevant departments when required
(Of which, overseas institutional investors, etc.)	(236 companies)	
Business Presentation	2 times	Made explanations on merchandise policies and initiatives by Director of the Merchandising Division, SEJ

■ Major themes of dialogue (FY2024)

Major dialogue theme	Specifics
The Company's standalone management measures	<ul style="list-style-type: none"> Growth strategy for the CVS business and enhancement of its cash generation capability Significance and feasibility of SEI's IPO Business portfolio transformation (deconsolidation of YHD and 7BK) Approach to capital allocation (growth investments, repayment of interest-bearing debt, shareholder return)
Acquisition proposal by Alimentation Couche-Tard Inc. (ACT)	<ul style="list-style-type: none"> Engagement with ACT by the Special Committee Consideration process by the Special Committee Issues under U.S. antitrust law
Business performance	<ul style="list-style-type: none"> Factors contributing to the sluggish performance of domestic and North American CVS operations and the outlook for recovery Effectiveness of strategic measures for North American CVS operations Growth potential for domestic CVS operations
Environment	<ul style="list-style-type: none"> Status of implementing measures to address climate change (reduction of CO₂ emissions and response to TCFD/TNFD recommendations) Reduction of food loss/waste and plastic
Sustainability-related Social	<ul style="list-style-type: none"> Quantitative targets and disclosure regarding the promotion of women and human capital Status of utilizing employee engagement Product development for healthy diets Human rights risk management in the supply chain
Governance	<ul style="list-style-type: none"> Membership composition and discussion content of the Strategy Committee and Special Committee CEO appointment process, process for selecting candidates for future directors, and succession plan Policy for strengthening the Company's governance structure

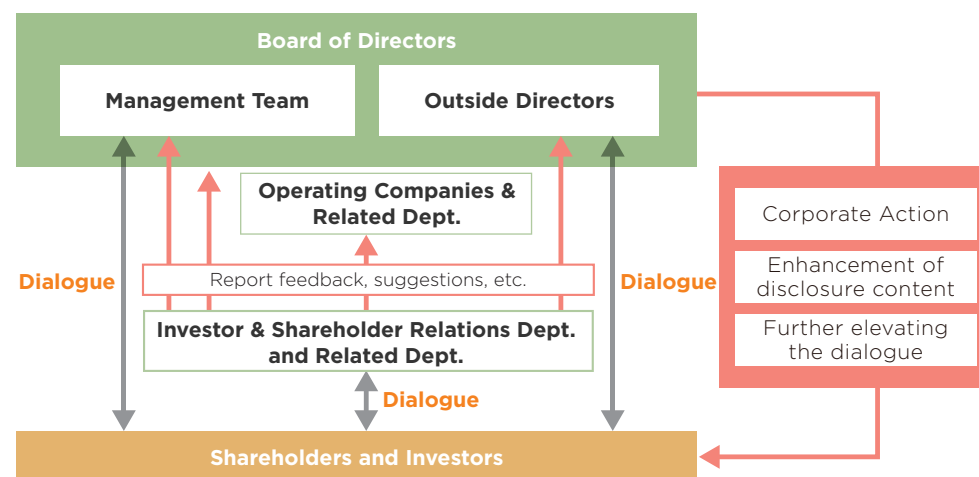
Communication (Dialogue) with Shareholders and Investors

 For details, please visit our corporate website.
<https://www.7andi.com/en/ir/management/governance/shareholder.html>

REPORT 2

A cycle for enhancing corporate value with investor engagement

The Company's management team and the persons responsible for individual businesses create opportunities for dialogue with shareholders and institutional investors in Japan and overseas through individual interviews, overseas roadshows, group meetings, and IR Day events. Feedback from shareholders and institutional investors is regularly reported to the management team and the Board of Directors, where discussions are held, and this feedback is reflected in corporate actions and decisions.



Feedback to management team and the Board of Directors

Main Report Content	Results	Topics
Regular Quarterly Report	4 times	Reports on analyst earnings forecasts, stock price trends, etc.
Status of Financial Results Presentation	4 times	Reports on analyst reports and participant key interests
Status of Overseas Roadshow	2 times	Reports on key concerns, feedback, and dialogue from shareholders and investors
Status of IR Day	2 times	Reports on analyst reports and participant key interests
Others	Timely basis	Reports on key concerns and feedback from shareholders and investors

Sustainability Driving 7-Eleven's Transformation

To bring about the society we have envisioned in the process of identifying our seven material issues, we have formulated the Sustainability Strategy Map.

Using this tool, we will work to achieve both a sustainable society and sustainable corporate growth.



Sustainability Driving 7-Eleven's Transformation

Message from the Chair of the Sustainability Committee

Reaffirming 7-Eleven's reason for being and driving our transformation



Junro Ito
Representative
Director &
Executive Chair

| Ambition and evolution for the next 100 years

After the Annual Shareholders' Meeting held in May 2025, I was appointed representative director and executive chair. Then, in June, I was appointed as chair of the Sustainability Committee, one of the three committees involved in internal control resolutions.

In September of the same year, the Group

transitioned to a new structure focusing on its CVS business. This has prompted us to reexamine what 7-Eleven is, what value we want to provide in the future, and how each of us should act to achieve this goal, and we have launched a global-level project to accelerate our growth while continuing to build on the strengths we have developed over the years.

The 7-Eleven brand, born in the United States, will celebrate its 100th anniversary next year, in 2027. As we approach this milestone, remind ourselves of our Corporate Creed—being a sincere company that our stakeholders trust—and will continue to take on the challenge of constantly working toward the Transformation of 7-Eleven as we have set out.

In the 100 years to come, our stores, merchandise, and services may take on a very different form than they have in the past. However, our commitment to supporting the enrichment of our customers' daily lives and providing new experiential value remains unchanged. We will continue to provide safe, high-quality, and excellent merchandise and services to our customers, thereby enhancing our social value and corporate value, which will lead to returns to our shareholders.

| Our approach to sustainability: Always maintaining a presence of trust and good faith

The late, famed management scholar Peter F. Drucker, known as the father of management, once said,

"Profit for a company is like oxygen for a person. If you don't have enough of it, you're out of the game. But if you think your life is about breathing, you're really missing something."

These words offer an important insight into the nature of sustainability. For us retailers, responding quickly to the ever-changing needs of our customers and

pursuing sales and profits are essential to the survival of our Company. However, our reason for being is not limited to simply pursuing profits. Our mission is to contribute to the prosperity of local communities and build a sustainable future together with society.

The prosperity of local communities forms the foundation of our business and the source of our growth. We believe that our sustainability as a company will be realized when we gain resonance from our customers, become loved by them, and be accepted as a member of local communities.

| Resolving social issues through business activities

In order to achieve sustainable growth for both society and our Group, it is essential to resolve social issues through our business activities. However, management resources are finite and cannot address all social issues. This is why the Group has identified seven material issues to be prioritized within the pool of social issues in Japan and other countries, and is implementing specific measures after clarifying risks and opportunities (see p. 40).

One successful result of these measures is the complete recycling of polyethylene terephthalate (PET) bottles, in which these bottles collected at the Group's stores are recycled into PET bottles used in proprietary merchandise. In August 2024, we also established Seven & i Energy Management Co., Ltd. as a retail electricity provider, efficiently supplying renewable energy to Group stores (see p. 49).

Furthermore, the cumulative number of participants in SMiLE, a business plan contest for resolving social issues launched in 2022, has reached more than 1,500, leading to many proposals for new business plans. These are aimed at creating new businesses that solve the inconvenience,

Sustainability Driving 7-Eleven's Transformation

dissatisfaction, and unease of customers and society, as well as resolving material issues. Going forward, we will continue to strive to foster a corporate culture that respects and stimulates innovation (see p. 43).

As for our operating companies, SEJ has formulated “Build a joyful future, together” as its purpose, which it strives to achieve through four visions regarding health, community, environment, and human resources under the mission of “Unlocking the next doorway convenience.” Similarly, SEI's approach is called 7impact “Good Made Easy.” Those three simple words encapsulate its strategy to build thriving communities, protect the environment and promote responsible consumption.



Revision of material issues (Materiality)

In 2014, the Seven & i Group identified material issues to be addressed by the Group as a whole in order to meet the expectations and demands of our stakeholders as we strive toward the sustainable development of society and sustainable growth of the Company. Subsequently, we revised these issues through the six-step process below in March 2022, to reflect developments such as changes in the Group's business environment and globalization of our core CVS operations. We then announced seven material issues internally and externally.

Six revision steps

STEP 1 Selection of social issues in Japan and other countries

We identified 480 social issues reflecting inputs including the SDGs, the World Economic Forum's Global Risks Report, and evaluation items used by ESG rating agencies, as well as external environmental changes.

STEP 2 Survey of more than 5,000 stakeholders

We selected 35 items that we believe are relevant to our business and conducted a survey of customers, suppliers, shareholders and investors, and 7-Eleven franchise store owners and employees.

STEP 3 Dialogue with experts

Group management engaged in dialogue with experts knowledgeable on a wide range of sustainability topics, to exchange opinions on the social issues that the Seven & i Group should address.

STEP 4 Identification of material issues reflecting diverse voices

Seven priority issues were identified, referring to the degree of importance to stakeholders and the Company, survey comments, dialogue with experts, and interviews with management of operating companies.

STEP 5 Risks and opportunities related to material issues

We consolidated risks and opportunities related to material issues, to create new initiatives and reduce risks.

STEP 6 Formulating action plans

We formulated concrete initiatives to contribute to solutions to material issues through each operating company's business.

 For details, please visit our corporate website.
<https://www.7andi.com/en/sustainability/theme.html>

Characteristics of our material issues

In making the revisions, we surveyed more than 5,000 stakeholders, including those outside Japan, and reviewed and analyzed more than 1,000 comments.
























In addition, specific action plans were also formulated to ensure feasibility so that each operating company can promptly implement measures to resolve material issues.

Revision of material issues in the transformation of the Group

With the transition to a new structure that focuses on our CVS business, we plan to revise our key priorities. We aim to identify material issues that are more closely linked to management strategies, taking into account their relevance to our CVS business and further global expansion.

Sustainability Driving 7-Eleven's Transformation

■ Seven materiality issues (Materiality)

Material issues		Examples of concrete initiatives to address issues	Risks	Opportunities
1	Create a livable society with local communities through various customer touchpoints  	Management that aims to address community issues including an aging and decreasing population <ul style="list-style-type: none"> Expand 7NOW delivery service and mobile supermarket vehicles Safety Station activities to monitor and ensure community safety and security 	<ul style="list-style-type: none"> Decline in sales opportunities from decrease in the infrastructure of daily life, leading to population decrease, depopulation, and aging population Failure to open new stores as planned because of insufficient coordination with local communities resulting in inability to provide new value, etc. 	<ul style="list-style-type: none"> Gain stakeholder trust through expanded social role as infrastructure for daily life Increase sales opportunities through community revitalization, etc.
2	Provide safe, reliable, and healthier merchandise and services  	Support for an abundant and safe society <ul style="list-style-type: none"> Expanding development and sales of health-oriented merchandise Strengthening quality control structure Sales of merchandise that considers food allergies 	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Increase customer loyalty through rigorous safety and quality control Expand sales opportunities by offering health-oriented merchandise and other new merchandise that matches customers' needs, etc.
3	Realize decarbonization, circular economy, and society in harmony with nature, through environmental efforts       	Environmentally friendly management <ul style="list-style-type: none"> Developing environmentally friendly stores Recycling PET bottles, increasing use of environmentally friendly containers Reducing food loss/waste and recycling organic waste Expanding the lineup of certified merchandise 	<ul style="list-style-type: none"> 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 (GHG) emissions, etc. 	<ul style="list-style-type: none"> Cut costs by saving energy, reducing waste, recycling, and changing energy sources Create brand value as a company at the forefront of environmental measures, etc.
4	Achieve a society in which diverse people can actively participate  	Realizing a society that accepts diverse values and lifestyles <ul style="list-style-type: none"> Hosting childcare and family care support events Providing educational opportunities for future generations 	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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.
5	Improve work engagement and environment for people working in Group businesses   	Becoming a company that provides job satisfaction and sense of accomplishment <ul style="list-style-type: none"> Promoting diversity, equity, and inclusion (DEI) Increasing engagement through human resource development and dialogue Supporting employees' autonomous learning and skill development 	<ul style="list-style-type: none"> Decline in employee engagement from lack of improvement in work environments Difficulty in retaining human resources, outflow of human resources, etc. 	<ul style="list-style-type: none"> Promote diversity to enhance competitiveness Increase productivity by enhancing employees' skills and autonomy Develop new businesses and acquire talented personnel, etc.
6	Create an ethical society through dialogue and collaboration with customers 	Working with customers to make communities thrive <ul style="list-style-type: none"> Public awareness and cooperation with customers (food drives, turning off lights, etc.) Improving services using customer opinions 	<ul style="list-style-type: none"> Inability to offer new value through merchandise and services from delayed response to changes in consumer lifestyles and diversification of values, etc. 	<ul style="list-style-type: none"> Expand sales opportunities by offering merchandise and services addressing ethical consumption Work with customers to increase customer loyalty, etc.
7	Achieve a sustainable society through partnerships      	Working with business partners to achieve a thriving society <ul style="list-style-type: none"> CSR audit of business partners (eradication of forced labor and child labor) Administrative services (issuance of official documents) Working with local governments to develop local merchandise 	<ul style="list-style-type: none"> Interruption of merchandise supply, deterioration of merchandise quality, or boycotts associated with labor conditions, human rights issues or compliance violations in the supply chain, resulting in loss of social trust, etc. 	<ul style="list-style-type: none"> Increase resilience through sustainable raw material sourcing Provide new merchandise and services in cooperation with business partners, other industries, same industry, etc.

Sustainability Driving 7-Eleven's Transformation

Integrating management and sustainability

As the term “global boiling” suggests, climate change is becoming more serious on a global scale and is beginning to have a direct impact on business activities. With record high temperatures being constantly broken, we are seeing the manifestation of risks where reduced raw material yields make it difficult to provide coffee, *onigiri* (rice balls), and other items with great taste, as well as reduced customer traffic due to extreme heat and extreme weather conditions. In addition, it has become clear that heightened geopolitical risks can lead to supply chain

fragmentation, affecting the lives of our customers and our business.

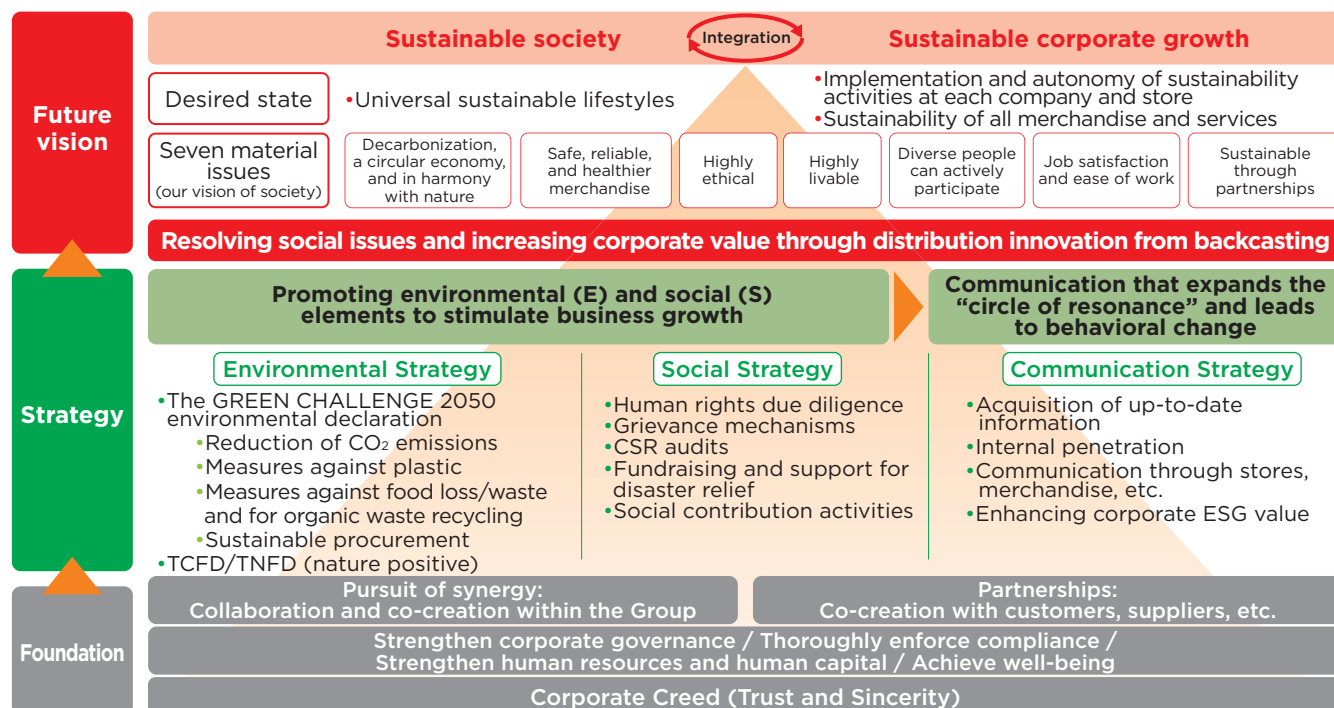
We believe that anticipating these major changes and identifying medium- to long-term risks and opportunities with an eye to their impact on business 10 to 20 years from now is the foundation of sustainable management. Therefore, the Group aims to strengthen the resilience of its business by quickly initiating risk mitigation measures and to achieve sustainable growth by making the most of the opportunities identified and incorporating them into its management strategy. We are

convinced that integrating management and sustainability in this way is the key to increasing the competitiveness of the Company for the future.

Formulation of the Sustainability Strategy Map

In FY2024, we formulated the Sustainability Strategy Map. This map is a systematic summary of our foundation, strategies, and goals to realize the vision of society that we developed in the process of identifying material issues, and to achieve both a sustainable society and sustainable corporate growth. We will stimulate sustainable business growth through the implementation of our Environmental Strategy and Social Strategy, and at the same time, will work together to create a more secure, comfortable, and sustainable society by evoking resonance from our stakeholders through our Communication Strategy, which will lead to behavioral change.

Sustainability Strategy Map



Main measures in FY2024 and in FY2025 through September

Publication of the “CLIMATE and NATURE Disclosures”


In October 2024, we formulated the Seven & i Holdings Nature Policy to clarify our stance toward the realization of a nature positive* state. In September 2025, we issued an integrated report based on the TCFD and TNFD, which also estimates the financial impact of climate and nature-related risks and includes measures to address them (see p. 46 and 47). We will maintain efforts to promote integrated and strategic environmental measures, taking into account the interrelationships and mutual effects between environmental issues, as well as the perspective of resource recycling.

* To stop and restore loss of biodiversity

Sustainability Driving 7-Eleven's Transformation

• Social contribution activities with a view to global collaboration

As the Group supports the operations of approximately 86,000 7-Eleven stores worldwide, we are strongly aware of the importance of social contribution activities to help local communities. Therefore, we are engaged in various initiatives for education, social welfare, the environment, and disaster relief around the world. Social contribution activity expenses for the eight Group companies worldwide exceeded ¥1.73 billion, or approximately 1.0% of the Group's net income attributable to owners of parent for the fiscal year ended February 28, 2025.

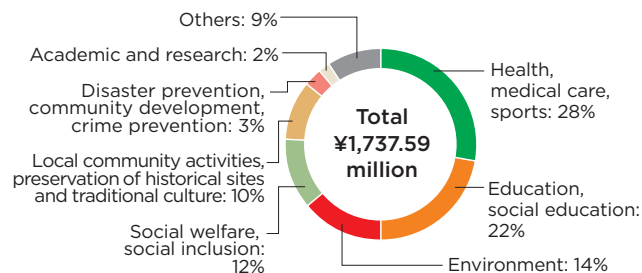
 For details, please visit our corporate website.
<https://www.7andi.com/en/sustainability/social-contribution.html>

We also conduct fundraising activities in our stores, on our website, and at charity events. The donations received from our many stakeholders are used to provide assistance to those in need through government agencies, NPOs, NGOs, and others. In FY2024, we raised approximately ¥3.06 billion in donations.

To visualize the social impact of our sustainability activities, SEI and 7IN publish an Impact Report.

 2024 7-Eleven Impact Report.pdf (SEI)
 Impact Report 2024.FINAL (7IN)

■ Social contribution activity expenses in FY2024



We are currently surveying the status of activities in each region, and will continue our social contribution activities with a view to global collaboration in the future.

• Revision of business continuity plan

We have formulated a business continuity plan (BCP) to minimize the impact on our business in the event of a major disaster and to ensure that we can continue to operate our stores and provide services and fulfill our role as a social infrastructure that supplies merchandise essential to our customers' lives.

In FY2024, we made major revisions to our BCP and implemented business continuity management activities, including education for employees and verification and review of the plan through training.

• Development and implementation of an employee app

Based on the idea that understanding and practice by employees are essential to creating behavioral change in society as a whole, in March 2024, we developed the "Sasutena Smile App"

for employees to learn about environmental and social issues while having fun and developing good habits toward resolving these issues. Points are awarded for sustainability activities, resulting in donations to the 7-Eleven Foundation. The app is popular not only for providing basic knowledge and important information on sustainability, but also for its ability to check the activities of each company within a



single app. The number of registrations is growing steadily, building the circle of "smiles" wider and wider.

• Toward behavioral change in society

In August 2025, as a participating company in the Japan Climate Leaders' Partnership (JCLP), we endorsed the establishment of the "Day to End Too Hot Summer." The head of our Sustainability Development Office, acting as one of the JCLP executive members, addressed the press conference on our endorsement and expressed our desire to create an opportunity to rethink heat as a climate change issue, to stop the climate crisis for the sake of future generations, and to use this as a starting point to transform the entire social system.

Going forward, the Group will continue to work with its various stakeholders to resolve social issues through its business activities, aiming for sustainable growth of society and the Company as a group that is indispensable to the lives of its customers around the world.



Press conference announcing the establishment of the "Day to End Too Hot Summer." Second from left: Executive Officer Nobuyuki Miyaji.

Sustainability Driving 7-Eleven's Transformation

TOPICS

• About the SMiLE* business plan contest

The modern society we live in has many challenges.

These challenges range from battles against time to how to lead a richer life. Every challenge is important to the parties involved, and it is important to discover the issues and seek solutions.

We are working to develop new businesses at each of our operating companies based on the concept of “1 Action 2 Values.” This concept aims to solve the issues facing our customers in a sustainable way that can achieve both economic and social value at a high level, through sustainable business.

■ Greater business value creation with 1 Action 2 Values



To further these efforts, the SMiLE program, a business plan contest for resolving social issues, solicits challenges to be solved from employees and, under the guidance of experts, develops a business model proposal that will lead to solutions.

* SMiLE: An abbreviation for the program's tagline, “Seven & i Mirai innovation Leading Engine”

• SMiLE initiatives to date

The SMiLE program, which began in 2022, entered its fourth year in 2025. During this period, a total of 1,014 business model proposals were submitted, and the seven projects selected by the final screening committee are still active.

The SMiLE2024 final judging session (“Changer’s Pitch”) was held in December 2024 at the head office in a first-ever hybrid in-person and online format, with a total of more than 600 Group employees supporting the finalists’ passionate pitches.

In addition, the presidents and corporate officers of each of our operating companies serve as judges, the beginnings of a newly fostered corporate culture that encourages innovation throughout the Group.



SMiLE2024 final judging session

• The vision of the SMiLE program

Group employees who participate in the SMiLE program can quickly acquire mindsets and skills that are difficult to acquire in their daily work, such as a relentless customer orientation, strong foresight, presentation skills, and

the ability to involve others. Our hope is that all those in the Group will harness these strengths to grow into a workforce that is capable of working in both existing and new businesses.

Among past participants, an increasing number of employees within the Group are discovering their own growth and potential in various ways. Some have taken projects proposed at SMiLE back to their companies to enhance existing businesses, while others have leveraged their participation in SMiLE to excel in departments related to new businesses.

■ The SMiLE vision



Through the SMiLE program, the Group vision is to discover and develop human resources with the right mindset and skill set, thereby accelerating the development of a corporate culture that encourages innovation independently at each of the operating companies. Going forward, we will continue to take on the challenge of fostering a corporate culture that stimulates ambition and creativity.

Environment: Disclosure of Information Based on the TCFD and TNFD

Approach to environmental information disclosure

In order to realize decarbonization, circular economy, and society in harmony with nature as stated in Material Issue 3, the Group has set targets and ideal states for 2030 and 2050 in its GREEN CHALLENGE 2050 environmental declaration made in 2019, and is promoting efforts to achieve these targets.

Given that environmental issues have complex interrelationships and mutual effects between each other, we are engaged in integrated risk and opportunity analysis, formulation of countermeasures for each, and information disclosure based on the recommendations of the TCFD and TNFD. In September 2025, we published the “CLIMATE and NATURE Disclosures: Integrated report based on TCFD/TNFD recommendations” document.



 CLIMATE and NATURE Disclosures
https://www.7andi.com/en/sustainability/tcfd_tnfd.html


Governance structure

Supervision structure for sustainability challenges

The governance structure for addressing sustainability issues, including climate change and nature, is centered on the Sustainability Committee, under the supervision of the Board of Directors. The Company's Board of Directors adopts resolutions on important sustainability-related issues and receives reports from the Sustainability Development Office, the committee's secretariat, at least once a year on the status of its initiatives to oversee progress and goal achievement

Execution structure for sustainability challenges


The Sustainability Committee meets twice a year. It is chaired by the representative director & executive chair and composed of sustainability officers from Group companies in Japan and overseas (including presidents and representative directors), and managers of sustainability-related departments in the Company. Under this committee, subordinate organizations such as the Environment Subcommittee and the Human Rights Promotion Project have been established to address sustainability issues such as climate change, nature, and respect for human rights, and these organizations are carrying out ongoing initiatives to address these issues.

 For more information on the governance structure, please see page 7 of the CLIMATE and NATURE Disclosures document.
https://www.7andi.com/library/sustainability/pdf/environment/TCFD_TNFD_2025_en.pdf

Note: As of September 2025

Risk and impact management

In accordance with the basic rules for risk management, the Group establishes, streamlines, and manages a comprehensive risk management system, 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. Sustainability-related risks are also managed under this comprehensive risk management system. The Risk Management Committee receives reports from the departments in charge of risk management regarding the risk management status of the Company. The committee comprehensively determines, assesses, and analyzes risks and discusses measures, and determines the future direction going forward. In principle, the status of such risk management is reported to the Board of Directors once a year.

 For more information on managing risks and impacts, please see page 33 of the CLIMATE and NATURE Disclosures document.
https://www.7andi.com/library/sustainability/pdf/environment/TCFD_TNFD_2025_en.pdf


Note: As of September 2025


Strategy

Assumptions for the analysis

In accordance with the following assumptions, we analyzed the risks and opportunities related to climate change and nature, and examined countermeasures.

Scope of disclosure	Climate	For domestic and overseas CVS operations, in addition to the physical impact on stores, scenario analysis covers costs in store operations and merchandise supply chain issues (including raw materials, factories manufacturing merchandise, and merchandise shipping) that significantly affect store operations, and customer behavior. Identified climate change risks, opportunities, and countermeasures are disclosed.
	Nature	The relationship between the Group's business and nature is assessed, and since the Group's business is centered on food, risks, opportunities and countermeasures related to agricultural products in this assessment are disclosed.
Scenario	Climate Nature	We set two scenarios: the decarbonization scenario (1.5°C-2°C) and the warming scenario (2.7°C-4°C). These scenarios were established by referencing forecasts from the International Energy Agency (IEA)'s World Energy Outlook, as well as reports and future projections published by governments and international organizations. For nature, multiple external environmental patterns are assumed that fall within the scope of the warming scenario.
Timeline	Climate	Based on the impact as of 2030, the target date of the GREEN CHALLENGE 2050 environmental declaration's interim targets, we examined overseas CVS operations for risks, opportunities, and countermeasures on the short term (0-5 years), medium term (5-10 years), and long term (10-30 years).
	Nature	With 2050 as the period covered, we examined specific countermeasures with a short-term target of 2030 to 2035, the same period covered by the TCFD analysis.

 : Items related to climate change

 : Items related to nature

Environment: Disclosure of Information Based on the TCFD and TNFD

Key risks and opportunities related to climate change and nature

The key risks related to climate change and nature identified through the analysis were as follows.

Risk classification		Area	Scope	Scenario	Significant risks and opportunities identified
Physical risks	Acute	Climate	Direct operation	Warming	Increased frequency and intensity of severe natural disasters, resulting in store damage, merchandise damage, supply chain disruptions, blocked store access, lost sales due to store closures, and increased losses due to restoration costs and others
			Raw materials		Increased supply chain disruptions and water risks in the supply chain due to changes in precipitation and weather patterns, resulting in higher merchandise costs due to reduced harvest of merchandise raw materials
	Chronic	Nature	Raw materials		Increased procurement and labor costs due to longer working hours for our procurement staff and higher costs of raw materials for merchandise caused by reduced yields and quality due to changes in precipitation and weather patterns, and outbreaks of pests and diseases
Transition risks	Policy	Climate	Direct operation	Decarbonization	Cost burden for CO ₂ emissions from store operations and increased costs in the supply chain that will affect products and other items as a result of the global introduction of emissions regulations and carbon pricing, such as carbon taxes
			Direct operation		Overseas CVS operations: Increase in costs related to Extended Producer Responsibility due to product waste regulations (medium-term)
			Direct operation		Increase in electricity payments due to higher retail electricity prices accompanying the introduction of renewable energy, etc.
	Market	Climate	Direct operation		Overseas CVS 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)
			Direct operation		Increase in air conditioning operation costs and refrigeration equipment operation costs due to global temperature rise
	Reputational	Climate	Direct operation	Warming	Difficulties in maintaining merchandise quality due to insufficient procurement volume and declining quality of raw materials caused by climate change, resulting in a decline in brand value and customer satisfaction
		Nature	Raw materials		Reputational risk arising from procuring raw materials with lack of consideration for the environment or human rights (e.g., deforestation, environmental destruction of land, infringement of the rights of indigenous peoples and local residents, child labor, forced labor) causing a decrease in sales
	Liability	Nature	Direct operation		Increased costs of complying with natural environment-related regulations and fines/penalties due to insufficient compliance
Opportunity classification		Area	Scope	Scenario	Significant risks and opportunities identified
Business performance	Market	Climate	Direct operation	Warming	Increased demand for delivery and e-commerce services due to customers going out less frequently due to high summer temperatures
		Nature	Raw materials		Development of new markets by utilizing sustainable alternatives and new merchandise development using different varieties
	Market reputation	Climate	Direct operation	Decarbonization	Increased consumer interest in sustainable merchandise and services
		Nature	Direct operation	Decarbonization	Increased demand for EV charging due to tighter regulations and changing consumer preferences
	Markets, reputation, and resource efficiency	Nature	Raw materials	Warming	Establishment of a stable supply system by increasing direct transactions with farmers and building long-term partnerships
		Climate	Direct operation	Decarbonization	Overseas CVS operations: Reduction in overall energy use by investing in measures to improve energy efficiency (medium-term)
Sustainability performance	Resource efficiency and use, protection, restoration and regeneration of natural resources	Nature	Raw materials	Warming	Improved and stabilized yield and quality of raw materials as well as improved ecosystem services through support for farmers in adopting regenerative agriculture and other practices to conserve biodiversity

Environment: Disclosure of Information Based on the TCFD and TNFD

Risks, opportunities, and financial impact related to climate change

A scenario analysis was conducted for SEJ from FY2019 to FY2021, and for SEI in FY2023, to identify key risks and opportunities (see p. 45). In the decarbonization scenario, “imposition of carbon tax” is a risk that will have a particularly large financial impact in 2030, while in the global warming progression scenario, “damage from natural disasters” and “increased raw material costs” are risks that will have a particularly large financial impact in 2030.

Estimated financial impact

■ Decarbonization scenario: Imposition of carbon tax


- ¥27.7 billion**
- Carbon tax: \$135/ton-CO₂ (maximum amount from IEA's World Energy Outlook 2022)
 - Exchange rate: ¥150/\$1 (approximate exchange rate as of February 28, 2025)
 - Domestic CVS: ¥14.4 billion, overseas CVS: ¥13.3 billion

■ Warming scenario: Damage from natural disasters (SEJ)

- ¥11.19 billion**
- Estimated flood damage to SEJ stores in the Tokyo metropolitan area (assuming flooding of the Arakawa River)
 - Estimated based on past flood damage. Estimates were made without factoring in insurance coverage in order to determine the extent of damage

■ Warming scenario: Increased raw material costs (SEJ)

- ¥5.7 billion**
- Estimated cost increase solely due to lower yields from climate change
 - Items selected for estimation were based on SEJ's composition of procurement value and included rice, seaweed, and livestock products (beef, pork, chicken, and eggs); Rice: ¥2.23 billion, seaweed: ¥1.93 billion, livestock products: ¥1.54 billion

 For more information on financial impact, please see page 12 of the CLIMATE and NATURE Disclosures document.
https://www.7andi.com/library/sustainability/pdf/environment/TCFD_TNFD_2025_en.pdf

Risks, opportunities, and countermeasures related to climate change

For the key risks and opportunities identified, we considered measures to reduce risks and maximize opportunities.

Through this consideration, we were able to confirm that environmental impact reduction activities being carried out based on the GREEN CHALLENGE 2050 environmental declaration are effective measures in both the decarbonization scenario and the warming scenario.

For example, in response to transition risks, we will significantly reduce the carbon tax burden by achieving the CO₂ emission reduction targets in GREEN CHALLENGE 2050. We will also actively promote activities such as energy conservation in stores and the installation of solar panels, thereby mitigating transition risks such as increased electricity bills. In addition, we hope that promoting plastic countermeasures and sustainable sourcing practices under GREEN CHALLENGE 2050

in response to changes in consumer behavior toward sustainable merchandise and services will resonate with customers and grow opportunities.


For physical risks, in response to the risk of a greater number of natural disasters, we will obtain real-time information on store status using the information-sharing system 7VIEW, and build a system to ensure rapid recovery. We will also steadily implement measures such as the installation of watertight panels to prevent flooding. By enhancing our disaster response capabilities as such, store operations can be resumed as soon as possible so we can continue serving our local customers. With regard to increased raw material costs, we will work to diversify production areas and strengthen cooperation with domestic and overseas suppliers to ensure a stable supply of raw materials. For example, we will consider increasing procurement of factory-grown vegetables, for which we can expect stable harvests that are unaffected by weather conditions.

	Examples of countermeasures
Decarbonization scenario	<ul style="list-style-type: none"> Promote measures to reduce CO₂ 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 limit the amount of food waste generated (reduce the amount of food to be incinerated) and to recycle food waste 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 CVS operations: Plan to increase EV fast-charging ports for the 7Charge EV fast-charging network throughout the United States and Canada in the future)
Warming scenario	<ul style="list-style-type: none"> 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 factory vegetable and land-based fish farms Promote energy saving and install energy-saving equipment in stores Expand delivery and e-commerce services

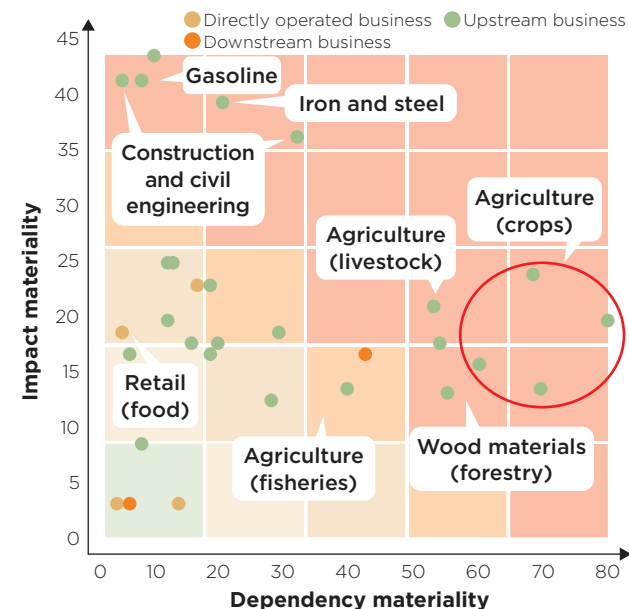
Environment: Disclosure of Information Based on the TCFD and TNFD

Risks, opportunities, and countermeasures related to nature


We analyzed how our businesses are related to nature for all of the Group's operating companies and supply chains. Since the Group's business is centered on food, we selected agriculture for the upstream supply chain. Specifically, we chose two raw materials: coffee beans, for which the Group overall handles a large volume and which has a large impact on nature; and rice, for which business opportunities are expected. For these two raw materials, we conducted a more detailed assessment of their dependence and impact on nature according to the Locate, Evaluate, Assess, and Prepare (LEAP) approach recommended by the TNFD.


 For more information on risks, opportunities, and countermeasures related to nature, please see page 15 of the CLIMATE and NATURE Disclosures document.
https://www.7andi.com/library/sustainability/pdf/environment/TCFD_TNFD_2025_en.pdf

Main Group businesses and their dependencies/impacts on nature (FY2024 analysis)



	Coffee beans	Rice
Locate Finding interface with nature	Evaluated and organized SEJ, SEI, and <i>Seven Premium</i> sourcing countries on the two axes of ecological sensitivity and business importance.	Evaluated and organized sourcing regions for SEJ, which sources the most rice, on the two axes of ecological sensitivity and business importance at the prefecture level.
Evaluate Evaluating dependencies and impacts	Studied dependencies and impacts on nature in SEJ's top five coffee sourcing countries by volume (Brazil, Colombia, Tanzania, Guatemala, and Ethiopia).	Identified influencing factors and ecosystem services for focus with respect to rice, and studied dependencies and impacts on nature in production areas by prefecture.
Assess Assessing risks and opportunities	Reflecting findings from our business partners, we organized risks and opportunities in terms of dependencies and impacts on nature. The decrease in coffee bean yield, which is considered to have the greatest impact, was analyzed at the agricultural cooperative and plantation level to estimate financial impacts. Opportunities identified include increasing consumer brand loyalty through sourcing coffee beans with lower environmental impacts, and improving resilience through the implementation of natural disaster countermeasures. • Estimated financial impact in 2050 (SEJ) ¥24.5 billion to ¥49.7 billion (decrease in net sales)	Organized risks and opportunities based on dependencies and impacts on nature. Estimated financial impact on quality (decrease in the ratio of first-grade rice) due to higher temperatures, changes in rainfall patterns, and increased incidence of pests and diseases, which are considered to have the greatest impact. For opportunities, identified opportunities through collaboration with and support for producers, introduction of new technologies, merchandise development, etc. • Estimated financial impact in 2050 (SEJ) ¥1.3 billion to ¥32.2 billion (increase in procurement costs in the supply chain)
Prepare Preparing response and reports	The direction of countermeasures to be considered in cooperation with stakeholders, including enhancement of current efforts to support production areas, is organized into five areas: supply chain management, support for producers and production areas, cooperation in R&D, review of supply sources, and review of raw materials.	The direction of response measures, such as considering support for producers like the introduction of new agricultural methods and improved crop varieties, is organized into five areas: supply chain management, support for producers and production areas, review of supply sources, review of raw materials, and taking advantage of opportunities.

 For more information on the LEAP approach with respect to coffee, please see page 18 of the CLIMATE and NATURE Disclosures document.
https://www.7andi.com/library/sustainability/pdf/environment/TCFD_TNFD_2025_en.pdf

 For more information on the LEAP approach with respect to rice, please see page 25 of the CLIMATE and NATURE Disclosures document.
https://www.7andi.com/library/sustainability/pdf/environment/TCFD_TNFD_2025_en.pdf

Support for SEVEN CAFÉ production areas

At SEJ, we are working on initiatives to support local producers with the aim of achieving sustainable sourcing throughout the entire value chain, from farms to sourcing, import, roasting, and sales. Through dialogue with communities in production areas, we strive to ensure that our support for production areas is tailored to the needs of each area.

For example, in Tanzania, with a majority of small-scale farmers, we aim to improve farmers' income by improving quality and yield through the donation of shelves (African beds) made for drying coffee beans in the sun and seedlings for shade trees that protect coffee trees from direct sunlight.




Environment: Disclosure of Information Based on the TCFD and TNFD





Transition planning

The Group has identified seven material issues to be prioritized for the kind of society we seek to realize. Among them is Material Issue 3: “realize decarbonization, circular economy, and society in harmony with nature, through environmental efforts.” In 2019, we formulated and announced our environmental declaration, GREEN CHALLENGE 2050. Toward the transition to a society that is decarbonized, circular economy, and in harmony with nature, we have set targets for 2030 and a vision for 2050 in four fields: reduction of CO₂ emissions, measures against plastic, measures against food loss/waste and for organic waste recycling, and sustainable procurement.

We are currently working on creating individual roadmaps for these three forms of society we aim to achieve. With regard to nature transition planning in particular, the TNFD published a discussion paper in 2024 and formally issued guidelines in November 2025. We will gain knowledge from these guidelines and enhance the content of our transition plans to ensure their effectiveness.

Furthermore, just as climate change and nature share various interrelationships and mutual effects, resource circulation is also closely related to climate change and nature. Going forward, we intend to refine our transition plans to include a comprehensive perspective that takes into account these mutual influences.

 For more information on transition planning, please see page 29 of the CLIMATE and NATURE Disclosures document.
https://www.7andi.com/library/sustainability/pdf/environment/TCFD_TNFD_2025_en.pdf

GREEN CHALLENGE 2050 environmental declaration	2025	Target 2030		Future vision 2050 (FY)
Decarbonized society Reduction of CO₂ emissions 	Energy saving Promote energy saving by employees and install energy-saving equipment in stores, etc. Energy creation Install solar panels in stores Renewable energy procurement Procure renewable electricity through store off-site power purchase agreements (PPAs), etc. Scope 3 reduction Collaborate with business partners and provide low-carbon products	50% reduction	Mitigation and adaptation measures Proactively promote new initiatives in collaboration with business partners	Net zero (Emissions from the Group store operations)
Circular economy Measures against plastic  Measures against food loss/waste and for organic waste recycling 	Expand use of eco-friendly materials, reduce volume of packaging materials, replace with eco-friendly materials, and recycle packaging materials in proprietary merchandise Resource recovery and recycling In-store resource recovery, investment in recycling businesses Improve organic waste recycling rate Prevent waste generation, convert to fertilizers/feeds, and donate food Reduce food waste generated Promote initiatives in collaboration with customers	Eco-friendly containers and packaging 50% Resource recycling Food recycling rate 70% Food loss/waste: Basic unit of generation*1 50% reduction (Compared with FY2013)	Countermeasures Expand initiatives for effective use of resources and resource recycling in the supply chain	Eco-friendly containers and packaging 100% Resource recycling Food recycling rate 100% Food loss/waste: Basic unit of generation*1 75% reduction (Compared with FY2013)
Society in harmony with nature Sustainable procurement 	Expand sustainable procurement and sales of certified merchandise Operate standards for sustainability-conscious raw materials Support for production areas: Increase productivity, introduce regenerative agriculture, reduce GHG emissions, introduce agricultural solar power generation Develop and introduce new and alternative merchandise Communicate the value of sustainable raw materials Nature restoration support activities: (7-Eleven Foundation) Environmental group grants, forest conservation, ocean conservation, OECMs*2	Sustainable procurement 50% Nature positive	Mitigation and adaptation measures Expanding initiatives in collaboration with stakeholders	Sustainable procurement 100% Society in harmony with nature

*1 Waste generated per million yen in sales

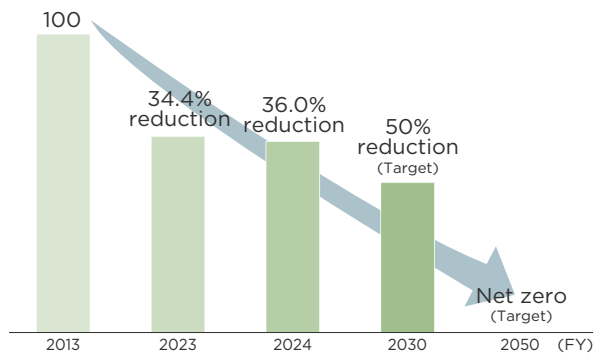
*2 Areas other than protected areas that contribute to biodiversity conservation

Environment: Disclosure of Information Based on the TCFD and TNFD



Reduction of CO₂ emissions

Percentage of reduction of CO₂ emissions from store operations (vs. FY2013)



Note: Total of 10 subject operating companies (SEJ, SEI, IY, YB, SG, AH, DJ, LO, PDL, and CL)

Approximately 95% of the Group's CO₂ emissions are attributed to electricity. We are therefore prioritizing energy-saving measures at each store in the local communities that form the foundation of our business. This includes reducing electricity usage and focusing on initiatives that allow stores to consume the energy they generate themselves. For the remaining energy needs, we are working to reduce CO₂ emissions from store operations by sourcing renewable energy on a long-term, stable basis.

Energy saving



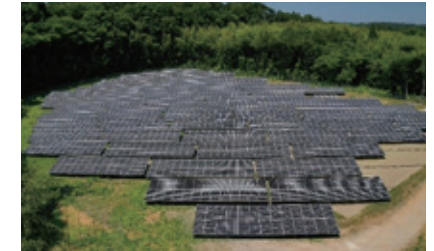
For 7-Eleven stores in Japan, we have summarized energy-saving activities at stores into the Six Priority Energy Conservation Actions, which include turning off lights according to work conditions. In addition, we are introducing energy-saving equipment such as LED lighting and insulating with double-glazed glass in our stores.

Energy creation



We have installed solar panels at more than 9,000 7-Eleven stores in Japan (as of February 28, 2025). In addition to supplementing electricity usage during normal times, the system can provide a portion of the energy needed for disaster and emergency response.

Renewable energy procurement



In Japan, we are securing renewable energy in a long-term, stable fashion through off-site PPAs. In North America, we are also working to establish renewable energy supply agreements.

Establishment of a retail electricity operating company to expand renewable energy procurement

In August 2024, we established Seven & i Energy Management Co., Ltd. to further expand our procurement of renewable energy. As a retail electricity provider, this company aims to promote decarbonization not only within the Group but also throughout our supply chain, including collaboration with our business partners, by establishing a broader renewable energy procurement structure.

Encouraging decarbonization throughout the supply chain

To achieve a decarbonized society, the Group is engaged in efforts to decarbonize the entire supply chain, including manufacturing, distribution, and sales. We launched a project in April 2023 to develop a circular model for decarbonizing the retail industry supply chain through renewable energy. This project has been selected for support by the Tokyo Metropolitan Government, and we have commenced the pilot phase. Currently, we are practicing energy management by installing solar panels, batteries, and EV chargers, and visualizing electricity usage at our Group stores in Tokyo, as well as at partner food factories and logistics centers.

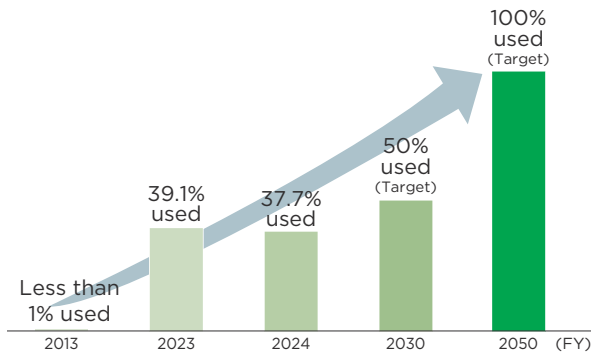


Environment: Disclosure of Information Based on the TCFD and TNFD



Measures against plastic

Ratio of environmentally friendly materials* used in containers for proprietary merchandise (by weight)

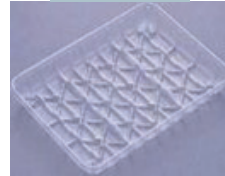


* Biomass, biodegradable, and recycled materials, paper, etc. Seven companies (SEJ, SEI, IY, YB, AH, DJ, and PDL) that handle proprietary merchandise including *Seven Premium*

The Group is committed to realizing a circular economy by transitioning the packaging of its proprietary merchandise to eco-friendly materials, such as recycled plastics and paper. We are also working with customers, business partners, and local authorities to promote in-store resource recovery and recycling, and reducing all types of plastics generated through our business activities.

Reduce

Reduction



Note: Images are for illustrative purposes



Under *Seven Premium*, we are striving to reduce the use of plastic in packaging materials. As one example, we are reviewing product specifications to eliminate unnecessary plastic, such as discontinuing the use of plastic trays for delicacies and other items.

Replace



Starting in October 2025, SEJ is transitioning from conventional plastic to paper containers for snacks (pasta), which is expected to reduce the amount of plastic used by approximately 370 tons per year*. We are also advancing the use of eco-friendly materials by switching to recycled PET for the containers of our cold noodles, such as zaru soba.
Note: Calculated based on actual results for FY2023

Recycle



For *Seven Premium*, we are switching wet tissue bottles from petroleum-derived plastic to recycled materials made from PET bottle caps collected from customers.
* Gradual transition from the second half of 2025

Completed installation of PET bottle collection machines in all of Japan's 47 prefectures

In FY2024, SEJ installed a cumulative total of 4,268 collection machines and collected the equivalent of approximately 210 million PET bottles.

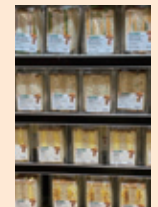
Since 2015, we have been installing collection machines throughout the country with the understanding of local governments, various partner companies, franchisees, and community members.

By October 2025, we were able to install collection machines in areas of all 47 prefectures of Japan. PET bottles collected with these machines are recycled into materials for new PET bottles.



Expanding use of recycled materials

SEI uses used and recycled materials (PCR*) for sandwich triangle packaging. In 2024, the packaging design was redesigned through the Recycled Content Inclusion program. By increasing the blending ratio of PCR to 25%, we have reduced the amount of virgin plastic used by approximately 8.9 tons*2 per year.



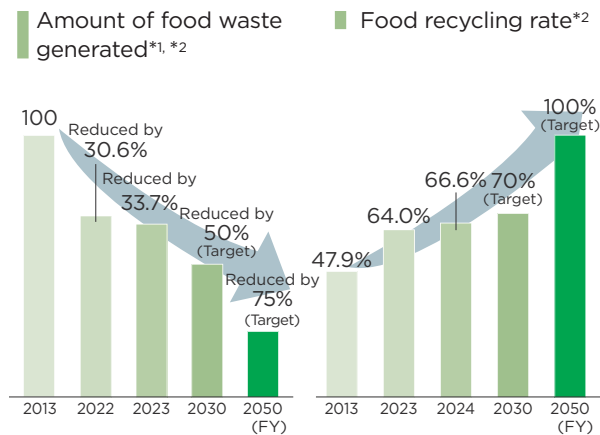
*1 PCR (post-consumer recycled) refers to the collection and recycling of plastics and other materials after use by consumers.

*2 Compared to 2023, calculated based on the Plastic Ingenuity and Trayak COMPASS LCA platforms

Environment: Disclosure of Information Based on the TCFD and TNFD



Measures against food loss/waste and for organic waste recycling



*1 Amount of food waste generated per million yen in sales

*2 Five food-related operating companies (SEJ, IY, YB, DJ, and SG)

In the Seven & i Group, where a significant portion of sales comes from food, we prioritize efforts to minimize food waste generation. This initiative extends beyond our own activities, involving coordination and participation from relevant government agencies, business partners, and customers, with the goal of minimizing waste generation across the supply chain. We are committed to food recycling initiatives for any food waste that inevitably occurs despite our efforts.

Waste generation prevention: Temaedori Project



Together with the Consumer Affairs Agency, the Ministry of Agriculture, Forestry and Fisheries, and the Ministry of the Environment, we have been rolling out the Temaedori Project at 7-Eleven stores in Japan. This project aims to reduce food waste by displaying awareness-raising materials in-store, encouraging customers who intend to consume food immediately to select items from the front of the display.

Waste generation prevention: Eco-Price



In FY2024, SEJ introduced a new initiative called “Eco-Price,” which offers discounted sales. We have been promoting long shelf life to extend product expiration dates while maintaining great flavor, as well as advancing the Temaedori Project, which encourages customers to take food from the front of the display. Eco-Price is a new style of price reduction in which we work together with customers to reduce food loss. We will continue to push this campaign to further reduce food waste and address this pressing social issue.

Waste generation prevention: Relaxing product delivery deadlines



Until now, business practice has been to deliver merchandise to stores before one-third of the expiration date had passed from the date of manufacture as the “1/3 rule,” but since 2012, as an effort to reduce food loss, this rule has been revised to one-half for some categories of merchandise, where the delivery date is relaxed to half of the expiration date from the date of manufacture.

Launch of merchandise donation food drive in Saitama City

In October 2023, SEJ started a food drive at about 120 stores in Saitama City where customers donated surplus food at home to local support groups and others. In addition, in cooperation with the social welfare councils of local governments throughout Japan, SEJ donates a portion of its inventory merchandise generated during store renovations and other events. Through these social welfare councils, we provide this service to various support groups and children’s cafeterias. In addition to helping those in need of food, we are also working to reduce the amount of food loss and waste in the world.



SEI partners with Too Good To Go to reduce food loss and waste

In 2023, SEI launched the Safe Food Waste Prevention project in the Canadian region. The company partnered with Too Good To Go, the world’s largest marketplace for selling surplus food, to reduce food loss and waste and support the food insecure. The Surprise Bag program, which offers discounted food items, attracts new customers, protects the environment, and contributes to society. As of 2024, more than 440 stores across Canada offered the program, and more than 167,000 meals were utilized instead of discarded.

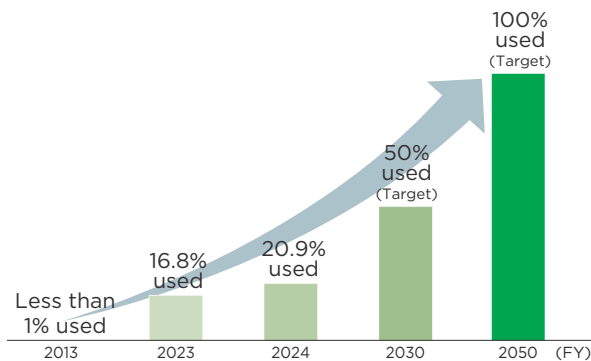


Environment: Disclosure of Information Based on the TCFD and TNFD



Sustainable procurement

Percentage of raw food ingredients with guaranteed sustainability used in proprietary merchandise*



* Including *Seven Premium* merchandise. Five food-related operating companies (SEJ, IY, YB, DJ, and PDL). We have changed the scope of aggregation from FY2023.

We are increasingly facing profound environmental challenges in raw material procurement, such as climate change, depletion of natural resources, and loss of biodiversity, as well as human rights and social issues, including child and forced labor. The Group sources a wide range of raw materials from around the world and is sincerely committed to sustainable procurement across the supply chain, working closely with stakeholders. SEJ is also committed to creating merchandise that is locally produced for local consumption.

Agricultural products



Our popular *Seven Premium Gummy Chocolate* are made with chocolate supporting the efforts of the Cocoa Horizons Foundation. The foundation aims to prevent deforestation, protect children, improve the livelihoods of cocoa farmers and preserve the environment through agroforestry and sustainable farming methods.

Marine products



Seven Premium sells products made with *suji-aonori* (a kind of seaweed) produced by inshore aquaculture at 7-Eleven stores nationwide. We support venture companies that promote sustainable production. Product procurement departments in the Group also participate in joint study sessions on the effects of climate change on the oceans and other topics to learn more about ocean issues.

Livestock products



Chickens used in Nanachiki and Agedori, fried chicken products sold at 7-Eleven stores in Japan, are raised in a comfortable, low-stress, cage-free environment. We will continue to expand sales of *Seven Premium Fresh Free Range Eggs* in a similar fashion.

Strengthening engagement with soybean producers

In addition to the analysis disclosed in the TNFD, we are checking the traceability of high-risk raw materials and strengthening cooperation with suppliers. For the edible soybeans used by our Group, our product procurement staff speaks directly with producers and learns about low environmental impact farming methods such as fertilizer reduction, water conservation, and no-till cultivation in the field. We also exchange views on new crop varieties with universities and research institutes.



Dialogue with producers with the cooperation of the U.S. Soybean Export Council (USSEC)

Use of Fairtrade-certified coffee beans

SEA uses Fairtrade-certified coffee beans and contributes to resolving climate change and human rights issues. All coffee sold after October 2022, with more than 50 million cups sold per year, now uses certified beans. In this way, we provide environmentally friendly coffee and support producers in Brazil and India to ensure fair working conditions and stable income. Through fair trade premiums (incentives), the company also contributes to the cultivation of high-quality beans, climate change prevention, and local infrastructure development.




Environment: Disclosure of Information Based on the TCFD and TNFD

Targets and metrics

GREEN CHALLENGE 2050 environmental declaration

Toward the Group's vision to "realize decarbonization, circular economy, and society in harmony with nature, through environmental efforts," our GREEN CHALLENGE 2050 sets forth specific numerical targets for 2030 and our ideal image for 2050.

 For details, please visit our corporate website.
https://www.7andi.com/en/sustainability/policy/environment_03.html

Core global metrics

The following is a summary of the core global metrics presented by the TNFD that are relevant to the Group's dependence/impact and risks/opportunities, for which data is available, and which the Group manages as environment-related metrics through the TCFD, the GREEN CHALLENGE 2050 environmental declaration, and other initiatives.

Going forward, we will strive to understand and disclose data, especially with regard to nature-related metrics, while seeking cooperation from each stakeholder in our supply chain.

Metric number	Driver of nature change	Metric	Details of metric
-	Climate change	GHG emissions	Scope 1 and 2 emissions: Listed under "Environmental Management" on our website Scope 3 emissions: Listed under "Supply Chain Management (Environment)" on our website
C1.0	Land/ freshwater/ ocean-use change	Total spatial footprint	Total surface area controlled/managed by the organization: Stores: 8,839,388 m ² (total for Japan and overseas CVS)
C1.1		Extent of change in land use	Total change in land use for store operations: This is regarded as basically non-existent due to the nature of the business, which mainly focuses on opening stores in urban areas Average yield per unit area of coffee and rice used in the LEAP approach analysis: Coffee: 908 kg/ha (FAOSTAT data), rice: 537 kg/10a (Ministry of Agriculture, Forestry and Fisheries data)
		Land area where ecosystems have been voluntarily conserved or restored	Since 2006, the Seven-Eleven Foundation has been promoting community-wide environmental conservation through activities such as the creation of Seven Forest and Seven Marine Forest (https://www.7midori.org/midori/ [in Japanese only])
		Sustainably managed ocean area	The Seven-Eleven Foundation has been working since 2018 with Hannan City in Osaka and the Osaka Bay Coastal Environment Creation Research Center, a nonprofit organization, on the Hannan Seven Marine Forest project, which protects and conserves eelgrass. The project was certified as a Nationally Certified Sustainably Managed Natural Site and registered as an OECM in 2023 (https://www.7midori.org/topic202209/ [in Japanese only])
C2.0	Pollution/ pollution removal	Pollutants released to soil split by type	No release of pollutants into the soil has been confirmed at retail stores in Japan
C2.1		Wastewater discharged	Listed in the Sustainability Data Book under "Management of Water"
C2.2		Waste generation and disposal	Food loss and food waste recycling rate: Listed in the Sustainability Data Book's Progress on Four Themes (FY2024 Results) under GREEN CHALLENGE 2050 Other waste: Listed under "Waste disposal (recycling rate)" in the Sustainability Data Book
C2.3		Plastic pollution	Ratio of environmentally friendly materials used in containers for original products: Listed in the Sustainability Data Book's Progress on Four Themes (FY2024 Results) under GREEN CHALLENGE 2050
C2.4		Non-GHG air pollutants	Due to the nature of our business as a retailer, it is considered that we do not emit any non-GHG air pollutants
C3.0	Resource use/ replenishment	Water withdrawal and consumption from areas of water scarcity	Currently under calculation
C3.1		Quantity of high-risk natural commodities sourced from land/ocean/freshwater	Sustainable procurement rate: Listed in the Sustainability Data Book's Progress on Four Themes (FY2024 Results) under GREEN CHALLENGE 2050
C4.0	Invasive alien species and other	Placeholder indicator (measures against invasive alien species)	No estimates have been calculated as detailed standards have not yet been determined
C5.0	State of nature	Placeholder indicator (ecosystem condition) Placeholder indicator (species extinction risk)	No estimates have been calculated as detailed standards have not yet been determined No estimates have been calculated as detailed standards have not yet been determined
C7.0	Risks and opportunities	Value of assets, liabilities, revenues and expenses that are assessed as vulnerable to nature-related transition risks	Impact of carbon tax under a 1.5°C scenario is estimated with the TCFD scenario analysis
C7.1		Value of assets, liabilities, revenues and expenses that are assessed as vulnerable to nature-related physical risks	Impact of damage from natural disasters and rising raw material prices under a warming scenario (2.7°C to 4°C) is estimated with the TCFD scenario analysis Impact of declining coffee sales and rising procurement costs is estimated with the TNFD analysis
C7.2		Description and value of significant fines/penalties received/litigation action in the year due to negative nature-related impacts	No significant fines, penalties or litigation action due to nature-related impacts have been confirmed within our domestic operations in FY2024
C7.3		Amount of capital expenditure, financing or investment deployed toward nature-related opportunities, by type of opportunity, with reference to a government or regulator green investment taxonomy or third-party industry or NGO taxonomy, where relevant	SEJ provides support to coffee farmers and sourcing countries for SEVEN CAFE (https://sustainability.sej.co.jp/action/000496/ [in Japanese only])
C7.4		Increase and proportion of revenue from products and services producing demonstrable positive impacts on nature with a description of impacts	Certified merchandise is being offered, but impact calculations and verification have not yet been carried out

Social: Human Resource Measures and Human Capital Initiatives

Message from the CAO

Seeking to both achieve sustainable growth and fulfill social responsibility by building an organizational foundation empowering our employees and by developing global human resources



Shigeki Kimura
Representative
Director, Vice
President & CAO
(Chief Administrative
Officer)

Upgrading our talent and organizational foundation to support sustainable growth

We are undertaking a fundamental upgrade of our headquarters organization to coincide with our transformation into a dedicated CVS group in September 2025. By creating an organizational structure with governance, human resources, DX, supply chain, and other functions meeting global-level standards, we aim to provide firm growth support for 7-Eleven all around the world, while reducing costs and improving decision-making speed through increased efficiency.

In order to achieve global growth, it is essential to maximize the power of our most important asset, our human resources, and strengthen the foundation that supports growth in the face of rapidly changing social and market environments. For many years, we have been challenging ourselves to provide valuable new merchandise and services and to transform the logistics and systems that support these offerings, leading the industry by leveraging our thoroughness. However, in recent years, our pace of innovation has slowed, and we are in sincere acknowledgment of the fact that we have gradually moved away from our founding principles.

In order to generate new innovation, it is important to build an open organizational culture, be dynamically inclusive of diverse viewpoints, and engage in a healthy exchange of opinions while deepening mutual understanding and trust. Our Group is engaged in a range of initiatives based on the three pillars of 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. However, in the areas of fostering organizational culture and enhancing employee job satisfaction, many of these initiatives will

take time before their effects become apparent, and further efforts are needed.

Going forward, we will also strongly advance the recruitment and development of global talent. We will accelerate the development of global talent by practicing talent management across countries and regions and by stimulating the exchange of human resources. The fact that we are working to swiftly build a foundation to support growth for the next generation is precisely because the form of the Group has recently changed.

Aiming to improve supply chain sustainability

In recent years, amid further increasing demands from stakeholders regarding human rights, the Group has been steadfastly practicing human rights due diligence in accordance with international principles and guidelines. In particular, we recognize that addressing human rights risks in the supply chain is an important issue, and we conduct annual CSR audits and continue to engage in educational activities for our suppliers.

We also implement a variety of measures to protect the human rights of Group and franchisee employees. In FY2024, we formulated “Our Approach to Customer Harassment” as part of strengthening the human rights of store employees and to create a safe working environment. In addition, we have begun testing the operation of a contact point to receive consultations from franchisee employees.

Through these human rights initiatives, we will strive to further enhance the Group’s social and economic value by improving sustainability across the entire supply chain and by supporting the creation of environments where franchisee employees can work with peace of mind.

Social: Human Resource Measures and Human Capital Initiatives

Human resource measures linked to the business strategy

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. The belief that this 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. Therefore, in line with our future growth strategies, we are focusing our human resource measures on three main areas:

1. Fostering a culture of continuous challenge and innovation
2. Enhancing job satisfaction and ease of work
3. Developing and recruiting talent to realize our strategic goals

Human Resource Measure 1 Fostering a culture of continuous challenge and innovation

In an era of rapid and unpredictable change, it is more important than ever for companies to build an organization that allows each employee to take initiative and continue challenging themselves to meet customer needs. While maintaining the founding spirit, we will foster a culture of boldly embracing changes in the times.



The Ito Training Center historical archive

Instilling our philosophy

To deepen understanding of the spirit of trust and integrity as stated in our Corporate Creed and to instill and carry forward a culture of continuous challenge and innovation, the Ito Training Center, the Group's hub for talent development, conducts Group philosophy training. The training center also includes a historical archive where participants can learn about the Group's philosophy and history of challenges and innovation. In FY2024, approximately 550 employees from the Company and other Group entities took part in the Group philosophy training. Licensees from various countries have also visited the center, and by sharing our philosophy, we are expanding our corporate culture of challenge and innovation around the world.

At SEJ, after joining the company, employees spend time managing a store (as a store manager or assistant manager) at a training store (directly managed store). This on-site practice is not only an opportunity to challenge themselves, but also a place to learn the fundamental stance of putting themselves in the customer's shoes, an area that we value at the Group, and to instill this in their daily actions. Through this training and practice, we develop talent with both on-site skills and a customer orientation.



Taking part in Group philosophy training

An organizational culture of challenge and innovation built on dialogue and praise

SEJ has established its values, standards of thought and action. These values are: 1. Challenges and reforms; 2. Autonomy and independence; 3. Co-creation and empathy; 4. Trust and sincerity; and 5. Appreciation and contributions. We have launched a project to build a new culture that will enable each employee to embody these five elements. We invite not only internal lecturers but also those from outside the Group so that our employees can gain new perspectives, and to change the way they communicate with each other toward a more open workplace.

Furthermore, we have introduced an employee recognition program to deepen the bonds among employees and foster a culture of appreciation and praise throughout the organization.

Under this system, winners are determined by a vote of all employees, and teams and individuals who enter receive messages of praise and support. When congratulating the entrants and award winners at the awards ceremony, we create an opportunity for them to express praise and appreciation for each other, leading to the creation of a workplace that celebrates challenge and innovation.



A post-award ceremony reception

Social: Human Resource Measures and Human Capital Initiatives

Fostering a culture in which diverse talent can actively participate

Seven & i Holdings is committed to promoting DEI to build an organization where each individual from diverse backgrounds can thrive and take on challenges.

In Japan, Seven & i Holdings has established the DEI Promotion Project to support the activities of each company by presenting strategic guidance. In particular, with regard to women's empowerment, an important challenge for us, we have set our targets as of the end of February 2026 to achieve a 30% ratio of female executive officers and a 30% ratio of female managers (at both section manager and team leader levels). Since 2021, we have also been holding Women Encouragement Seminars, aimed at nurturing female candidates for managerial positions. At these seminars, members of senior management convey management policies and other information, which is discussed among participants. Since the seminars were implemented online, female employees nationwide have been able to participate without location restrictions, including those with reduced work hours due to childcare. This initiative, in which participants hear from perspectives and viewpoints that differ from their usual work, provides an opportunity to increase their motivation for growth. Through the sessions, we aim to empower future growth and challenges by encouraging each person's unique leadership style, as well as to build connections among participants.

SEJ is actively working to appoint female employees as OFCs, who provide a variety of management

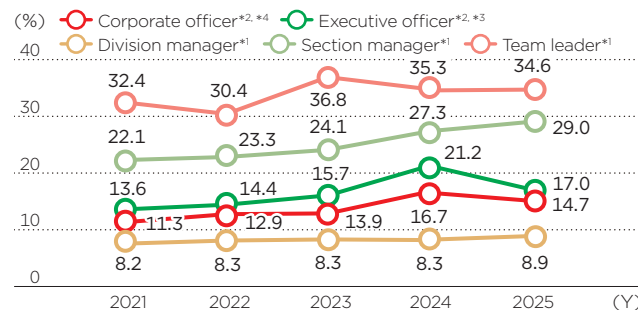


Remote Women Encouragement Seminar

counseling services to franchise owners. We are holding study sessions for female OFCs and employees working at directly managed stores who aspire to become OFCs in each region of Japan. These sessions are intended to provide more opportunities to share concerns with each other and consult with more senior employees.

In addition, our training program for new employees incorporates the "AsuChare!" ("Challenge for Tomorrow") program, which features a para-athlete as an instructor to help new employees learn how to be mindful of customers with disabilities. We aim to improve the quality of our services by cultivating a practical perspective that can be applied in the field from early on in the employee's career. In addition, to deepen understanding of mental health and developmental disabilities, we are encouraging participation in training courses offered by the government to become "work supporters." In FY2025, 120 people are scheduled to

Trends in the ratio of female executive officers and managers



*1 Total of eight Group companies (HD, SEJ, IY, YB, LO, AH, DJ, and 7BK). Total for FY2022 and earlier includes SS but not LO.

*2 Figures as of the end of May each year, total for four Group companies (HD, SEJ, IY, and YB). Figures for FY2022 and earlier include SS and YO.

*3 Excluding executive officers who are directors

*4 Officers represent the total of directors, Audit & Supervisory Board members, and executive officers

participate in the course. This initiative is designed to improve internal support systems and psychological safety.

We are actively promoting the acquisition of the Universal Manners Certificate Level 3 for managers, and as of the end of February 2025, 962 employees had obtained this certificate. Through these efforts, we aim to improve our ability to tailor our response to each customer's individual situation and continue our training and dialogue to instill the concept of normalization and reflect it in our daily management.

SEI believes that fostering an environment where all employees feel a sense of belonging and acceptance is essential. It is a key pillar of the corporate philosophy. Supporting the Associate Business Resource Group (ABRG) platform is core to these efforts. ABRGs are employee led groups of people sharing a common interest or lived experience who seek to support the professional development of its members and enhance their sense of belonging and inclusion. While participation in an ABRG is completely voluntary, members develop practical leadership and project management skills. They also have the opportunity to strengthen their internal 7-Eleven network, build relationships with 7-Eleven leaders, mentor other ABRG members, and connect with the broader community. ABRGs play a vital role in not only enhancing their members' sense of belonging, but in also building SEI's pipeline of future leaders.

As each ABRG expands their calendar of activities, the numbers of employees participating in them also expand. Their members are finding great value in their ABRG participation. In fact, 89% of members are satisfied with the activities of the ABRG.



An ABRG meeting

Social: Human Resource Measures and Human Capital Initiatives

Human Resource Measure 2 Enhancing job satisfaction and ease of work

We aim to create an environment where employees can fully exercise their autonomy and feel a sense of fulfillment and ease in their work. In order to create an environment with ease of work for diverse employees and where they are actively participating, we believe it is necessary to provide tailored support and expand systems that accommodate individual employee values.

Fostering job satisfaction through dialogue with employees

The Group places great importance on direct communication between employees and leadership. The Company and SEJ conduct café meetings with the president and dialogue sessions with officers. These meetings create venues for communication that enable each individual to understand the direction their company is heading and the approach from senior management, as well as to clarify their own individual visions.

SEI also uses the town hall meeting as a way to enhance dialogue with employees. In these town halls, department leaders discuss both Companywide trends and departmental priorities. Question and answer periods during each town hall increase communications transparency and support organizational alignment. Each department holds several towns each year so that the information



A direct communication session with executives

shared is both timely and relevant. Town halls have improved employee satisfaction and helped employees better understand how their roles impact the larger organizational.



A town hall meeting

Career development support encouraging employees to take on challenges

At each Group company in Japan, we regularly provide opportunities for employees to reflect on their careers and work toward achieving their personal goals. Through systems such as self-assessment and interviews with supervisors, we also actively support employees in taking the initiative to shape their own careers.

SEJ has a candidacy system for other departments and positions so that human resources who are willing to take on challenges can fully demonstrate their abilities and skills.

In addition, to support employees' second careers, we have a program to help them become franchise owners. This program supports employees in carrying out their new life plans, and as part of this support, offers the option of becoming a franchise owner.

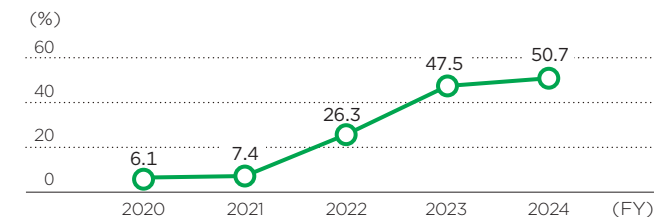
Improving employee health and supporting work-life balance

Seven & i Holdings is making efforts to create a workplace environment in which employees can work in a healthy and positive manner. We believe that improving the health of our employees energizes the Company as a whole and contributes to a better quality of life.

In order to help employees maintain and improve their health, Group companies in Japan will implement initiatives to increase the rate of secondary health checkups during regular health checkups, as well as hold an "Aru Fes" (an event to get together for walking) and other regular events.

We also operate various systems to ensure that employees can continue working with peace of mind, even as they experience life events such as childbirth, child-rearing, or caregiving. SEJ encourages male employees to take childcare leave as part of its efforts to support work-life balance, and is working to visually present role models to all employees through case studies of those who have taken childcare leave. Through this initiative, we are expanding understanding in the workplace and establishing a corporate culture that supports a balance between career and life regardless of gender.

Male employee paternity childcare leave utilization rate



Note: Total of eight Group companies (HD, SEJ, IY, YB, LO, AH, 7FS, and 7BK). Total for FY2022 and earlier includes SS but not LO.

Social: Human Resource Measures and Human Capital Initiatives

Human Resource Measure 3 Developing and recruiting talent to realize our strategic goals

To achieve global growth, we will secure and systematically develop talented human resources who will be responsible for our strategies, and put in place a system that will enable them to demonstrate their abilities to the fullest extent.

Human resource strategy and global human resource recruitment

To advance our global strategies, it is essential to secure and develop talent who can think from a global perspective, but also understand and adapt to local characteristics and execute strategies locally. In addition to training to enhance cross-cultural responsiveness and leadership skills, we will develop planned career paths that will ensure growth through work performance for those who are expected to perform well globally in the future. Furthermore, we will enhance the competitiveness of the entire Group by stimulating the exchange of talent across borders and aligning personnel systems, such as evaluation and compensation, with global standards so that employees can continue to be active in the Group over the long term. We will also actively recruit external talent with expertise and experience (including those from different industries and overseas). Having talent with diverse backgrounds and skills is key to building competitive advantage in a rapidly changing marketplace. We will take strong action to recruit and develop global talent, and will ensure that people who understand the strengths of our Group will excel globally, leading to further Group growth.

Developing global human resources

We have positioned the development of global talent as an important management issue and are developing a variety of measures to foster the ability of our employees to play an active role on the international stage. These efforts are designed not only to improve language skills and cross-cultural understanding, but also to foster logical thinking and problem-solving skills, as well as the ability to do business in a globally oriented way. In our short-term overseas study program as part of this, participants not only hone language skills necessary for business, but also improve business skills by attending MBA lectures and through curricula that explore the future of food. Through visits to local companies and stores and interaction with local community members, we emphasize the development of cross-cultural understanding and a humble attitude toward learning. By doing so, we aim to help our employees gain a broad range of experience and develop problem-solving skills from a global perspective.

In addition, SEJ and other Group companies offer Seven-Eleven English Training (SET), an English-language training program designed to develop human resources over the medium to long term who can play an active role in global business and to enhance their English language skills and cross-cultural understanding. More than 500 employees have participated in this training between 2021

and 2025, and about 40 of the graduates have already been assigned to overseas divisions or overseas operating companies, working around the world while making their own career goals a reality.

In addition, in 2024, we launched new exchange programs, co-created by the Company, SEJ, SEI, and 7IN.

The SEI Exchange Program between Japan and the United States and the SEA Exchange Program between Japan and Australia provide opportunities for domestic talent to gain a deeper understanding of overseas business models and for international talent to gain a deeper understanding of Japanese business models, respectively, and for them to learn from each other. This training is designed to help participants understand the importance of optimizing business development in each country in a cross-cultural communication environment. By providing opportunities for such experiences, we work to develop truly global talent by cultivating their ability to deliver results in collaboration with those around them.

In addition to these measures, we also offer a variety of self-development support systems and other growth support measures. These measures play an important role in supporting employee growth as the foundation for global human resource development.



A short-term overseas study program session



SEI Exchange Program participants

Social: Human Resource Measures and Human Capital Initiatives

Key metrics for measuring progress in human resource measures

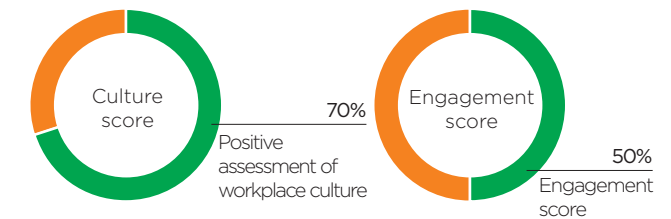
At each Group company in Japan, the Culture & Engagement Survey is used to monitor progress in fostering a culture of continuous challenge and innovation, and enhancing job satisfaction and ease of work. The survey is conducted once a year to objectively and quantitatively assess the culture and engagement within each organization, and to use the results to build a better organizational environment.

This survey calculates scores based on unique items

related to culture (such as integrity, respect for autonomy, encouragement to take on challenges, and openness) and engagement, making the state of these aspects visible. In the FY2024 survey, the percentage of positive responses to culture-related questions was 70%, while the engagement score was 50%.

In addition to the Culture & Engagement Survey, SEJ conducts a pulse survey of all employees to measure the status of communication and the effectiveness of measures implemented by each department within the company. We are using survey results as a basis for measures to improve engagement.

Results of the FY2024 Culture & Engagement Survey



Note: This survey of 26 domestic Group companies measures the state of culture in each workplace, covering aspects such as integrity, respect for autonomy, encouragement to take on challenges, and openness, in addition to engagement.

Employee interviews

Management training participant

After undergoing training to study management, I am now in charge of a directly managed store and am working to execute measures and disseminate information to maximize the results of my team. Not only that, but I am working to improve field capabilities through training for directly managed store employees and regional OFC education, while deepening cooperation with other departments and emphasizing communication that is mindful of others. My experience so far has inspired me to want to build a team myself, and my goal is to create an environment with greater psychological safety, where ambition is welcomed, and where failures can be turned into learning experiences. Furthermore, I will try to stay humble and always be learning as I take on new challenges, working to propose and realize flexible work styles and growth opportunities for women according to their life stages.



Yumeko Iijima

Nagano & Yamanashi Zone, Kofu District Office Senior Operation Field Counselor Operations Division SEVEN-ELEVEN JAPAN CO., LTD.

Childcare leave recipient

Currently, I am in charge of a total of nine stores in Aso City and Minamiaso Village of Kumamoto Prefecture. At the request of my wife and with the encouragement of the owners of the stores I was in charge of, I took childcare leave. Although I was apprehensive at first, I was able to make it happen with the support of my supervisors and colleagues. Through taking childcare leave, I learned the difficulties of raising a child and developed empathy with store staff. I have also become more aware of how to work efficiently and in a planned fashion, and I have been working on ways to deliver results under time constraints. This experience has led me to rethink the way I work and how I support my family, and I hope to continue to be flexible in my approach to balancing work and family life.

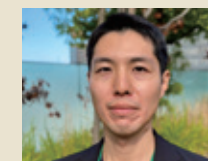


Tatsuhiko Shimokawa

South-Kyushu Zone, East-Kumamoto District Office Operation Field Counselor Operations Division SEVEN-ELEVEN JAPAN CO., LTD.

Global training participant

I studied at the Drucker School of Management near Los Angeles for six months from December 2024 on the short-term overseas study program. This experience improved my language and communication skills and deepened my understanding of different cultures. I had discussions with local MBA students in a variety of classes covering topics such as new business design and self-management. In the school's Finding the Future in Food program, I learned the importance of getting out on the streets, interviewing as many people as I can to understand my customer, and testing hypotheses. I intend to apply the perspective gained from studying abroad to my work in corporate planning to serve as a link between the field, management, and the global community.



Takayuki Minamizaki

Corporate Planning Division Seven & i Holdings Co., Ltd.

Social: Human Rights Initiatives

Human Rights Policy and promotion system for human rights initiatives

As corporate activities continue to globalize and society's interest in corporate approaches to human rights increases, we believe it is critically important to comply with international standards and respect the human rights of stakeholders. With this in mind, in 2021 the Group established the Seven & i Holdings Human Rights Policy, based on the International Bill of Human Rights (the Universal Declaration of Human Rights and the International Covenants on Human Rights), the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the Ten Principles of the United Nations (UN) Global Compact, the UN Guiding Principles on Business and Human Rights, and other principles and standards. Under the commitment of the executive management, including the representative directors, we are working on respecting human rights.

The Human Rights Promotion Project, led by the representative directors, has also been established as a cross-Group organization to promote the Human Rights Policy, and ongoing efforts are being made to implement it. These include identifying human rights issues, preventive and corrective measures, regular monitoring, and information disclosure, all aimed at advancing human rights due diligence. The planning and progress of these initiatives are confirmed at regular meetings.

 Seven & i Holdings Human Rights Policy
https://www.7andi.com/en/sustainability/policy/human_rights.html

Conducting 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 Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Business Conduct, and we strive to prevent any negative impact on human rights and take corrective and mitigating action as necessary.

Human rights impact assessment

We recognize that the Group's 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 preventing, remedying, and mitigating those we find. In FY2022, we conducted an assessment to understand the potential negative human rights impacts of our operations and those of our business partners. We calculated their severity and likelihood of occurrence, and we created a mapping of these risks. The identification of such issues is conducted with the support and advice of external experts.

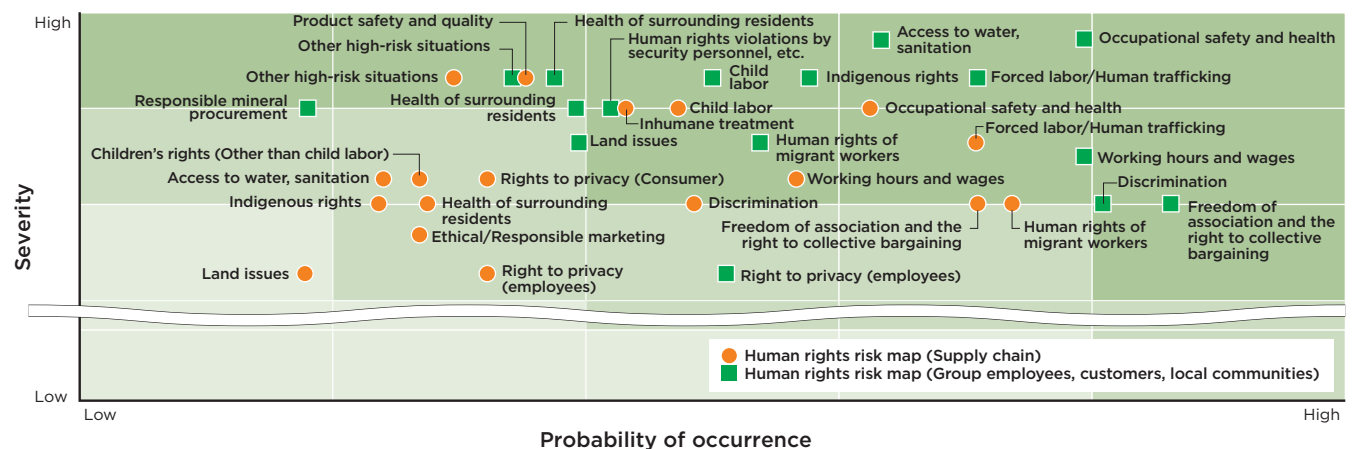
Implementation of preventive and corrective measures

The Group identifies human rights risks (and countries/regions) that we focus on preventing and responding to. For those identified as high priority, we implement corrective measures within the Group as well as conduct education, training, and other activities aimed at prevention.

In February 2024, we conducted Human Rights e-Learning for Group employees, with approximately 40,000 participants completing the course. Then, in May 2024, after revisions to Japan's Act for Eliminating Discrimination against Persons with Disabilities, we conducted Reasonable Accommodation e-Learning, with approximately 23,000 participants completing the course.

Furthermore, to prevent human rights violations against employees caused by abuse by customers, we published "Our Approach to Customer Harassment" in 2024. We aim to protect employees from socially

Human rights risk map



Social: Human Rights Initiatives

unacceptable language and actions, fostering a workplace environment where they can work with a sense of purpose and peace of mind.

For human rights risks in the supply chain, we are continuously working to raise awareness of the Group's guidelines among relevant stakeholders, striving to improve and enhance our efforts to respect human rights.

Monitoring

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

For our business partners, we conduct an anonymous Business Partner Survey. In FY2024, we received a total of 11,804 responses from Group companies.

As part of supply chain monitoring efforts, we conduct CSR audits of end manufacturing facilities to which the Group outsources the manufacture of our *Seven Premium* PB merchandise as well as of overseas manufacturing partners for PB products. The audits ascertain their level of compliance with the Seven & i Holdings Business Partner Sustainability Action Guidelines ("Action Guidelines"). In FY2024, CSR audits were conducted at 200 production facilities in 12 countries overseas and 626 production facilities in Japan.

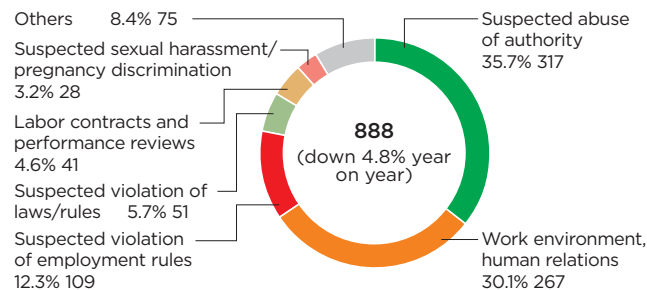
Disclosure of information to stakeholders

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

Internal whistleblowing system as a remediation measure

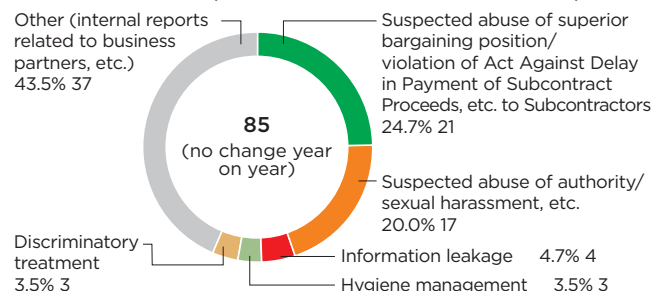
The Group has established a Groupwide Employee Helpline to prevent, and quickly detect and correct, any actions that could lead to a loss of social trust, and to prevent recurrence. These helplines can also be used in the event of human rights issues. In addition, the Group has set up the Business Partner Help Line for domestic Group companies' business partners.

Breakdown of reports to employee helplines



Note: "Employee helplines" include third-party reporting contact points, as well as separate contact points some operating companies have established. Our operating companies in North America and China have established internal reporting systems to receive reports and inquiries from employees.

Breakdown of reports to the Business Partner Help Line



Additionally, for actions that could lead to a loss of social trust, where the involvement of senior management such as directors, Audit & Supervisory Board members, or executive officers of domestic Group companies is suspected, we operate an Audit & Supervisory Board Hotline. This hotline functions independently from the management and is designed to receive reports and investigate such matters.

Each reporting contact point is managed by a third party with whom we have signed a service contract and a confidentiality agreement, ensuring strict protection of the privacy of the whistleblowers and consulting parties. The Groupwide Employee Helpline accepts reports in four languages, while the Business Partner Help Line accepts reports from both domestic and international locations.

When violations are confirmed, we work together with the relevant departments and companies to discuss appropriate responses, implement remedial measures, and take corrective action. The operational status of the internal whistleblowing system is also regularly reported and reviewed by the executive officer in charge of the secretariat of the Sustainability Committee during Board meetings.

Expanding human rights due diligence to operating companies

We are engaged in human rights initiatives to ensure human rights due diligence processes also take place within our operating companies. By supporting the identification of human rights risks, corrective and mitigating measures, and monitoring, each company is advancing its human rights initiatives.

In 2024, we disclosed information externally regarding SEJ's human rights initiatives.

 Human rights initiatives
<https://sustainability.sej.co.jp/action/000610/> (in Japanese only)

Social: Supply Chain Management

Building a sustainable supply chain with our business partners

Since our establishment, the Group has sought to be a sincere company that our stakeholders trust, founded on our Corporate Creed. Today, human rights issues are becoming even more profound around the world, and companies are expected to fulfill their social responsibilities throughout their supply chains. That means respecting and protecting human rights, complying with laws and regulations, conserving the environment, and giving consideration to working conditions.

The Group places the highest priority on respecting human rights, and we inform our business partners about the Seven & i Holdings Business Partner Sustainable Action Guidelines (Action Guidelines) and ask that they practice these. Together with our business partners, we apply the Action Guidelines in building a sustainable supply chain. In this way, we provide safe, high-quality merchandise and services while promoting respect for human rights, compliance with laws and regulations, environmental conservation, and consideration for working environments.

Implementing CSR audits of business partners

The Group strives to provide customers with safe and reliable merchandise while collaborating with business partners to realize a sustainable society. As part of this effort, we conduct CSR audits of our business partners. These audits are conducted for the factories to which the Group outsources the manufacture of its PB merchandise, *Seven Premium*, and the PB merchandise of Group companies, located in regions (mainly in China and

Southeast Asia) that are deemed particularly important from a risk management perspective. Through these audits, we also share updates with our business partners on the status of implementing the Action Guidelines and support corrective actions to address any problems that have been discovered.

When we begin a new business relationship, we ask the partner company to understand and comply with the Action Guidelines and undergo a CSR audit. In accordance with the results of the audit and the status of any corrective actions, we issue a Certificate of Conformity and start business with the partner. In addition, renewal of the Certificate of Conformity is a condition for continuing business with overseas factories.

CSR audits are conducted by third-party organizations. The audit items are based on international conventions such as ILO conventions and ISO 26000, with 16 categories and 117 check items established independently by the Company. These categories are organized according to importance, with particular emphasis on the following four categories:

1. Forced labor
2. Child labor and underage workers
3. Living wage (minimum wage)
4. Disciplinary action

The 16 categories of CSR audits

No.	Category
1	Implementation of management system and rules
2	Forced labor
3	Freedom of association
4	Health and safety
5	Child labor and underage workers
6	Living wage (minimum wage)
7	Working hours
8	Discrimination and harassment
9	Regular employment

If any non-conformity related to these categories is discovered, we will urge the relevant Group operating companies that contract with the factory to review their business relationship and take appropriate actions.

The next priority categories are as follows:

- Health and safety
- Working hours
- Subcontracting agreements
- Global environmental conservation
- Merchandise safety

If non-conformities such as legal violations are found in these items, we will verify the status of corrective actions at the relevant factory. If a large number of non-conformity issues are identified, we conduct follow-up audits as necessary and make a determination as to whether to continue business with the factory based on the results.

Results of CSR audits

To verify compliance with our Action Guidelines, we conducted CSR audits in FY2024 at 200 overseas factories manufacturing our PB products, including *Seven Premium*, and 626 factories. In particular, we define factories in China and Southeast Asia (total: 12 countries) that have large transaction volumes, high importance, and are difficult to

The four top-priority categories

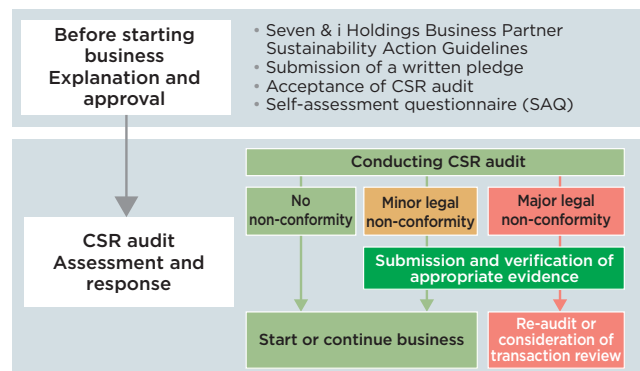
No.	Category
10	Subcontracting agreements, domestic industry, outsourced processing
11	Disciplinary action
12	Global environmental conservation
13	Anti-corruption and fair business practices
14	Ensuring merchandise safety
15	Security management
16	Interests of local communities and disaster response

Social: Supply Chain Management

replace as “critical suppliers,” and focus our audits on these.

To ensure fairness in our CSR audits, we outsource these audits to the external auditing agency, TÜV Rheinland Japan Ltd.

CSR audit process



Number of CSR audits (Overseas factories)

FY	2021	2022	2023	2024	2025 Plan
Number of factories audited	357	322	254	200	200
Implementation rate (%) ^{*1}	79.9 ^{*2}	74.2 ^{*2}	77.7	83.3	—

^{*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

Response to non-conformities

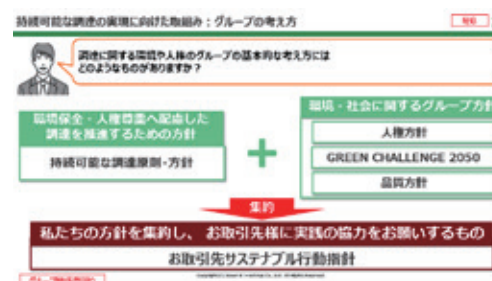
Overseas CSR audits for FY2024 were conducted at 200 factories, of which major non-conformities were identified at six factories. These included issues related to occupational safety and health (such as improper

chemical management, equipment maintenance deficiencies, and failure to use protective gear) and living wage compliance (such as unpaid wages and deficiencies in employment contracts). Regarding the identified items, the factories immediately implemented corrective measures, including reviewing management methods, ensuring the use of protective equipment, and paying outstanding wages.

As an example of responses to non-conformities, for improper chemical management, we confirmed the implementation of corrective actions such as relocation to a controlled separate area and appropriate management within that area. Furthermore, corrective actions were confirmed for all major and minor non-conformities identified through CSR audits. The CSR audit results did not identify any non-compliance in terms of forced labor, child labor under the age of 15, or disciplinary action.

Internal awareness activities

The Group identifies human rights risks (and countries/regions) that we focus on preventing and responding to. For those identified as high priority, we implement corrective measures within the Group as well as conduct education, training, and other activities aimed at prevention. In FY2024, we conducted Sustainable



Procurement e-Learning to enhance knowledge essential for sustainable procurement—covering human rights, the environment, and other areas—and to disseminate the Group’s approach. A total of 2,281 employees across the Group completed the training.

Awareness activities for business partners

The Group continuously holds explanatory sessions on the Business Partner Sustainability Action Guidelines for business partners to whom we outsource the manufacturing of PB products.

In FY2024, we conducted explanatory sessions on the Action Guidelines and CSR audits via live and on-demand streaming, with 396 companies and 642 individuals watching the live broadcast. Additionally, 953 people watched the recording, and 4,700 people viewed the briefing materials.



Status of briefings on Action Guidelines and CSR audits

FY	2020	2021	2022	2023	2024
Number of sessions	5	19	8 topics	8 topics	8 topics
Number of participating companies	604	517	480	416	396
Cumulative number of participants (including viewers)	870	3,566	14,698	5,882	4,700

Strengthening Corporate Governance

We will pursue the governance appropriate for a corporate group specializing in global CVS operations while deepening dialogue with our stakeholders.



Message from the Chairperson of the Board of Directors



Fuminao Hachiuma
Lead Independent Outside Director
Chairperson of the Board of Directors

We will harness dialogue to drive transformation, and as a result accelerate value creation as a global company.

On assuming the position of chairperson of the Board of Directors

Since May 2023, I have served as an outside director, and then since May 2025 as chairperson of the Board of Directors. In 2024, I joined the Strategy Committee, composed of outside directors, and made recommendations regarding the Group's growth strategy and improvement of capital efficiency. Furthermore, at the Special Committee, which also includes outside experts in finance and international legal affairs, we have held more than 40 discussions over the past year on takeover bids from foreign companies and 7-Eleven's medium- to long-term, essential corporate value.

In May 2025, the Company made a fresh start as an entity specializing in the CVS business under a new management team led by CEO Stephen Hayes Dacus, who previously served as chair of the Strategy Committee and chairperson of the Board of Directors. Through our discussions thus far, I have been reminded of 7-Eleven's strengths and global potential. On the other hand, business performance continues to be challenging, and we feel the need to address this issue with a sense of urgency. As an outside director and chairperson of the Board of Directors, I will oversee the Company's steady growth trajectory and enhancement of corporate value in line with its roadmap toward 2030 and beyond, while sincerely listening to the voices of shareholders and other stakeholders. I strongly recognize that this is my greatest mission and I intend to fulfill these responsibilities.

Understanding of the current situation

Turning our attention to the external environment, in addition to prolonged global inflation and supply chain uncertainties, Japan continues to suffer from structural headwinds such as labor shortages. A sense of urgency has also developed within the Group about a declining brand image and a lack of proposal capabilities, and markets are also assessing us quite harshly. Now that the Group structure has undergone major changes, I believe it is necessary to make renewed efforts to transform the corporate culture and climate to reach an ideal state.

On the other hand, the Group possesses an unparalleled global retail platform with approximately 60 million customers a day, primarily in Japan and the United States. If we can reaccelerate field-oriented value creation and further stimulate use of digital technologies and data, I believe there is significant room for renewed growth. Based on this understanding of the current situation, the Board of Directors has narrowed down its agenda to four important issues for discussion.

Important issues for the Board of Directors in FY2025

First, in light of the current situation in which the Group has pivoted from having diverse business categories, mainly in Japan, to a new business format specializing in the global CVS business, I believe that our first priority is to redefine the roles of the holding company and each operating company and to strengthen the necessary functions and the human resources to carry them out.

The second point is how to establish a governance

Message from the Chairperson of the Board of Directors

system as we expand our business globally. It will be important to accelerate decision-making and actions by transferring authority to operating companies, while redesigning internal control mechanisms, including risk management, such as cybersecurity and BCP. To achieve this, supervision will be necessary such that the Company demonstrates its capabilities as a Center of Excellence, leveraging our global scale and knowledge (best practices) by updating our business management and operating framework.

Third, we will monitor the status of execution of the initiatives for growth and structural reforms described in the “Transformation of 7-Eleven” released in August 2025 under the new system. This monitoring will be to see whether these initiatives and reforms are being steadily carried out and whether trajectories are being promptly corrected in response to changes in the business environment. In doing so, we intend to accurately assess the situation, and, while not falling into the trap of micromanagement, maintain an appropriate distance between execution and supervision, exercising the supervisory function of the Board of Directors through constructive dialogue.

Finally, I strongly feel the need to deepen the discussion on human capital, which is becoming more and more important, and on the corporate culture and awareness reforms that form the foundation of human capital. We should reflect on whether the concepts of “trust and sincerity,” “responding to change while strengthening fundamentals,” and “thinking from the customer’s perspective” that we have espoused are instilled in our daily activities. At the same time, we need to define new values that we should share as a global retail group in a business environment that is undergoing dramatic change.

Operation of the Board of Directors

In my view, an important role of the chairperson of the Board of Directors is to enhance the effectiveness of the Board, and for this purpose, it is essential to take an overarching view on the agenda items that incorporates shareholders’ perspectives, clarify the issues they represent, and lead the Board to form conclusions through constructive discussions. The Company’s management structure has undergone major changes in this fiscal year, and the addition of new directors has made the Board of Directors an even more diverse forum. Though we may disagree, I believe this is also a sign of healthy debate.

In such an environment, rich communication that is both tense and cooperative is essential. For this reason, I emphasize dialogue both on and off the floor of Board meetings. We actively observe executive-side meetings and set up meetings with the CEO, operating divisions, and Audit & Supervisory Board members before and



after Board meetings to ensure diligent exchange of information. Particularly for newly appointed outside directors, we consciously provide opportunities to communicate and fill the gaps in information so as to facilitate and further invigorate discussions.

Enhancing corporate value

The Board of Directors plays several important roles: through strategic discussions, monitoring of measures, and KPI progress management, we ensure steady progress toward the growth strategies and structural reforms for 2030 that we have presented to shareholders and investors; and we visualize and share with stakeholders the status of capital efficiency and shareholder returns.

Overseeing the formulation of strategies and the progress of measures is a fundamental task for us outside directors, and we will place more emphasis on the speed of this process in the future. The key to revitalizing the retail front lines is to make precise course corrections while implementing the PDCA cycle at high speed in response to daily customer movements, and speeding up this process is crucial to increasing the accuracy of measures. From a corporate management perspective, setting targets for 2030 is not such a far-off view, and the Group is keenly aware of the need to further increase the speed of management.

We have received a variety of feedback from our stakeholders regarding the “Transformation of 7-Eleven” released by the Company. These include not only expectations for growth, but also suggestions and questions regarding room for further improvement. Going forward, we will continue to listen sincerely to our shareholders, investors, and other stakeholders and strive to enhance management transparency and efficiency and improve corporate value through constructive dialogue.

Message from the Chair of the Nomination Committee

We will closely monitor efforts to cultivate the team of next-generation management that will support this world-leading CVS corporate group.



Discussion on what makes an ideal leader

Since May 2022, when the Company achieved a majority of outside directors, there has been significant internal and external interest in the Group's bold structural reforms and discussions at our Nomination Committee, where we select

new directors and the next CEO. The role of outside directors on the committee is to provide constructive recommendations from an objective perspective to ensure the sustainable growth and sound governance of the Company. Expectations on this role of ours have increased year by year, and since assuming the position of outside director, I have constantly felt that the importance of this role has been growing. Especially in the two years since 2023, when I was appointed as chair of the Nomination Committee, discussions have been more and more energized about the new Group structure and measures for business transformation, and we have been tasked with accelerating the selection of future director candidates. In this context, the committee has endeavored to actively exchange views on what qualities and abilities are required of a CEO to lead a new growth strategy, what knowledge and skills directors must possess, and the ideal leaders and governance structure for a global CVS company from Japan.

Top management should be capable of both dialogue and execution

At the core of our vision for the next CEO is to have experience in managing distribution and retail businesses in global markets, a sincere attitude toward diverse stakeholders, and the capability to execute strategies and deliver results. Effective stakeholder communication is essential for strategy execution. I believe that, instead of a charismatic leader who will use that quality to strongly influence the organization and drive management, it is essential that top management at global companies going forward should possess capabilities for dialogue and execution. With these, they can steadily carry out strategies based on dialogue with stakeholders.

Accordingly, newly appointed CEO Stephen Hayes Dacus possesses both of these qualities. He is a hands-on

practitioner of management who has demonstrated leadership in retail as well as food products and food service companies in Japan and the United States, and as a bilingual person, he can also serve as a global bridge. In particular, I expect that his attitude of emphasizing speed in transformation and being a "servant" leader, rather than a "top-down approach," who gives top priority to the growth of subordinates and the organization, will be a major driving force in achieving the Group's growth.

Discussion on CxO succession plan

At the Annual Shareholders' Meeting in 2025, four new outside directors were appointed alongside the CEO change. All of them have the knowledge and experience essential for the Company's global growth, further increasing the diversity of the Board of Directors. On that basis, our next task, as we look to make the Group a truly global CVS organization, is to expand the depth of our management team, including chief officers (CxOs), and strengthen its functions. Currently, the Board of Directors is in the process of redefining the ideal state of the holding company, and in parallel, we will discuss the CxO succession plan that will be required going forward.

In addition, I am currently involved as an observer in the development of senior management candidates, including through women's empowerment and DX, and I would like to actively provide input on the development of next-generation human resources to help the Company reach a state of global talent management, where there is strategic cross-border utilization of talent.

As for the Nomination Committee, we will continue to work with the Board of Directors to improve the quality of the nomination process and help to build a virtuous cycle of recruitment, development, and promotion.

Message from the Chair of the Compensation Committee

Establishing a compensation system that drives global value creation



Compensation practices: Fueling global growth and shareholder value

Since joining the Board of Directors as an independent director in 2022, a significant portion of our time was necessarily focused on structural reforms and managing acquisition proposals. While these strategic discussions were crucial for our future vision, they occasionally

diverted focus from developing proactive growth strategies.

Under the leadership of our new CEO, Mr. Stephen Dacus, we are actively charting the course for the global CVS group, specifically defining the ideal structure and role of the holding company and its growth trajectory. Within this critical context, my mission is unequivocal: to establish compensation practices that are perfectly aligned with this new structure and reliably contribute to enhancing shareholder value.

A new focus: Value creation and human capital strategy

I believe a robust compensation framework is the starting point of our value creation process. It must be a system that attracts and motivates key talent across the organization—from executives with global management skills and next-generation leadership candidates to employees driving store operations worldwide. Everyone must find their compensation attractive, take pride in their work, continuously challenge themselves, and see their results directly contribute to sustained profits.

Promoting a new, global compensation framework

To achieve this, we must first correctly understand the compensation approaches and operational best practices in the United States. Our global expansion, particularly our high-growth North American operations, is a very critical engine driving our future.

I bring a unique, bilateral perspective to this challenge. Having served as a CEO at U.S. financial institutions and major consulting firms, and as President of a foreign-affiliated IT company in Japan, I have a deep understanding of compensation committee approaches and evaluation

processes in both countries. I currently leverage this expertise not only here but also as an outside director and Compensation Committee Chair at SEI in the U.S., establishing a framework for two-way strategic alignment.

Bridging the divide for global competitiveness

While the simple adoption of the U.S. model is impractical—given variations in local cost of living, productivity, and industrial structures—we must address current limitations. In Japan, deeply entrenched practices like seniority-based promotion and ambiguous job definitions complicate a necessary shift toward a performance-based compensation framework.

Nevertheless, as chair of the Compensation Committee for a company in global competition, I have a responsibility to persistently push for this transition. A rigid system that fails to attract global talent or inhibit personnel mobility will undeniably hinder our growth. With this urgency and mission, the Compensation Committee and the Board are currently defining compensation practices appropriate for a truly global CVS enterprise.

My role as a U.S.-Japan bridge

Born and raised in Japan, I graduated from a U.S. university and subsequently honed essential skills—communication, negotiation, active listening, and empathy—across different languages, cultures, and values. It is my life's work to serve as a bridge connecting these two nations as we globally expand 7-Eleven, a company born in the U.S. and grown in Japan.

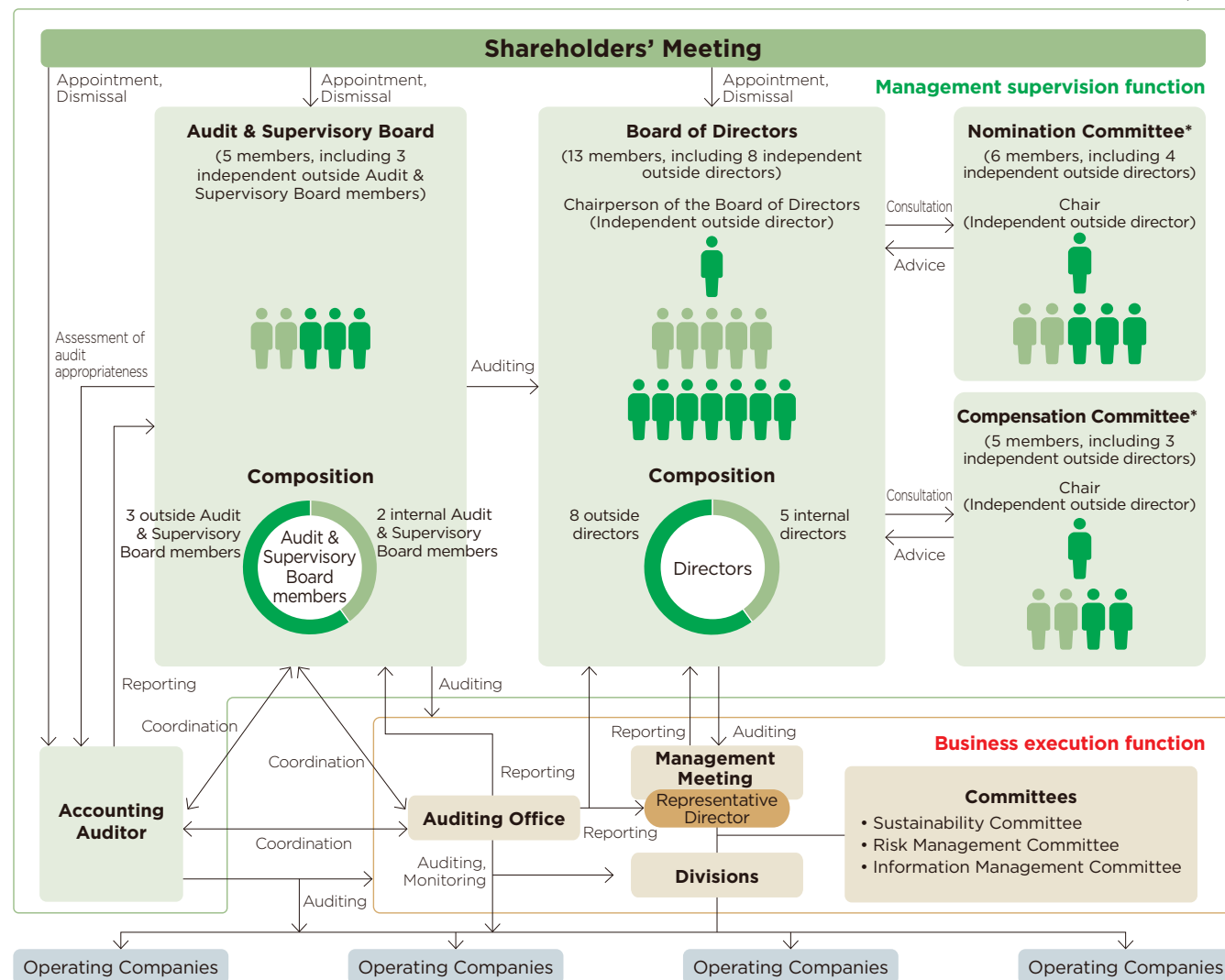
I will fulfill my role to establish compensation practices that nurture people, reward challenges, and achieve sustainable growth in shareholder value, ensuring 7-Eleven remains a corporate brand respected by business professionals worldwide.

Corporate Governance

For details, please visit our corporate website.
<https://www.7andi.com/en/ir/management/governance/structure.html>
<https://www.7andi.com/en/ir/management/governance/basicviews.html>

Corporate governance system

As of December 31, 2025



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

Basic approach

The Company 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 long-standing patronage of all stakeholders, including customers, business partners and franchisees, shareholders and investors, local communities, and employees, based on the Corporate Creed.

Reason for adoption of current corporate governance system

The Company 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 auditing 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.

The Company has adopted this corporate governance structure because it judges the structure to be workable for realizing and ensuring the Company's corporate governance and for conducting appropriate and efficient corporate management.

Corporate Governance



For details, please visit our corporate website.

<https://www.7andi.com/en/ir/management/governance/structure.html>

<https://www.7andi.com/en/ir/management/governance/basicviews.html>

Adoption of a company with an Audit & Supervisory Board member system

The Company considers the following characteristics and advantages of an Audit & Supervisory Board member system to be effective for ensuring the appropriateness of the Company's Group governance and has therefore adopted it as the corporate governance system. These characteristics and benefits are: each Audit & Supervisory Board member independently has their own auditing authority (individual independence system), which allows audits to be conducted from the perspectives of each Audit & Supervisory Board member; the independence of the Audit & Supervisory Board members is clearly

specified by law, which enables independent and objective audits; and the Audit & Supervisory Board members have legally specified authority to investigate subsidiaries, which is effective also from a Group audit perspective.

Ensuring objectivity and transparency in decision-making

The Company has established the Nomination Committee and the Compensation Committee ("the Committees") as advisory committees to the Board of Directors. The chairs of the Committees and the majority of their members are independent outside directors. It has been utilizing the more diverse range of knowledge and advice

of outside directors and outside Audit & Supervisory Board members to ensure further objectivity and transparency in procedures for deciding the nomination of and compensation for representative directors, directors, Audit & Supervisory Board members, and executive officers ("Officers, etc."), thereby enhancing the supervisory functions of the Board of Directors and further substantiating corporate governance functions.

The Committees deliberate on the nomination and compensation of not only the Company's Officers, etc., but also representative directors and others (including presidents and CEOs) of core operating companies.

Evolution toward stronger governance

	2005	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Number of outside directors/total number of directors*1 (%)**2	2/11 (18.1%)	4/14 (28.5%)	4/13 (30.7%)	4/12 (33.3%)	5/12 (41.6%)	5/13 (38.4%)	5/13 (38.4%)	9/15 (60.0%)	9/15 (60.0%)	9/15 (60.0%)	8/13 (61.5%)
Enhancement and establishment of the Board of Directors	<ul style="list-style-type: none"> Established the holding company Introduced the executive officer system 	<ul style="list-style-type: none"> Established Guidelines for Directors and Audit & Supervisory Board Members 			<ul style="list-style-type: none"> Appointed a female outside director 		<ul style="list-style-type: none"> Selected directors by utilizing the skills matrix 	<ul style="list-style-type: none"> Strengthened diversity of the Board of Directors Enhanced skills Made the majority of Board members independent outside directors Number of non-Japanese directors/percentage**2 5/33.3% Number of female directors/percentage**2 3/20.0% Establishment of a lead independent outside director 		<ul style="list-style-type: none"> Separated the positions of chairperson of the Board of Directors and CEO 	
Establishment of advisory committees		<ul style="list-style-type: none"> Established the Nomination and Compensation Committee (2 internal/2 outside) Chair: Outside director 							<ul style="list-style-type: none"> Established the Strategy Committee 	<ul style="list-style-type: none"> Established the Special Committee 	
Enhancement of the Board of Directors' evaluation		<ul style="list-style-type: none"> Commenced Board of Directors' evaluation (Discussion by all) 	<ul style="list-style-type: none"> Third-party involvement All officers interviewed Discussion by all 							<ul style="list-style-type: none"> Conducted performance reviews (360-degree feedback) 	
Establishment of the compensation system for directors and Audit & Supervisory Board members					<ul style="list-style-type: none"> Introduced the performance-based and stock-based compensation system 			<ul style="list-style-type: none"> Linked performance-based compensation to Medium-Term Management Plan 2021-2025 Modified the compensation ratio by position Modified the system in line with stronger CO₂ reduction targets Added employee engagement to stock-based compensation KPIs 			

*1 As of May 31 each year

*2 Percentages are truncated to the first decimal place.

Corporate Governance

 For details, please visit our corporate website.
<https://www.7andi.com/en/ir/management/governance/board.html>

Composition of the Board of Directors

The Company executed a bold reform to the Board of Directors, the majority of which are independent outside directors, at its FY2022 Annual Shareholders' Meeting to establish a governance structure suitable for a world-class retail group, an aim outlined in its Medium-Term Management Plan 2021–2025 announced in July 2021.

In FY2025, the composition of the Board of Directors emphasizes experience in top management at listed companies; knowledge and experience relating to food, DX, and global management, which are viewed as the strategic axes of the Group; and skill sets such as specialization in business transformation to establish a management structure which will contribute to further growth and maximization of long-term corporate value and shareholder value. These relevant skill sets have been formulated following deliberation by the Nomination Committee and the Board of Directors.

Additionally, in FY2025, Stephen Hayes Dacus assumed the position of representative director & president, symbolizing our commitment to strengthen global management. His participation in management, leveraging his extensive international experience and leadership, will further accelerate the Group's enhancement of global competitiveness and business transformation.

The Board of Directors of the Company will make important decisions which support the swift and decisive risk-taking of the management team thanks to this diverse member composition. At the same time, it will provide highly effective oversight and appropriately fulfill its roles and responsibilities as the Board of Directors.

Directors (Internal)



Junro Ito
 Representative Director &
 Executive Chair
 (June 14, 1958)



Stephen Hayes Dacus
 Representative Director,
 President & CEO
 (November 7, 1960)



Shigeki Kimura
 Representative Director,
 Vice President & CAO
 (March 16, 1962)



Yoshimichi Maruyama
 Director and CFO
 (November 2, 1959)



Tamaki Wakita
 Director and
 CSO (Chief Strategy Officer)
 (May 12, 1972)

Corporate Governance

 For details, please visit our corporate website.
<https://www.7andi.com/en/ir/management/governance/board.html>

Directors (Outside)



Fuminao Hachiuma
Lead Independent
Outside Director
(December 8, 1959)



Yoshiyuki Izawa
Independent Outside
Director
(February 10, 1948)



Meyumi Yamada
Independent Outside
Director
(August 30, 1972)



Paul Yonamine
Independent Outside
Director
(August 20, 1957)



Takashi Sawada
Independent Outside
Director
(July 12, 1957)



Masaki Akita
Independent Outside
Director
(December 24, 1958)



Tatsuya Terazawa
Independent Outside
Director
(January 20, 1961)



Christine Edman
Independent Outside
Director
(December 23, 1975)



Shinya Ishii
Standing Audit &
Supervisory Board
Member
(February 21, 1965)



Nobutomo Teshima
Standing Audit &
Supervisory Board
Member
(June 15, 1962)



Kazuhiro Hara
Independent Outside
Audit & Supervisory
Board Member
(February 25, 1954)



Mitsuko Inamasu
Independent Outside
Audit & Supervisory
Board Member
(March 15, 1976)



Kaori Matsuhashi
Independent Outside
Audit & Supervisory
Board Member
(June 7, 1969)

Audit & Supervisory Board members (Internal/Outside)

Corporate Governance



For details, please visit our corporate website.

<https://www.7andi.com/en/ir/management/governance/board.html>

<https://www.7andi.com/en/ir/management/governance/structure.html>

■ Directors and Audit & Supervisory Board members' skills matrix and reasons for selection

Name	Participating meeting bodies (◎ indicates the chairperson)				Knowledge and experience								Reasons for selection
	Board of Directors	Audit & Supervisory Board	Nomination Committee	Compensation Committee	Corporate management	Retail industry	Global business	Marketing/ Branding	DX/IT/Security	Finance/ Accounting/ Capital markets	Risk management/ Compliance	Sustainability	
Junro Ito Representative Director & Executive Chair	○		○		○	○					○	○	He has business experience overseas and broad knowledge of the retail industry cultivated as vice president of the Company and as director of a Group company, as well as a wide range of advanced knowledge and experience relating to corporate management, social marketing, risk management, sustainability, and so forth. The Company would like him to utilize this knowledge and experience to realize the management plans aimed for by the Company, to enhance its corporate value including non-financial aspects, and to smoothly execute Group management.
Stephen Hayes Dacus Representative Director, President & CEO	○		○		○	○	○	○		○			He has served as a corporate executive officer in the retail industry and other industries both in the United States and Japan and has a broad range of high-level knowledge and experience in corporate management, marketing, finance and accounting, etc., cultivated through abundant global business experience. He was appointed as an independent outside director of the Company in May 2022, and was appointed as the chairperson of the Board of Directors and lead independent outside director in April 2024. As chair of the Strategic Committee and the Special Committee, he has played an important role in overseeing strategies for the pursuit of Group value creation. The Company would like him to utilize this knowledge and experience to realize its management plans, and to refine its management system, capital structure, and business operations with a focus on the CVS business in order to maximize the Group's corporate value.
Shigeki Kimura Representative Director, Vice President & CAO	○			○	○	○			○		○	○	He has a broad range of knowledge of the retail industry cultivated as a director of the Company and vice president of a Group company, as well as a broad range of knowledge and experience in corporate management including the franchise business, risk management, IT, sustainability, and other areas. The Company would like him to utilize this knowledge and experience to realize its management plans, to enhance Group functions, and to pursue Group synergies.
Yoshimichi Maruyama Director and CFO	○					○				○	○		He has business experience in a financial institution and broad knowledge relating to the Group's overall operations cultivated as a senior officer in the risk management division and finance division of the Company, as well as broad knowledge and experience relating to risk management, finance, accounting, and so forth. The Company would like him to utilize this knowledge and experience to realize its management plans, stabilize the Group's financial base, and strengthen financial discipline, among other matters.
Tamaki Wakita Director and CSO	○			○	○	○	○	○					He has overseas business experience and a broad range of knowledge in the retail industry, cultivated as a president and director of Group companies, as well as a broad range of knowledge of and experience in corporate management, marketing, and so forth. The Company would like him to utilize this knowledge and experience to realize its management plans, to promote the management of the Group, and to formulate our future management strategy.
Fuminao Hachiuma Lead Independent Outside Director	◎		○		○		○	○				○	He has a broad range of high-level knowledge and experience in corporate management, marketing and sustainability, among others, as well as abundant international knowledge related to food cultivated through his experience serving in important positions such as representative director at food companies in Japan and overseas. The Company would like him to utilize this knowledge and experience to realize its management plans and to further improve the effectiveness of its management and the Board of Directors.

Corporate Governance



For details, please visit our corporate website.


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Yoshiyuki Izawa Independent Outside Director	○		○		○		○			○		○	He has a broad range of high-level knowledge in international corporate management, finance and accounting, capital markets, and sustainability, among others, as well as experience serving in important positions, such as representative director of a trading company and a financial institution, as well as Chairman & CEO, Representative Director of BlackRock Japan Co., Ltd. The Company would like him to utilize this knowledge and experience to realize its management plans and to further improve the effectiveness of its management and the Board of Directors.
Meyumi Yamada Independent Outside Director	○		◎	○	○	○		○	○			○	She has a broad range of high-level knowledge and experience in corporate management, e-commerce, DX, marketing, and sustainability, among others, which she has cultivated through the operation of “@cosme,” one of Japan's largest cosmetics and beauty portal sites, and through starting up a women's skill development and job hunting support business. The Company would like her to utilize this knowledge and experience to realize its management plans and to further improve the effectiveness of its management and the Board of Directors.
Paul Yonamine Independent Outside Director	○			◎	○		○		○	○			He has a broad range of high-level knowledge and experience in DX, finance, and accounting, etc., cultivated through his extensive management experience at consulting firms, as President of IBM Japan, Ltd. and as CEO of overseas financial institutions, among others. The Company would like him to utilize this knowledge and experience to realize its management plans and to further improve the effectiveness of its management and the Board of Directors.
Takashi Sawada Independent Outside Director	○				○	○	○	○		○			He has a broad range of high-level knowledge and experience in overseas expansion in the retail industry, franchise businesses, branding, and finance and accounting, etc., cultivated through his extensive track record in corporate management as vice president of FAST RETAILING CO., LTD. and in other roles. The Company would like him to utilize this knowledge and experience to realize its management plans and to further improve the effectiveness of its management and the Board of Directors.
Masaki Akita Independent Outside Director	○		○	○	○	○		○			○	○	He has wide-ranging knowledge of the inbound tourism business and of food, as well as a broad range of high-level knowledge and experience in marketing, risk management, etc., cultivated through his track record in corporate management as the representative director of Matsuya Co., Ltd. and in other roles. The Company would like him to utilize this knowledge and experience to realize its management plans and to further improve the effectiveness of its management and the Board of Directors.
Tatsuya Terazawa Independent Outside Director	○					○	○				○	○	He has served as vice-minister for international affairs in the Ministry of Economy, Trade and Industry, and as chairman and CEO of The Institute of Energy Economics, Japan, as well as in other important roles, and has a broad range of high-level knowledge and experience in such areas as international trade, franchise businesses, risk management, and sustainability. The Company would like him to utilize this knowledge and experience to realize its management plans and to further improve the effectiveness of its management and the Board of Directors.

Corporate Governance

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Name	Participating meeting bodies (◎ indicates the chairperson)				Knowledge and experience								Reasons for selection
	Board of Directors	Audit & Supervisory Board	Nomination Committee	Compensation Committee	Corporate management	Retail industry	Global business	Marketing/ Branding	DX/IT/Security	Finance/ Accounting/ Capital markets	Risk management/ Compliance	Sustainability	
Christine Edman Independent Outside Director	○				○	○	○	○	○				She has wide-ranging knowledge of the global retail industry, as well as a broad range of high-level knowledge and experience in such areas as DX, marketing, and branding, cultivated through her experience serving as the representative director of companies in the apparel industry both in Japan and overseas, and in other important roles. The Company would like her to utilize this knowledge and experience to realize its management plans and to further improve the effectiveness of its management and the Board of Directors.
Shinya Ishii Standing Audit & Supervisory Board Member		◎				○				○	○		He has wide-ranging knowledge of the operations of the Group as a whole, as well as a broad range of knowledge and experience in finance, accounting, and management administration, cultivated in his role as an executive officer, senior officer of the Corporate Management Department. The Company would like him to contribute this knowledge and experience to the establishment of a good corporate governance structure that can realize robust and sustainable growth of the Company, create medium- to long-term corporate value, and live up to the trust placed in the Company by society.
Nobutomo Teshima Standing Audit & Supervisory Board Member		○				○			○	○	○		He has wide-ranging knowledge of the operations of the Group as a whole, as well as a broad range of knowledge and experience in finance, accounting, risk management, and IT, cultivated in his role as a senior officer of the Accounting Management Department and the Auditing Office. The Company would like him to contribute this knowledge and experience to the establishment of a good corporate governance structure that can realize robust and sustainable growth of the Company, create medium- to long-term corporate value, and live up to the trust placed in the Company by society.
Kazuhiro Hara Independent Outside Audit & Supervisory Board Member		○				○	○			○	○		He has abundant experience and specialized knowledge related to finance, accounting, tax, and risk management, cultivated as a certified public accountant and certified tax accountant. The Company would like him to contribute this knowledge and experience to the establishment of a good corporate governance structure that can realize robust and sustainable growth of the Company, create medium- to long-term corporate value, and live up to the trust placed in the Company by society.
Mitsuko Inamasu Independent Outside Audit & Supervisory Board Member		○							○		○		She has abundant experience and specialized knowledge related to overall corporate legal affairs (including laws related to digital technologies) and risk management as an attorney at law. The Company would like her to contribute this knowledge and experience to the establishment of a good corporate governance structure that can realize robust and sustainable growth of the Company, create medium- to long-term corporate value, and live up to the trust placed in the Company by society.
Kaori Matsuhashi Independent Outside Audit & Supervisory Board Member		○			○		○		○	○	○	○	She has abundant experience and specialized knowledge related to finance, accounting, business management, and risk management cultivated in her business experience at operating companies and as a consultant and certified public accountant. The Company would like her to contribute this knowledge and experience to the establishment of a good corporate governance structure that can realize robust and sustainable growth of the Company, create medium- to long-term corporate value, and live up to the trust placed in the Company by society.

Corporate Governance

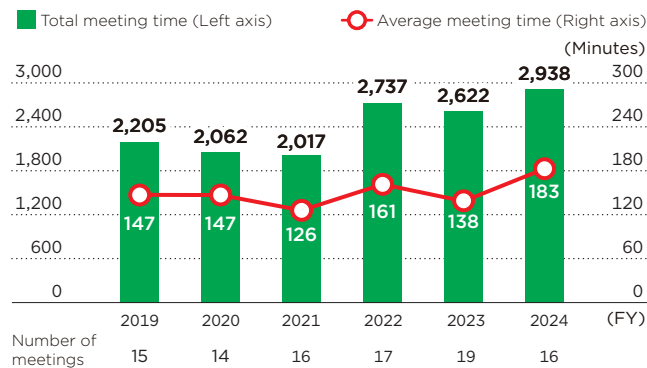


For details, please visit our corporate website.
<https://www.7andi.com/en/ir/management/governance/board.html>

Items for deliberation at the Board of Directors

The Board of Directors deliberates on a wide range of matters. In FY2024, in addition to items mandated by laws and regulations such as the Companies Act and items specified by the Corporate Governance Code, the Board deliberated on agenda items related to the following four key themes: monitoring of the action plans aimed at accelerating growth, consideration of optimal Group structure, strengthening of investor engagement, and promotion of initiatives related to governance and human capital management, etc.

Board of Directors meeting deliberation time*



* Data is for the period from March to February of the following year.
 Ex: FY2024 indicates March 1, 2024 to February 28, 2025

Evaluation of the Board of Directors' effectiveness

The Company recognizes that the effective functioning of the Board of Directors is essential for enhancing corporate governance and maximizing corporate value. Therefore, each year, we evaluate the effectiveness of the Board of Directors through objective analysis and thorough deliberation. We then link the results to

concrete actions aimed at further improving the Board's effectiveness, thereby implementing a crucial PDCA cycle.

Results of the FY2024 Board of Directors' evaluation, as resolved at the Board meeting held on April 17, 2025, as well as important topics for the Board in FY2025, are as follows.

FY2024 Board of Directors' evaluation process

Evaluators	All directors (15) and Audit & Supervisory Board members (5)
Third-party organization	Sumitomo Mitsui Trust Bank, Limited ("the third party")
Scope of evaluation	Board of Directors, Nomination Committee, Compensation Committee, Audit & Supervisory Board, and individual directors
Evaluation process	<ol style="list-style-type: none"> 1. Surveys for all evaluators (conducted by the third party) 2. Individual interviews with all evaluators (conducted by the third party) Note: Performance reviews (360-degree feedback) of directors also conducted during individual interviews 3. Compilation and analysis of surveys and individual interviews (conducted by the third party) 4. Report of evaluation results to the Board of Directors (conducted by the third party) Note: Feedback on the results of the performance reviews (360-degree feedback) of directors is provided to individual directors by the chairperson of the Board of Directors. 5. Discussion at the Board of Directors
Outline of survey	<ol style="list-style-type: none"> I. Evaluation of important topics, etc., for the Board of Directors in FY2024 II. Evaluation of Board of Directors' composition and member contributions III. Evaluation of Board of Directors' operation IV. Evaluation of the Nomination Committee V. Evaluation of the Compensation Committee VI. Evaluation of the Audit & Supervisory Board, etc. VII. Summary

Corporate Governance



For details, please visit our corporate website.
<https://www.7andi.com/en/ir/management/governance/board.html>

Summary of evaluation

1. The Board of Directors for FY2024 established important topics for the fiscal year and advanced measures based on the issues confirmed in the previous fiscal year's Board of Directors' evaluation and the action plan announced on April 10, 2024.
2. On April 18, 2024, the Board resolved to separate the positions of chairperson of the Board of Directors and CEO. Stephen Hayes Dacus, an independent outside director, has since assumed the role of chairperson of the Board of Directors and oversees Board operations. As a result, Board meeting proceedings have become more objective, with agendas streamlined and operations conducted more appropriately.
3. Regarding agenda management, particularly concerning the FY2024 important topics for the Board, focused reporting and discussions were conducted throughout the year, advancing the action plan. However, there is room for improvement in the frequency of reporting and the pace of implementation.
4. Each director and Audit & Supervisory Board member also contributed to deliberations from a more diverse range of perspectives through free and open discussions, drawing on their respective knowledge, experience, and capabilities. As a result, the Board of Directors, utilizing its voluntary committees (Nomination Committee, Compensation Committee, and Special Committee), has appropriately fulfilled its monitoring functions and other responsibilities, ensuring its effectiveness. Going forward, we will strive to further enhance the Board's effectiveness by advancing monitoring capabilities and strengthening collaboration between the voluntary committees and the Board.

5. When the Company received a non-binding acquisition proposal from Alimentation Couche-Tard Inc. in July 2024, we promptly formed a Special Committee composed of independent outside directors. Since then, we have continuously held

discussions from the perspective of enhancing shareholder value and corporate value, and the content of these discussions has been continuously reported to the Board of Directors.

Challenges indicated in the FY2024 Board of Directors' evaluation (excerpt)

Challenges	Measures
1. Monitoring steady progress on important topics for the Board of Directors in FY2024	Greater speed is needed in addressing important topics
2. The role of the holding company and the composition of the Board of Directors	There is an ongoing need to have discussions on the role of the holding company, considering changes in the Group structure, and to have discussions on the composition of the Board of Directors based on this
3. Initiatives to enhance the efficiency of deliberations	Appropriate agenda streamlining and further improvement in the quality of information provided to the Board are required to secure more deliberation time for important matters
4. Appropriate identification and monitoring of risks within the Board of Directors	Further enhancement is required for appropriate explanations of risk conditions when making resolutions, including investment deals, and for post-resolution monitoring
5. Enhancing the performance of internal and outside directors	Measures are needed to deepen understanding of business operations and corporate governance to further enhance the effectiveness of the Board of Directors
6. Information sharing among committees and meeting bodies, and in-depth examination of specific issues (Nomination Committee, Compensation Committee, etc.)	Further enhancement is needed of opportunities for communication between management and the Board of Directors, as well as between directors and Audit & Supervisory Board members

To ensure reliable promotion and execution of matters relating to the important topics for FY2025, we have been incorporating those topics into the annual agenda of the Board of Directors, ensuring opportunities for the Board to deliberate and confirm, among other actions. Furthermore, this annual agenda is regularly reviewed and revised as necessary based on the implementation and promotion of action items related to the important topics and other factors. The Company will work to further enhance the effectiveness of the Board of Directors through ongoing evaluations in order to achieve sustainable growth and

increase corporate value over the medium to long term.

Note: We will also steadily implement the various initiatives outlined in the FY2024 Board of Directors' evaluation.

FY2025 important topics

Important topics
1. Ensuring thorough monitoring in the final year of the Medium-Term Management Plan
2. Formulating new strategies and establishing a monitoring system under the new structure
3. Redefining the role of the holding company and its Board of Directors based on 1. and 2. above

Corporate Governance

 For details, please visit our corporate website.
<https://www.7andi.com/en/ir/management/governance/nomination.html>

Policies and procedures for appointment/dismissal and nomination of directors and Audit & Supervisory Board members, and training

Basic policy

The Company established the Nomination Committee as an advisory committee to the Board of Directors. The committee's chair and the majority of its members are independent outside directors. Through the committee's deliberations on the nomination of representative directors, directors, Audit & Supervisory Board members, and executive officers ("Officers, etc."), the Company utilizes the knowledge and advice of outside directors and outside Audit & Supervisory Board members and ensures objectivity and transparency in the procedures for deciding the nomination of Officers, etc., thereby enhancing the supervisory functions of the Board of Directors and further substantiating corporate governance functions.

1. Candidate selection

Select candidates such as officers

2. Preparation of candidate materials (including resume and reason for recommendation/ appointment)

The secretariat prepares the interviews and committee materials

3. Interview with candidates

Conduct an interview between committee members and the candidate

4. Nomination Committee (deliberation and decision to report)

Based on the materials of the candidate and the content of the interview, the committee deliberates and decides to report

5. Report to the Board of Directors

The results of the deliberation of the committee, including the above process, are reported to the Board of Directors

Basic perspective on the requirements and qualities of directors and Audit & Supervisory Board members

The Company believes that discussion of corporate governance concerning Officers, etc., should begin with the assumption that "nobody is perfect." Thus, the Company has clarified "conditions that must be satisfied by directors and Audit & Supervisory Board members" as universal "requirements." Meanwhile, the "strengths" of each individual can vary; thus, the Company has treated these "personnel selection analysis and perspective that allows for individual strengths and weaknesses" as "qualities" separately from the requirements.

The desirable qualities differ depending on the duties assigned to each director and Audit & Supervisory Board

■ Illustration of requirements and qualities

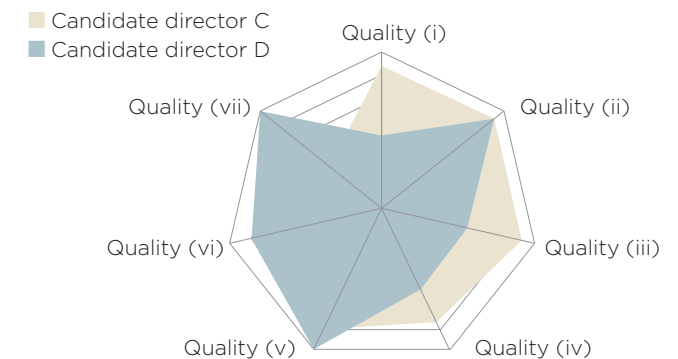
(Reference) Directors and Audit & Supervisory Board member requirements: Conditions that must be satisfied

	Candidate director A	Candidate director B	Candidate director C	Candidate director D
Requirement 1	○	○	○	○
Requirement 2	×	○	○	○
Requirement 3	○	×	○	○
Result	×	×	○	○

member, and have been set separately depending on the positions as set forth below: 1. Directors responsible for business execution; 2. Directors and Audit & Supervisory Board members responsible for supervision and audits; and 3. Group representative (Company president). On the assumption that each individual director and Audit & Supervisory Board member has different strengths and weaknesses with regard to their qualities, the Company considers it important to select Board members by utilizing and combining individual strengths while emphasizing the diversity of the directors and Audit & Supervisory Board members.

If any director or Audit & Supervisory Board member has come to lack these requirements or qualities, the Company shall consider dismissing such director or Audit & Supervisory Board member.

(Reference) Director and Audit & Supervisory Board member qualities: Personnel selection analysis and perspective allowing for individual strengths and weaknesses



Corporate Governance



For details, please visit our corporate website.
<https://www.7andi.com/en/ir/management/governance/nomination.html>

Basic policy regarding qualities and appointment/dismissal of the Group representative (Company president)

The Company has stipulated the following qualities desired for the Group representative (Company president) in the “Guidelines for Directors and Audit & Supervisory Board Members.”

The Group representative (Company president) should have the following qualities as appropriate.

Qualities	Viewpoints
Business management capability	<ul style="list-style-type: none"> • Have problem-solving capabilities • Have outstanding judgment, etc.
Leadership ability	<ul style="list-style-type: none"> • Set constructive targets and lead the Company to achieve beyond them • Have strong ability to communicate with other officers and employees • Ability to drive change, etc.
Personal qualities	<ul style="list-style-type: none"> • Understand own strengths and weaknesses, able to collaborate with persons who possess qualities to compensate for qualities they lack • Always prepared to learn

The basic policy regarding appointment/dismissal of Group representatives is as follows.

- Evaluate the candidate through a sincere process using multifaceted and objective materials
- Examine in detail whether the candidate has the management capabilities required for solving management issues facing the Group companies
- Specifically check and evaluate the leadership style and ability of the candidate

Training for directors and Audit & Supervisory Board members

The Company has built and implements a training system tailored to each position for its directors, Audit & Supervisory Board members, executive officers, and other officers and employees.

Training for directors covers corporate governance, relevant laws and regulations such as the Companies Act and the Financial Instruments and Exchange Act, which is also provided for executive officers who have responsibility for administrative divisions. The expenses for the training are borne by the Company.

In addition, the Company's directors and Audit & Supervisory Board members make use of all opportunities to train themselves through their own efforts, and the Company affords opportunities for improvement. The Company's training policy for directors and Audit & Supervisory Board members is set out in the Guidelines for Directors and Audit & Supervisory Board Members.

The Company provides outside directors and Audit & Supervisory Board members with opportunities to visit the places of business of major subsidiaries.

Furthermore, for the four newly appointed directors elected at the 20th Annual Shareholders' Meeting held on May 27, 2025, we have provided guidance on topics such as the Group's history, culture, and recent business environment, along with advance explanations regarding matters to be deliberated by the Board of Directors.

Regarding site visits

To deepen understanding of the Group's business operations, we conduct site visits to operating company facilities (such as stores) and supplier factories, primarily for newly appointed outside directors.

Through these site visits, we have gained insights that extend beyond a mere understanding of our Group's operations, including various proposals and advice based on the knowledge of each outside director regarding the CVS business and other areas both domestically and internationally.



A November 2024 visit to a 7-Eleven store in Hawaii



An October 2025 visit to the Ito Training Center

Corporate Governance



Please refer to our corporate website for the complete Board Members' Compensation Policy
<https://www.7andi.com/en/ir/management/governance/compensation.html>

Compensation for directors and Audit & Supervisory Board members

Executive directors

Compensation composition ratios^{*1}

Due to its operating structure, the Company's performance-based and stock-based compensation system is currently only applicable to persons who reside in Japan. Also, to share value with stockholders and provide further incentive toward sustainable improvements to the Company's corporate value, separately from the performance-based and stock-based compensation system, Representative Director, President & CEO Stephen Hayes Dacus^{*2} is also eligible for restricted stock units that are based on fulfillment of commitments over a certain period.

	Fixed compensation	Performance-based compensation		Restricted stock-based compensation
		Bonuses	Performance-based and stock-based compensation	
Representative Director & Executive Chair	30%	30%	40%	-
Representative Director, President & CEO	13%	27%	-	60%
Other representative directors	35%	30%	35%	-
Directors	50%	25%	25%	-



^{*1} Calculated assuming that performance-based bonuses and performance-based and stock-based compensation were at base compensation amounts.

^{*2} Stephen Hayes Dacus' base compensation ratio for fixed compensation, performance-based bonuses, and restricted stock-based compensation is generally set at 1:2:4.5. However, when providing various allowances to him as a non-resident of Japan, the fixed compensation proportion may increase.

Fixed compensation

- A fixed compensation commensurate with the responsibilities for each position will be paid.
- Compensation will be paid monthly during the term of office.
- After deliberation and reporting by the Compensation Committee, and based on a decision by the Board of Directors, it is possible to pay certain allowances to persons who reside overseas as part of their base compensation.
- After deliberation and reporting by the Compensation Committee, and based on a decision by the Board of Directors, an executive allowance may be paid according to position.

Performance-based bonuses

- Short-term incentive compensation will be a performance-based cash compensation that varies based on the Company's business performance and individual evaluations, etc., for the relevant fiscal year.
- Compensation will be paid annually after the Company's business performance and individual evaluations, etc., for the relevant fiscal year have been confirmed.

Performance-based bonuses for Representative Director, President & CEO Stephen Hayes Dacus

- The KPIs, weighting, and evaluation criteria for Stephen Hayes Dacus' performance-based bonuses shall be determined by the Board of Directors based on the recommendation received from the Compensation Committee. This recommendation and determination shall incorporate the KPIs previously used for the Company's performance-based bonuses, as well as new KPIs prioritized under the Company's growth strategy and capital structure/business transformation initiatives.
- Regarding the coefficient for performance-based bonuses, the range of potential coefficient values will be widened to enhance the linkage with performance.

Performance-based bonuses for other directors

- In order to evaluate the capability of the main business

to make a profit in cash and to incorporate shareholder perspectives, consolidated net income is also used as a KPI for performance-based bonuses.

Performance-based and stock-based compensation

- This compensation is provided to directors residing in Japan.
 - Medium- and long-term incentive compensation is a performance-based and stock-based compensation that varies based on the Company's business performance, management indicators and non-financial indicators, etc., (the introduction of the BIP Trust system^{*3} as the stock-based compensation system was resolved at the Annual Shareholders' Meetings held in May 2019).
 - Performance-based and stock-based compensation will enhance sharing profits and risks with our shareholders who have medium- and long-term perspectives by providing points during the term of office based on which shares will be delivered.
 - The initial covered period shall be four fiscal years starting from FY2019, and the subsequent covered periods shall be per three fiscal years.
 - Shares will be delivered to directors upon their retirement.
 - Points to be granted for each fiscal year will be calculated by multiplying the standard points based on their position by a coefficient pertaining to performance-based and stock-based compensation and will vary between 0% and 200% depending on the achievement level of targets, etc.
 - In order to incorporate medium- and long-term shareholder perspectives, consolidated ROE and consolidated EPS are used as KPIs for performance and stock-based compensation, and the degree of achievement will be evaluated.
 - Since FY2020, the Company has set a CO₂ emissions reduction target under the environmental declaration called GREEN CHALLENGE 2050 as a KPI for performance-based and stock-based compensation.
 - The degree of improvement in employee engagement was added as a KPI for performance-based and stock-based compensation from FY2022 to further promote the creation of an environment that allows various human resources to exercise their abilities.
- ^{*3} A BIP (Board Incentive Plan) trust is an incentive plan for officers established with reference to a performance share plan and a restricted share compensation plan in the United States.

Corporate Governance



Please refer to our corporate website for the complete Board Members' Compensation Policy
<https://www.7andi.com/en/ir/management/governance/compensation.html>

KPIs for performance-based bonuses

KPI	Ratio	Purpose of evaluation
(a) Consolidated operating cash flow (excl. financial services)*1	60%	Evaluation of cash-generating capability from main business
(b) Consolidated net income	40%	Evaluation of the degree of achievement of budgeted net income

Calculation formula for coefficient pertaining to performance-based bonuses

Coefficient pertaining to performance-based bonuses = {(a) + (b)} × (c)

(a) "Consolidated operating cash flow (excluding financial services)*1" related coefficient × 60%

(b) "Consolidated net income" related coefficient × 40%

(c) "Individual evaluations" related coefficient

• The coefficient pertaining to performance-based bonuses will vary depending on not only an evaluation of KPI but also individual evaluations.

*1 Managerial accounting figures based on net operating profit after tax excluding financial services.

KPIs for performance-based and stock-based compensation

KPI	Ratio	Purpose of evaluation
(a) Consolidated ROE	60%	Evaluation of profitability against equity
(b) Consolidated EPS	40%	Evaluation of net income from shareholder perspectives
(c) CO ₂ emissions	See the formula below	Evaluation of the degree of promoting a reduction in the environmental burden
(d) Employee engagement		Evaluation of the degree of improvement in employee engagement*2

Calculation formula for coefficient pertaining to performance-based and stock-based compensation

Coefficient pertaining to performance-based and stock-based compensation = {(a) + (b)} × {(c) + (d)}

(a) "Consolidated ROE" related coefficient × 60%

(b) "Consolidated EPS" related coefficient × 40%

(c) "CO₂ emissions" related coefficient

(d) "Employee engagement" related coefficient

• When evaluating KPIs for performance-based bonuses and performance-based and stock-based compensation, the range of compensation for representative directors is set wider by using different coefficients pertaining to performance-based bonuses and performance-based and stock-based compensation from other directors, so that the compensation of representative directors will be more affected by the link to performance.

*2 Comprehensive evaluation by the Compensation Committee

Restricted stock-based compensation

- This compensation is provided only to executive directors residing outside of Japan (specifically Representative Director, President & CEO Stephen Hayes Dacus) and does not overlap with performance-based and stock-based compensation.
- This restricted stock compensation will take the form of restricted stock units*3 delivered as incentive-based compensation conditional on fulfillment of commitments over a certain period of time.
- In the restricted stock unit plan, units for delivery of shares will be provided during the director's term of office, to share value with shareholders and to provide further incentives toward sustainable improvements to the Company's corporate value.
- The initial period of eligibility will be the three fiscal years from FY2025.
- The delivery of shares to eligible directors shall be conducted based on a resolution to be passed at the Board of Directors' meeting held after the adjournment of the first Annual Shareholders' Meeting convened after expiration of the aforementioned period of eligibility.

*3 A restricted stock unit plan is a system of stock compensation through which eligible directors are delivered a number of units determined by the Board of Directors in advance. Conditional on continuous fulfillment of duties as eligible directors, a specified number of shares, or the cash equivalent, is issued to eligible directors based on the number of vested units after the end of a specified period. Such specific period is the period from the Company's first Annual Shareholders' Meeting convened during the number of fiscal years specified by the Board of Directors to the adjournment of the first Annual Shareholders' Meeting convened after the conclusion of said number of fiscal years.

Malus and clawback

If any events designated by the Board of Directors occur, the Company may, depending on the nature of the relevant compensation, choose not to deliver or provide all or a part of each type of compensation (malus) or may request the return of all or a part of each type of compensation delivered or provided to that director (clawback).

Outside directors and Audit & Supervisory Board members

Compensation composition ratios

- With an emphasis on further strengthening the independence of outside directors and Audit & Supervisory Board members from management, the compensation of outside directors and Audit & Supervisory Board members consists only of fixed compensation. Performance-based compensation (bonuses and stock-based compensation) will not be paid to outside directors and Audit & Supervisory Board members.
- Compensation will be paid monthly during the term of office.
- After deliberation and reporting by the Compensation Committee, and based on a decision by the Board of Directors, an executive allowance may be paid according to position.

Compensation governance

Compensation Committee


For details regarding the Compensation Committee, please refer to page 70. Compensation will be paid monthly during the term of office.

Method of determining compensation

The amount of compensation of each director is based on the basic policy for compensation of directors and Audit & Supervisory Board members, which is established through deliberation by the Compensation Committee. The amount is deliberated by the Compensation Committee in accordance with the evaluation of each director's function, degree of contribution, and the Group's results, as well as the degree of achievement of KPIs, and then determined by the Board of Directors based on the report of the Compensation Committee.

The compensation of each Audit & Supervisory Board member is determined through discussions by the Audit & Supervisory Board members.

Risk Management

 For details, please visit our corporate website.
<https://www.7andi.com/en/ir/management/risks.html>

Group risk management system

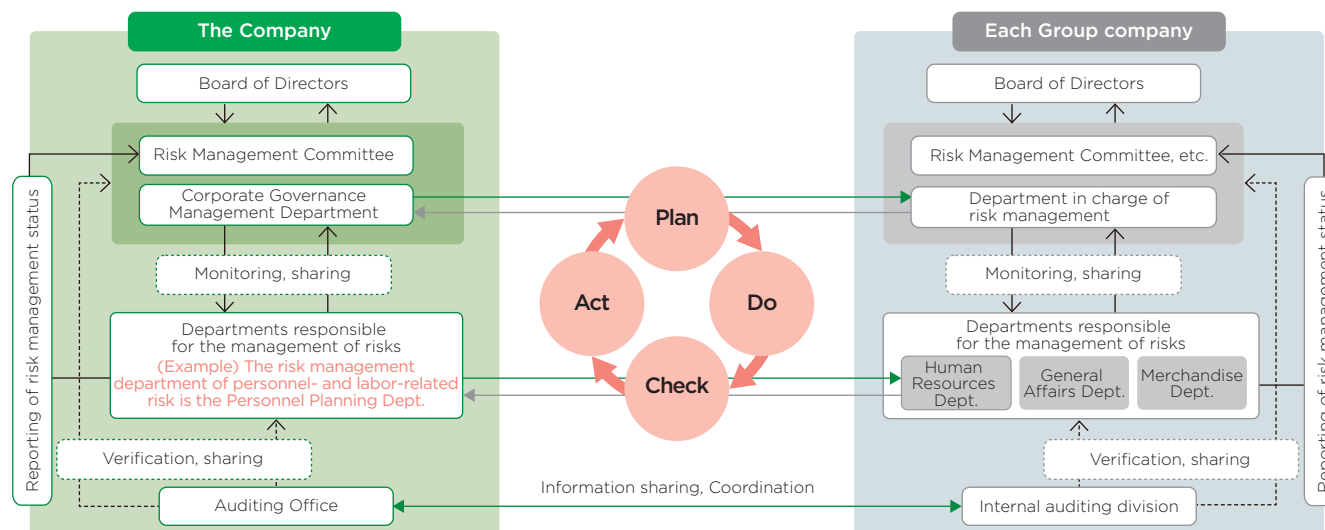
The Company and Group companies have established a Risk Management Committee. As a general rule, the Risk Management Committee meets once every six months to receive reports on the risk management status of the respective companies from the departments responsible for the management of risks, to comprehensively identify, assess, and analyze risks and discuss measures, and to determine the future direction going forward.

Meanwhile, with regard to various risks, the directions of responses to such risks, initiatives to mitigate risks undertaken by each company, and various internal and external examples illustrating signs of materializing risks, etc., are shared through a Groupwide meeting body, etc., headed by the Company's departments responsible for

the management of risks.

As PDCA for risk management, the Group conducts risk management based on information from inside and outside the Group, through "the comprehensive identification of risks," "risk assessment and proposal of improvement measures," "prioritization of risks," and "improvement activities and monitoring."

In addition, the internal auditing division of each company verifies whether risk management is being conducted effectively, from an independent perspective, through periodic internal audits, and provides each department with advice for improving risk management, as required.



Risk assessment process

In addition to changes in the internal environment of the Group, there is a need to recognize global shifts in trends such as heightened geopolitical and ESG-related risks and various alterations in the business environment including changes in consumer values and the growth of online shopping. In recent years in particular, there has been a rise in factors that heighten the uncertainty of the environments in which corporate activities take place, such as the unpredictable international situation.

Against this backdrop, the Company is bolstering and broadening its risk classification framework to incorporate external factors and medium- to long-term perspectives. This ensures effective adaptation to evolving landscapes, augmenting traditional risk management, which primarily addressed internal environments and short-term horizons. Moreover, in terms of the assessment perspective of the degree of impact on performance in the event of risk materialization, 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.

The Company conducts a comprehensive assessment of various risks, focusing on importance, commonality, the degree of emergence and efficiency, before organizing them into four risk classes. Subsequently, roles and responsibilities for each risk class are defined for both the Company and its Group companies, ensuring that the responsible parties undertake improvement activities. This approach boosts the effectiveness of risk management across the Group.

Risk Management

For details, please visit our corporate website.
<https://www.7andi.com/en/ir/management/risks.html>

Major risks to the Group

Based on assessment and analysis of various risks, significant risk events that would be expected to have an impact on the growth strategy, performance, or financial standing of the Group are as shown to the right.

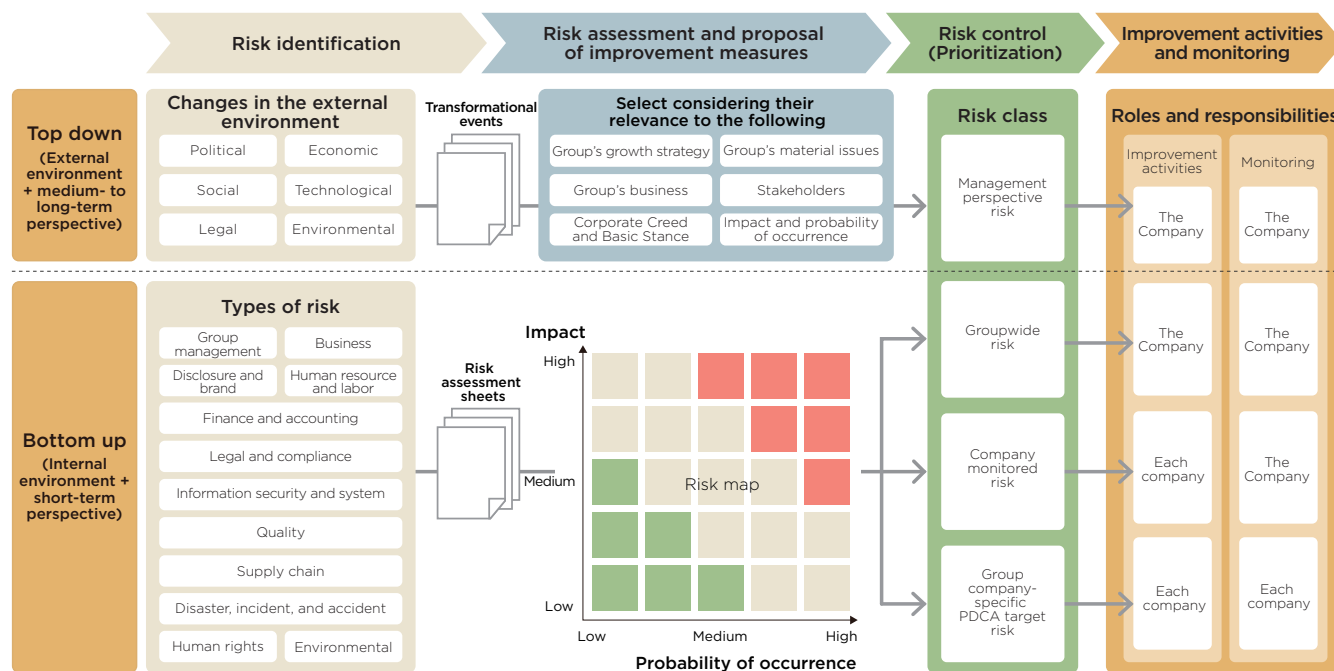
Medium- to long-term perspective risk (Management perspective risk)

We identify events that could potentially occur in the future and have a medium- to long-term impact on the Group's growth strategy and sustainability as

management perspective risks (emerging risks).

For each type of risk, risk owners (responsible departments) are selected within the Company, expected scenarios and measures are considered, regular monitoring is conducted, and measures are revised and updated as needed. In terms of risk measures, management decisions (risk-taking/risk-hedging) will be made with consideration of the Group's growth strategy and material issues.

Risk assessment process



Management perspective risks (Transformational events)

Political	Political change, disruption, dysfunction Collapse of security due to conflict, etc.
Economic	Decline of demand for gasoline
Social	Food crises Human resources / manpower shortage Growing demands for respect for human rights
Technological	Acceleration of technological innovation (including AI) to improve productivity in logistics and store operations
Environmental	Acceleration of decarbonization Growing demand for mitigation of environmental impact of food supply chain Growing demands for reductions in food waste

Short-term perspective risk

After coming to a decision based on a comprehensive consideration of the degree of impact, likelihood of occurrence, and other aspects of the various risks identified by the Company and Group companies, we select risk events that should be managed by the Company and monitor the status of various risks and execution of risk measures periodically.

From among these significant risk events, we selected the "Groupwide risks" shown below, which have a significant impact on the Group growth strategies and, by their nature, should be addressed across the Group from the perspectives of commonality, the degree of emergence, and efficiency.

- Risks related to food quality labeling and sanitation
- Risks related to blowing up on social media or crisis management public relations
- Risks related to earthquakes, tsunami, and volcanic eruptions
- Risks related to cybersecurity
- Risks related to response to antisocial forces

Company Information (As of August 30, 2025)

Corporate Profile

Head Office

8-8, Nibancho, Chiyoda-ku, Tokyo 102-8452, Japan
Tel: +81-3-6238-3000
URL: <https://www.7andi.com/en/>

Date of Establishment

September 1, 2005

Number of Employees

(Consolidated) 36,480
(Non-consolidated) 950

Note: Does not include employees from YHD or its subsidiaries, or 7BK or its subsidiaries.

Paid-in Capital

¥50 billion

Auditor

KPMG AZSA LLC

Stock Information

Number of Shares of Common Stock

Issued: 2,604,555,849 shares

Number of Shareholders

260,092

Stock Listing

Tokyo Stock Exchange, Prime Market

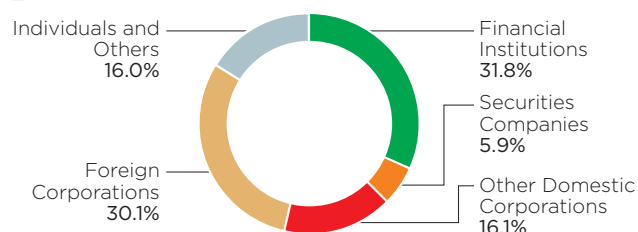
Transfer Agent and Registrar

Mitsubishi UFJ Trust and Banking Corporation

Annual Shareholders' Meeting

The annual shareholders' meeting of the Company is normally held in May each year in Tokyo, Japan.

Classification of Shareholders by Percentage of Shares Held

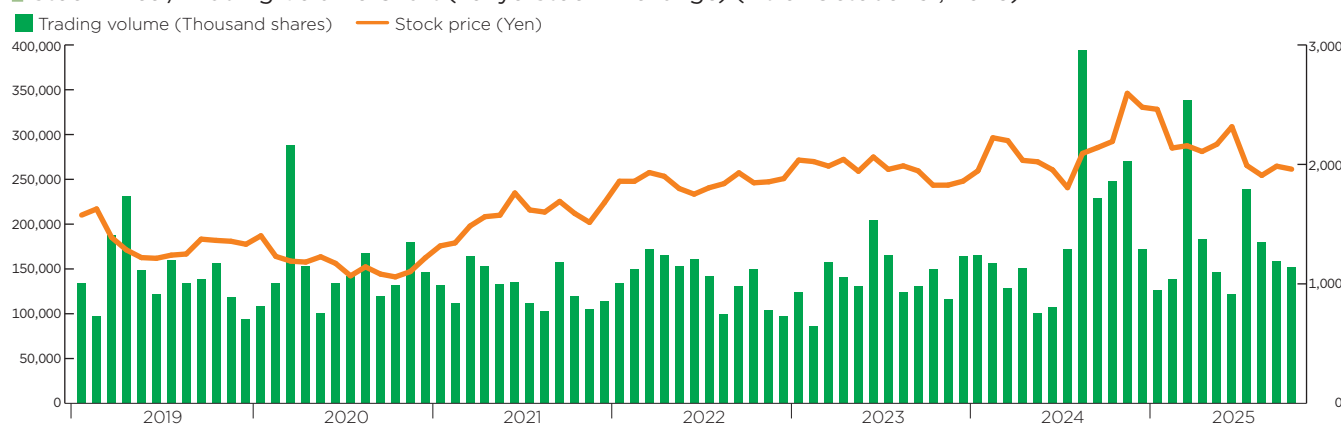


Principal Shareholders

Name	Number of shares (Thousand shares)	Shareholding ratio (%)
THE MASTER TRUST BANK OF JAPAN, LTD. (TRUST ACCOUNT)	406,659	16.48%
ITO-KOGYO CO., LTD.	212,103	8.60%
CUSTODY BANK OF JAPAN, LTD. (TRUST ACCOUNT)	139,006	5.63%
NIPPON LIFE INSURANCE COMPANY	53,017	2.14%
MITSUI & CO., LTD.	48,667	1.97%
STATE STREET BANK AND TRUST COMPANY 505001	48,300	1.95%
JP MORGAN CHASE BANK 385864	48,284	1.95%
SMBC NIKKO SECURITIES INC.	47,321	1.91%
THE NOMURA TRUST AND BANKING CO., LTD. AS THE TRUSTEE OF REPURCHASE AGREEMENT MOTHER FUND	43,313	1.75%
STATE STREET BANK WEST CLIENT - TREATY 505234	41,659	1.68%

Note: The shareholding ratio is calculated after deducting treasury stock.
Note that the number of shares held in the Executive Compensation BIP Trust and the Stock Granting ESOP Trust are not included in the treasury stock.

Stock Price / Trading Volume Chart (Tokyo Stock Exchange) (As of October 31, 2025)



Rating Information (As of September 30, 2025)

		S&P	Moody's	R&I	JCR
Seven & i Holdings	Long-term	A-	A3	AA-	AA
SEVEN-ELEVEN JAPAN	Long-term	A-	-	-	AA
	Short-term	A-2	P-2	-	-
7-Eleven, Inc.	Long-term	A-	Baa2	-	-

Note: From January 2006, SEVEN-ELEVEN JAPAN's short-term rating is its rating as the guarantor of 7-Eleven, Inc.'s commercial paper program.



SEVEN&i HLDGS. Co.,Ltd.

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