



To Become a World-Class Global Retailer Group

April 7, 2022

Seven & i Holdings Co., Ltd.
President & Representative
Ryuichi Isaka

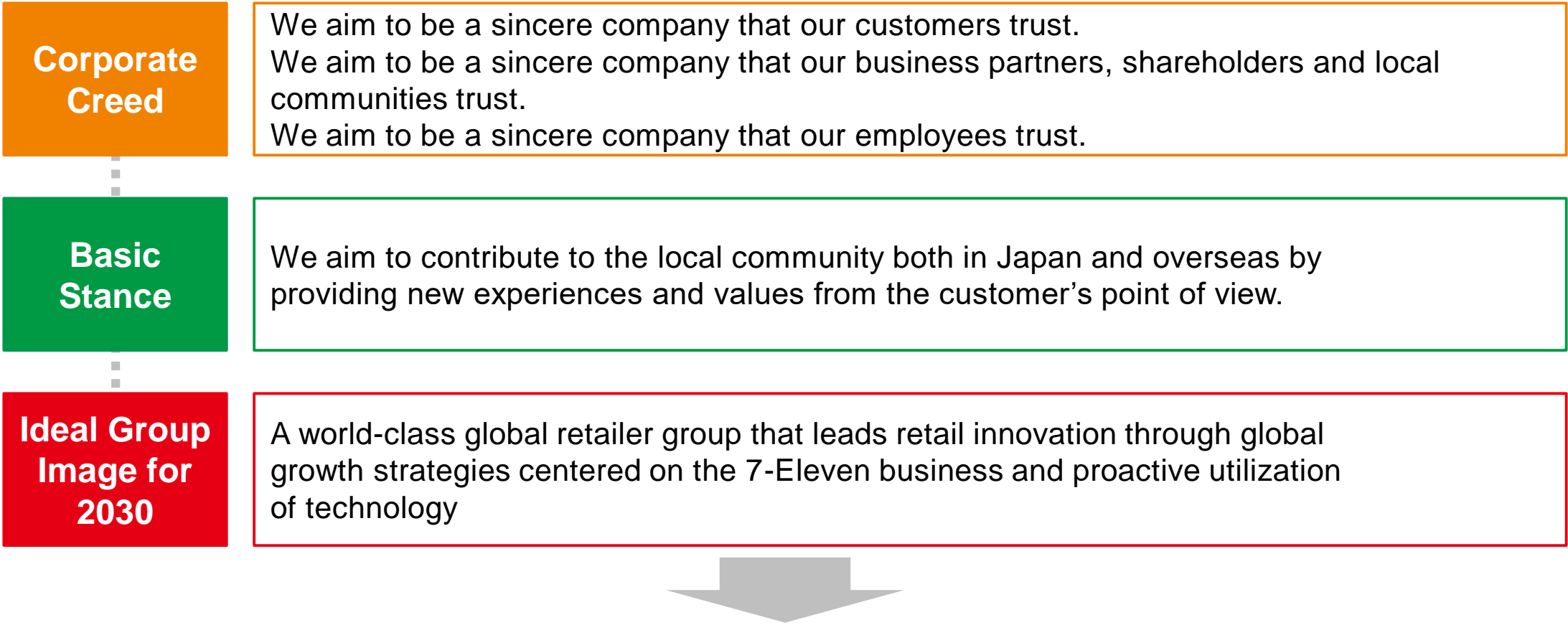
AGENDA

- 1 Corporate Vision
- 2 Recent Developments
- 3 Key Management Focus Areas and Action Plans
- 4 Our Plan to Become a World-Class Global Retailer Group

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Corporate Vision



We are committed to maintaining a constructive dialogue with stakeholders, incorporating their “feedback”, and continuing our Group innovation and growth

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Recent Developments

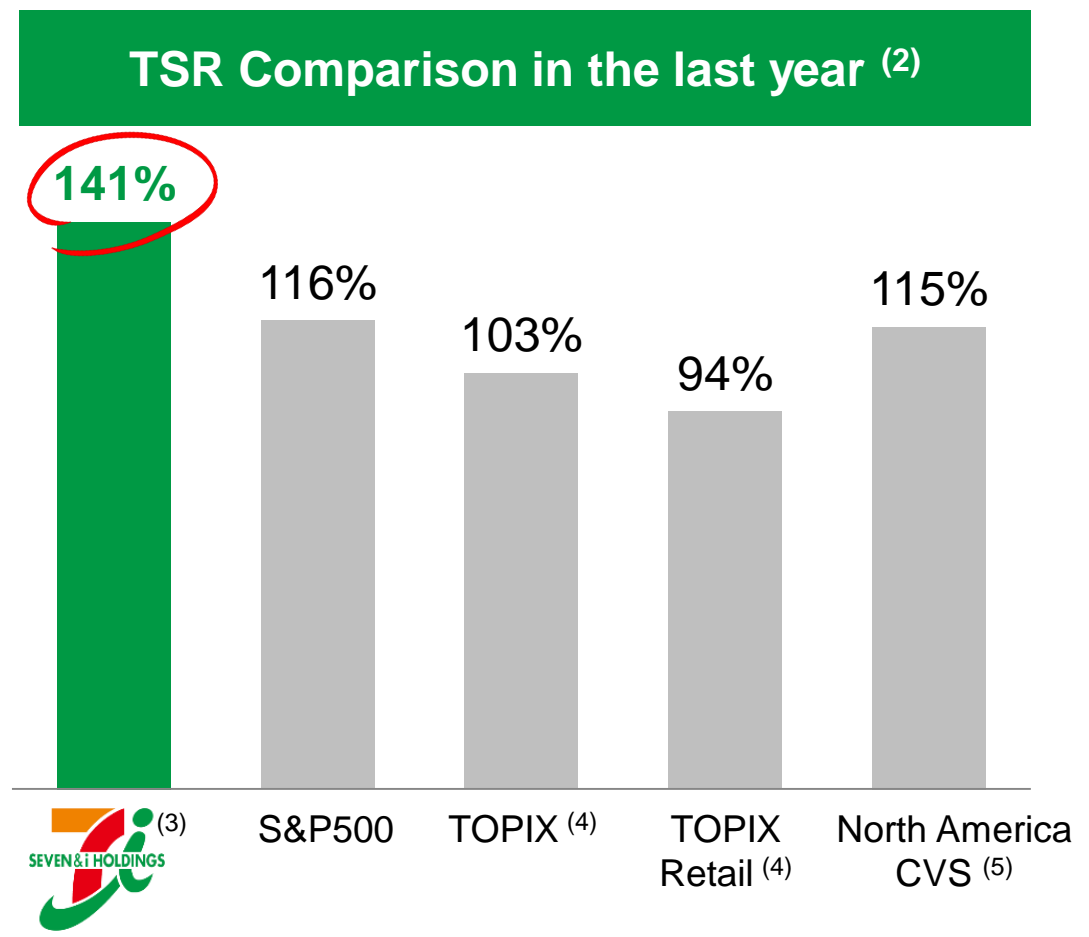
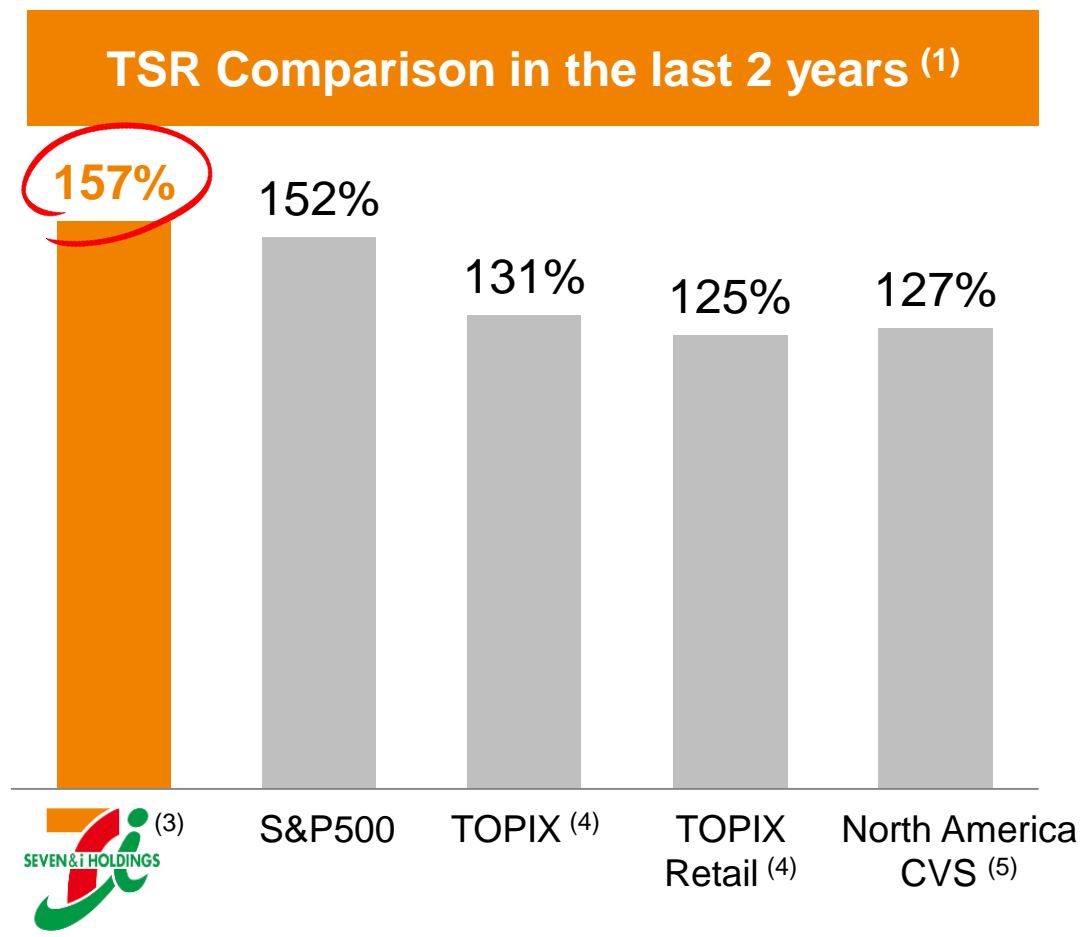
- We have been accelerating our initiatives to become a world-class global retailer group

To Become a World-Class Global Retailer Group



Recent Total Shareholders Return (TSR) Performance

- Our TSR for the last 2 years and last 1 year have outperformed overall market including S&P 500 and TOPIX



(1) Change from end of February 2020 to end of February 2022

(2) Change from end of February 2021 to end of February 2022

(3) Calculated TSR in FY2022 with the scheduled dividend JPY100

(4) TOPIX and TOPIX Retail refer to share prices including dividends

(5) North America convenience store ("CVS") companies includes Alimentation Couche-Tard, Casey's General Stores, Murphy USA, and Arko

Implementation of Sustainable Management

- Sustainable management efforts are the basis for the “Medium-Term Management Plan 2021 – 2025”
- Implemented countermeasures to combat climate change as a Group

<p>Declaration on Environment “GREEN CHALLENGE 2050”</p>  <p>— FY2050 Target —</p>	<p>① Reduce CO2 Emissions Target net zero emissions through group’s operational management Reduce through whole supply chain including Scope 3</p> <p>③ Reduce Food Waste & Promote Food Recycling Food waste volume 75% reduction Food waste recycling rate 100%</p>	<p>② Reduce Plastic Waste Containers used for original products 100% Eco-friendly No usage of plastic bags</p> <p>④ Sustainable Purchasing Food ingredients for original products 100% sustainability-assured materials</p>
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— Disclosed in June 2020 —



Participated since December 2020



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION
Committed Since March 2021

Achieving sustainable society through global perspectives

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Key Management Focus Areas and Action Plans

- Our management has continued to constructively engage with our shareholders

Action Plans

- A Review business portfolio and accelerate initiatives to optimize operations**
 - 1. Accelerating profit growth through domestic / overseas convenience store (“CVS”) business collaboration**
 - ✓ 7-Eleven, Inc. (“SEI”) profitability improvement: synergy realization post Speedway acquisition
 - ✓ SEI business transformation: implementation of value chain management and food business capabilities of Seven-Eleven Japan Co., Ltd. (“SEJ”)
 - ✓ Non-Japan/US CVS expansion: leveraging capabilities of both SEJ and SEI
 - ❖ *Detailed plans / specific KPIs to be further disclosed*
 - 2. Strengthening CVS and Superstore businesses’ competitiveness centered on grocery business strategy**
 - ✓ SEJ and Ito Yokado (“IY”) will be the group’s core entities driving grocery business strategy
 - ✓ Accelerate expansion of last-mile strategy and the group’s proprietary private brand (*Seven Premium*)
 - ✓ IY’s business restructuring to be completed within FY2023
 - 3. Continuous business portfolio review**
 - ✓ Completed the partial sale of Francfranc’s shares and the sale of OSHMAN’s
 - ✓ Strategic review of Sogo & Seibu
 - ✓ Continue reviewing business portfolio and best ownership structure for each business

Key Management Focus Areas and Action Plans (Cont'd)

Action Plans

B Announcing strategic capital re-allocation plan

- Accelerate reclamation of capital through business portfolio restructuring and best ownership discussion
- Focus on investing our cash flow to our high growth CVS business
- Enhance shareholder return through flexible share buyback and other options, considering balance between growth investments
- ✓ *Detailed plans to be further disclosed*

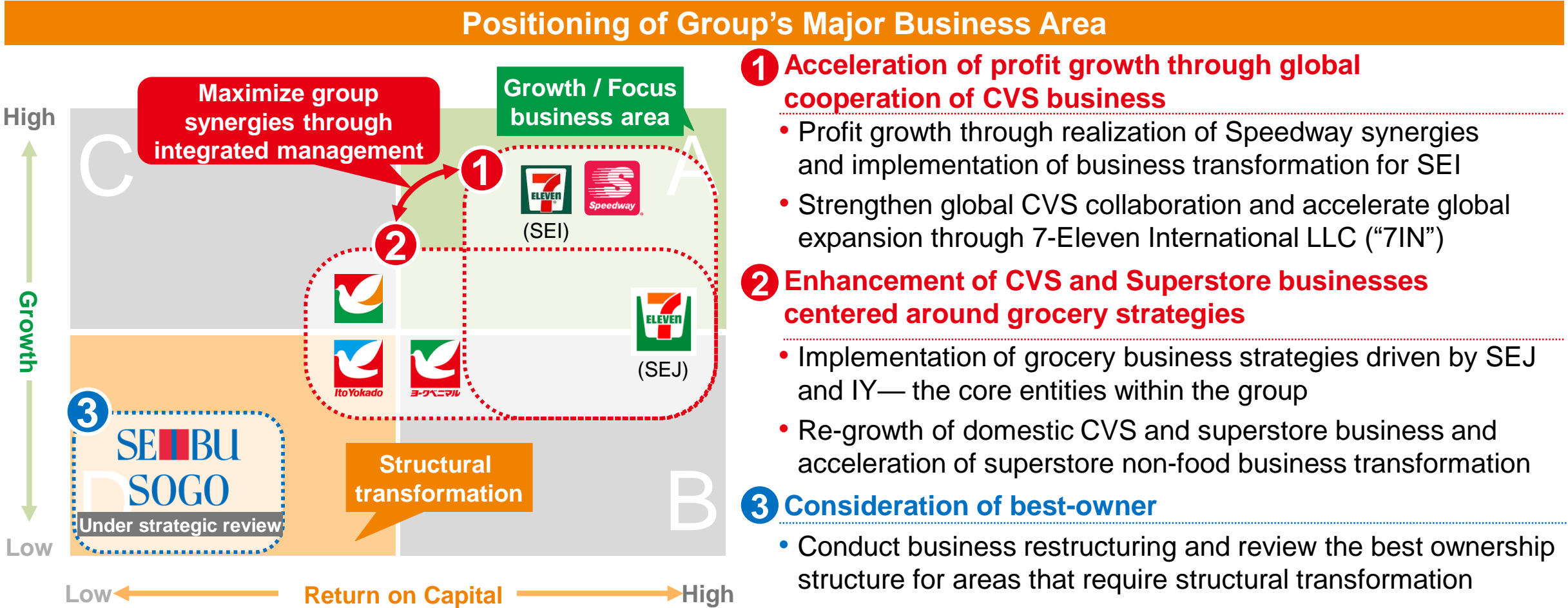
C Governance Structure Transformation

- Board member to be proposed based on the following principles at the annual shareholders meeting this May:
 - ✓ Internal Directors: Reduce the number of Internal Directors, aiming for a better balance of management and supervisory capabilities, enabling further agile decision making
 - ✓ Outside Directors: Strengthen our system through further improvement of “Skills Matrix” that fosters board diversity and promotes our growth strategy as a global retailer
 - ✓ Specific Initiatives: Number of the Internal Directors will be reduced from the current 8 to 6, while the number of Outside Directors will be increased from the current 5 to 9; the majority of the Board will be outside directors

These initiatives will enable Seven & i to be a World-Class Global Retailer Group

A Portfolio Review and Actions for Operational Optimization

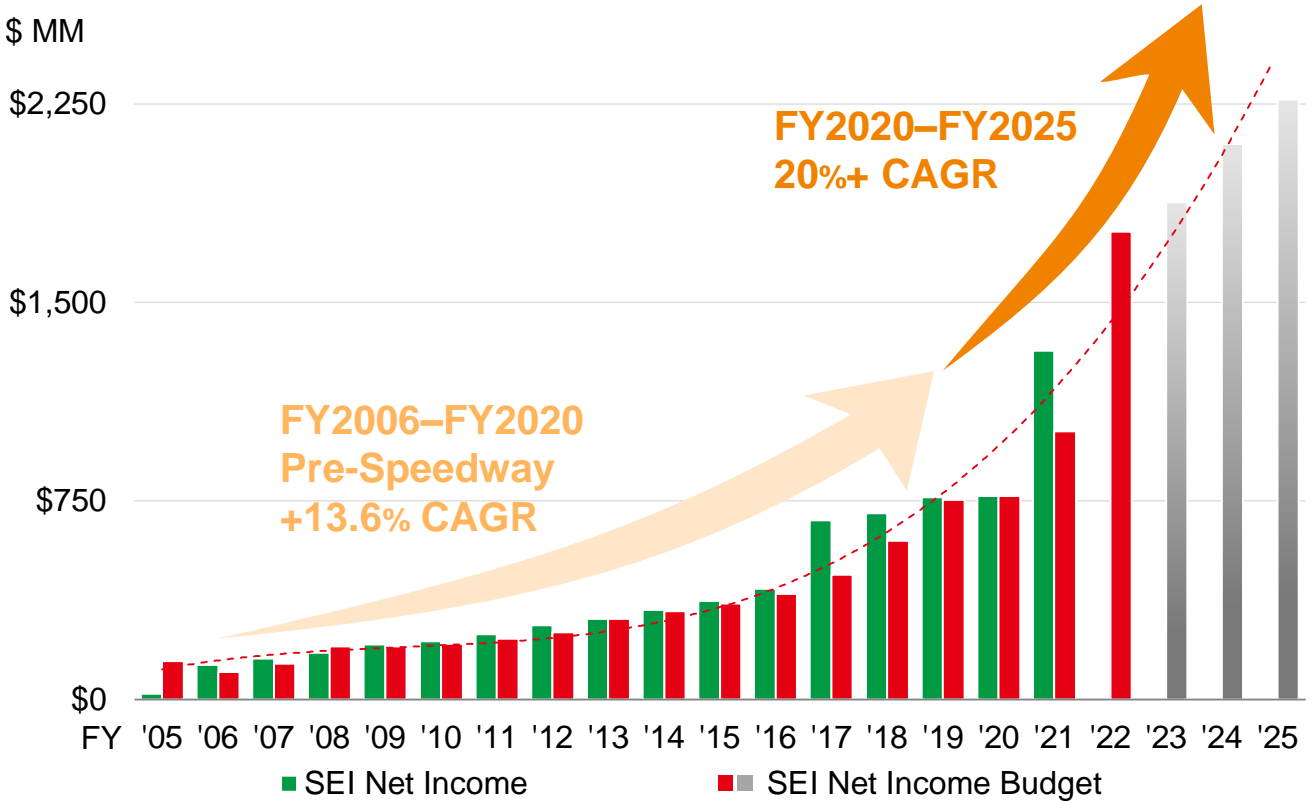
- Optimizing portfolio from the perspectives of capital efficiency / growth for each business segment and group synergies
 - ✓ Maximize group synergies through global CVS strategies and food business centered around SEJ
 - ✓ Conduct business restructuring and review best ownership structure for areas that require structural transformation



- 1 Acceleration of profit growth through global cooperation of CVS business**
 - Profit growth through realization of Speedway synergies and implementation of business transformation for SEI
 - Strengthen global CVS collaboration and accelerate global expansion through 7-Eleven International LLC ("7IN")
- 2 Enhancement of CVS and Superstore businesses centered around grocery strategies**
 - Implementation of grocery business strategies driven by SEJ and IY—the core entities within the group
 - Re-growth of domestic CVS and superstore business and acceleration of superstore non-food business transformation
- 3 Consideration of best-owner**
 - Conduct business restructuring and review the best ownership structure for areas that require structural transformation

- Our group’s growth driver, SEI, projects profit growth of 20%+ p.a. towards FY2025
- SEI will lead the group’s value creation through sales and profit growth leveraging the acquisition of Speedway

Expected Growth of SEI’s Net Income



Growth Plan

North America CVS Business

- Realize integration synergies with Speedway and leverage scale for operational efficiencies and cost savings
- Strengthen food business through establishing value chain management in collaboration with SEJ, and expand fresh food, PB products and restaurant business
- Plans to actively expand digital strategies / loyalty program and 7NOW delivery

Global Strategies

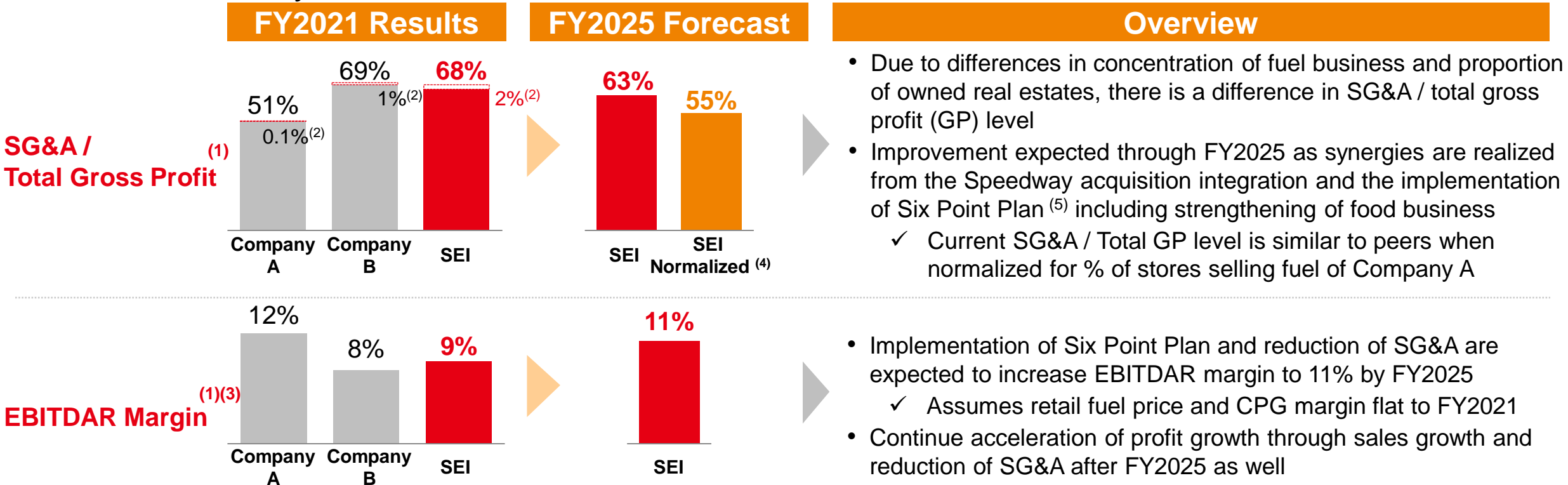
- Established 7IN as a JV of SEJ and SEI
- Targets expansion in 30 countries/regions by 2030
- ❖ Detailed plans to be further disclosed



Plans to Realize Value Accretion of Seven-Eleven as a Global Brand

A — 1 Business Transformation: Structure and Profitability

- Plans to reduce SG&A and improve EBITDAR margin through business structure transformation by FY2025



Will drive both sales growth AND profitability improvements to continue high profit growth toward FY2025

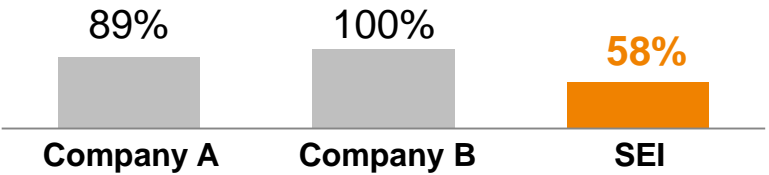
(1) Reflects FY 2021 actual results for FY ended April 2021, for Company A and B, and SEI results for FY ended December 31, 2021
 (2) Refers to one-time non-operating expenses and M&A expenses
 (3) EBITDAR=Earnings Before Income Tax, Depreciation, Amortization and Rent (excludes impact from rent expense)
 (4) Normalized to comparable % of stores selling fuel as Company A, with retail fuel price and CPG at FY2021 levels
 (5) Refers to 6 plans including the followings: 1) deliver a consistently great customer experience, 2)drive proprietary & unique products & services, 3) optimize fuel business & grow alternatives (EV), 4) leverage scale to achieve cost leadership, 5) transform convenience through digital & data, and 6) transform store & delivery network

A – 1 (Reference) Business Model of SEI

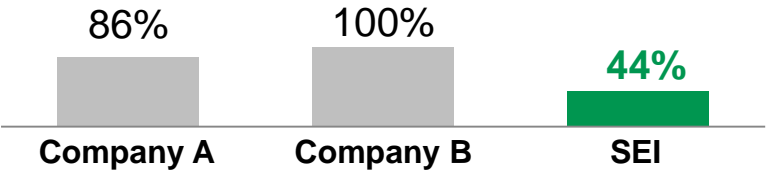
- While Speedway (all stores sell fuel, mostly operated directly in owned real estate) acquisition makes SEI more similar to peers, SEI's business structure materially differs to competitors

Business Model Differences ⁽¹⁾

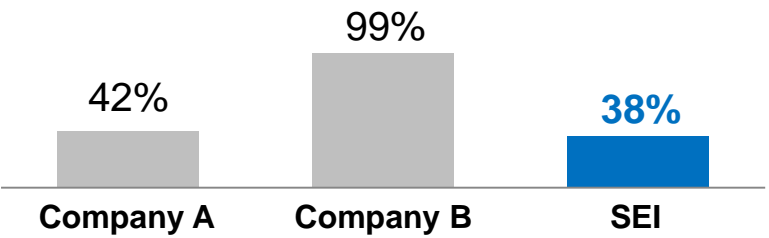
①
% of Sites that
Sell Fuel ⁽²⁾



②
Proportion of
Directly operated
Stores ⁽³⁾



③
Proportion of
Owned Real
Estate ⁽³⁾



Overview

- 58% of SEI stores sell fuel post the acquisition of Speedway
- Fuel profitability has recently outperformed. SEI will actively engage in Six Point Plan over mid-long term for establishment of sustainable business structure
- While most competitors focus on direct company-operated models, SEI balances direct and franchise stores
- SEI plans to maintain operation that focuses on balance with profitability
- While SEI has engaged in acquisition accelerating growth, prioritization on debt reduction through SLB application has led to high rent expense (SG&A) in comparison to peers
- Speedway integration enables SEI to shift the strategy to profit growth through improvements in cost efficiency

Speedway integration enables SEI to accelerate transformation in business structure and improve profitability

(1) Reflects FY 2021 actual results for FY ended April 2021, for Company A and B, and SEI results for FY ended December 31, 2021
 (2) 62% of SEI stores sold fuel as of year-end FY2021 (58% reflects weighted-average for year)
 (3) Excludes dealer-owned/dealer-operated sites

A — 2 Strengthening CVS and Superstore Business Competitiveness Centered on Grocery Business Strategy

- Realize expansion of competitive **private brand (Seven Premium)** and **last-mile strategies** through collaboration of stores / customer bases (sales capability) and product development capabilities cultivated through SEJ and Superstore business cooperation



Establish Group's proprietary "core business model" and accelerate its expansion

(1) As of end of February 2022

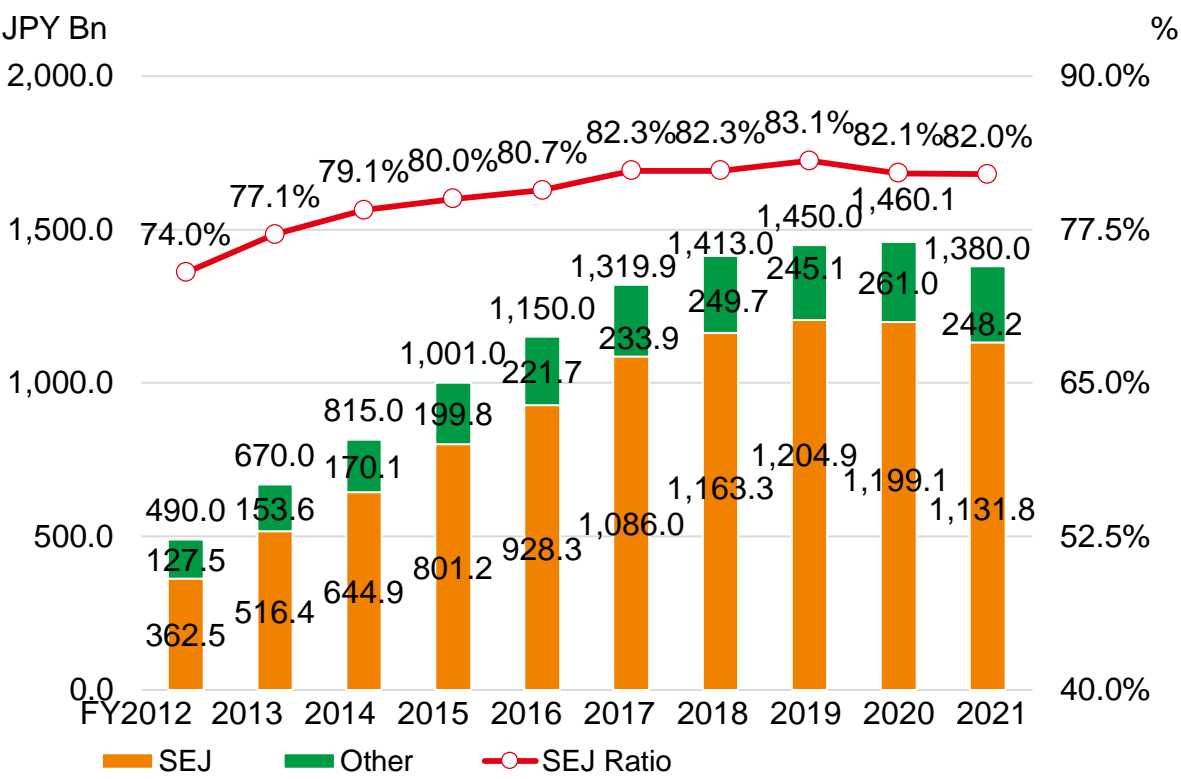
A – 2 Expansion of Private Brand (Seven Premium)

- Sales of *Seven Premium* steadily expanding
- Superstore business with IY functioning as a competitive advantage

Annual Sales of Seven Premium by Channels

Succeeded in achieving size comparable to top domestic food manufacturer

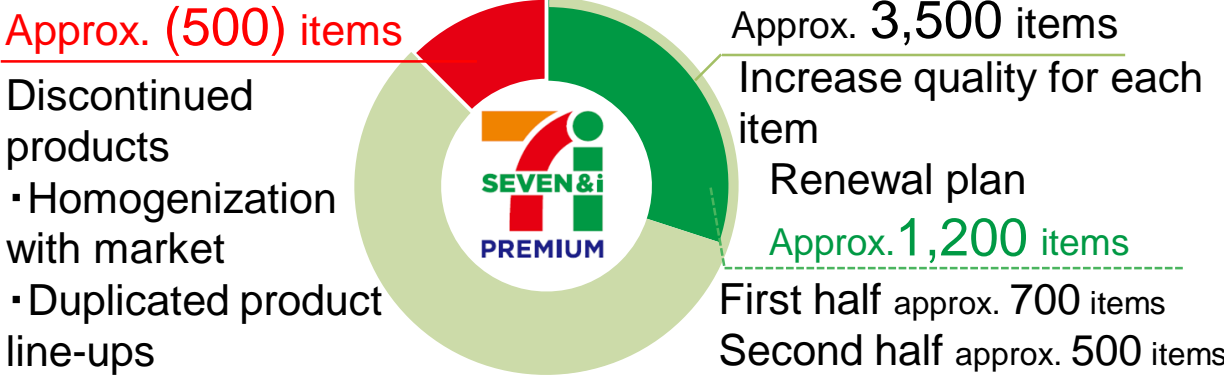
FY2022 Sales: JPY 1.38Trillion



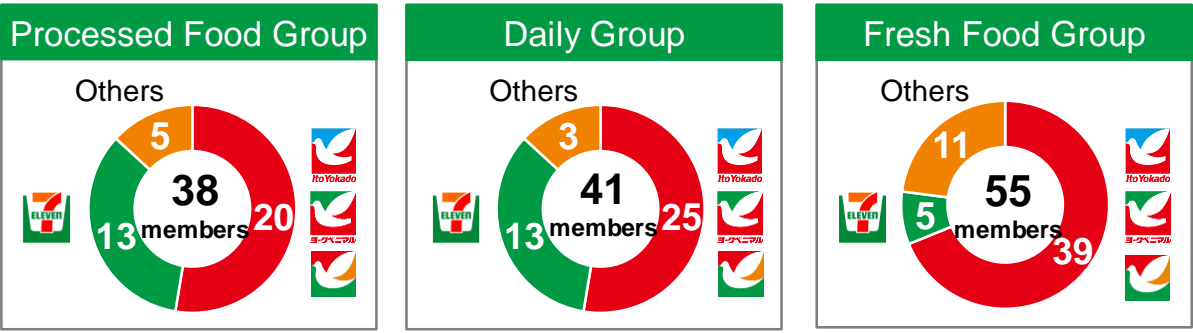
Continuous Review / Improvements of Seven Premium Product Line-up

FY2021 Actual Results

# of items	Approx. 3,500 items	Approx. (500) items (vs. previous year)
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Inter-group Development Structure of Seven Premium (Food) (As of March 2022)



A – 2 Optimize Last-Mile Strategy

- 7NOW and IY Net Super have completed trials outlined below and shifted to roll-out phase
 - ✓ Real-time stock management / 30-minutes-delivery of 7 NOW
 - ✓ No maximum order limit for Nishi-Nippori's IY Net Super, 7-11 in-store locker pick-up, and pick-up locker in apartments

		FY2023	FY2024	FY2025	FY2026	
Last-mile Strategies	7NOW (On-demand)	 Approx. 5,000 stores  Approx. 12,000 stores  Approx. 20,000 stores 			Accelerate countrywide expansion to FY2024	
	Net Super (Planned Purchase)	 2023 Spring Start of operation of Shin-Yokohama Centers  2024 Summer Start of operation of Nagareyama Center			Cover most of Tokyo metropolitan area Reduction of store costs Strengthen fresh food and improve profitability	
7iD Utilization	Expansion of Customer Touchpoints	 Conduct single sign-on (SSO) of EC website / apps respectively Collaboration of 7iD and respective services   			Increase 7iD members to 50MM members	
DX	Last-mile Platform	<div>Delivery HUB </div> <div>AI </div> <div>Delivery App. </div>	Response through multiple deliverer per region Optimization of routes / management of delivery resource, pick-up place proposal, delivery fee dynamic pricing, utilization of iOS and Androids			Evolve delivery service and accelerate expansion
	Center-type Net Super	Warehouse automation / management / delivery management system Wide-coverage delivery utilizing relay point and expansion of service area			Achieve large volume orders and wide-coverage delivery	

Strengthen efforts to accelerate expansion of Group's proprietary last-mile strategies

A – 2 Business Restructuring / Growth Strategies of IY

- IY will complete business restructuring by FY2023 and concentrate in re-growth strategies

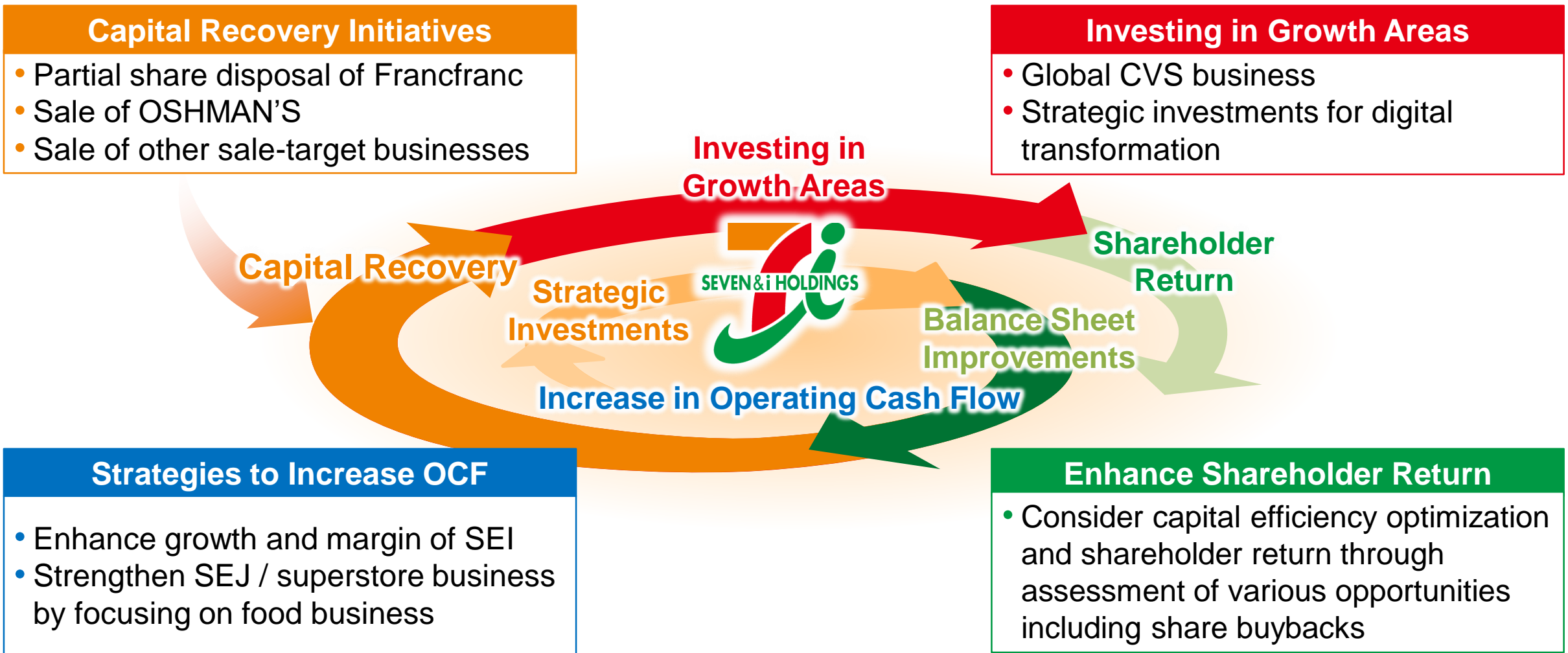
		~FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Structural Transformation	Store Policies	182 stores→132 stores	Closure of 4 stores	Planned closure of 2 stores, 16 stores examined			
	Personnel Policies	Approx. (1,000)	Approx. (400)	Approx. (300)			
	Productivity Reform	Introduction of productivity improvement plans through IT utilization such as AI orders			Operation fully in progress		
Growth Strategies	Internet	<ul style="list-style-type: none">Utilization of centers and expansion of services	<ul style="list-style-type: none">Differentiation through products, delivery, UIUX / collaboration with SEJ, etc.				
	Store	<ul style="list-style-type: none">Concentration to capital area and Metropolitan area	<ul style="list-style-type: none">Tokyo Metropolitan area: construction of economy through stores and internetOther area: implement alliances with companies inside / outside the Group				
	Product	<ul style="list-style-type: none">Vertically integrate food business, IY's strengthOptimization of LS area and reform of MD ⁽¹⁾	<ul style="list-style-type: none">Food: development of original products through utilization of Group's infrastructure ✓ FY2024: Nagareyama PC, FY2025: Chiba Honda PC/CK, FY2026: Sugito PC opening, and planned for enlargement ⁽¹⁾LS: optimization of sales floor format (GIS trade area analysis) / MD construction through collaboration of companies inside / outside the Group ⁽¹⁾Common: brand construction centered around SDGs				
Major KPI	EBITDA		JPY 14.9Bn				JPY 47.0Bn+
	EBITDA Margin		1.4%				4.5%+

Actual
 Target

- Contribute to Group's competitiveness and increase corporate value
- Strengthen stand-alone profitability as IY

B Announce Strategic Capital Re-allocation Plan

- Established a Capital Re-allocation Plan reflecting initiatives in the Mid-Term Management Plan
- Basic policy is below – details including quantitative information will be disclosed in the future




Governance Structure Transformation

- We aim for a governance structure with better balance of business management and supervisory function, and agile decision-making
- The Board will be majority composed of Independent Directors, and we will enhance the Skill Matrix by strengthening Board diversity, as well as increasing the number of female and non-Japanese directors in order to effectively monitor our diverse business

Current Governance Structure


- I

Transparent Committees



 - Introduce nomination / Compensation Committee
 - Chairman and majority of members will comprise Independent Directors for both Committees
- II

Effective Management System



 - Introduce evaluation system on the effectiveness of the Board
 - Establish and enhance the Board remuneration scheme
 - Conduct of Board Meeting and Management Opinion Exchange Meeting (enhancement of discussions with Outside Directors)
 - Plan to implement review on how the Board Meeting should be



New Plan

Change of Board Composition

	Current	2022 ⁽¹⁾
Independent	5 (Above 1/3)	9 (Majority)
Non-Japanese	1 (Proportion: 7.7%)	5 (Proportion: 33.3%)
Female	1 (Proportion: 7.7%)	3 (Proportion: 20.0%)

Governance transformation to align with global business and capital markets

(1) Expected to be raised at the regular shareholder's meeting held in May 2022

- Identify Board candidates who are best qualified to assist the company implement Company's growth strategies

	Position	New/ Reappoint	Management and Industry Experience				Management Skills and Knowledge					
			Corporate Management	Retail	International Business	Finance	Organization Management	Marketing Branding	DX / IT Security	Accounting / Finance	Risk Mgmt / Crisis Response/Legal	Sustainability
Ryuichi Isaka	President & Representative Director	Reappoint	●	●	●		●	●				●
Katsuhiro Goto	Vice President & Representative Director	Reappoint		●		●	●	●				
Junro Ito	Director	Reappoint		●			●				●	●
Yoshimichi Maruyama	Director	Reappoint				●				●	●	
Fumihiko Nagamatsu	Director	Reappoint	●	●			●	●				
Joseph Michael DePinto	Director	Reappoint	●	●	●		●	●	●			
Kunio Ito	Outside Director	Reappoint					●	●	●	●	●	●
Toshiro Yonemura	Outside Director	Reappoint					●		●		●	
Tetsuro Higashi	Outside Director	Reappoint	●		●		●			●		
Yoshiyuki Izawa	Outside Director	New	●		●	●	●			●		●
Meyumi Yamada	Outside Director	New	●	●			●		●			●
Jenifer Simms Rogers	Outside Director	New			●	●				●	●	●
Paul Yonamine	Outside Director	New	●		●	●	●		●	●		
Stephen Hayers Dacus	Outside Director	New	●	●	●		●	●		●		
Elizabeth Miin Meyerdirk	Outside Director	New	●	●	●			●	●	●		

(1) The matrix above does not represent all the skill or experience for each board member

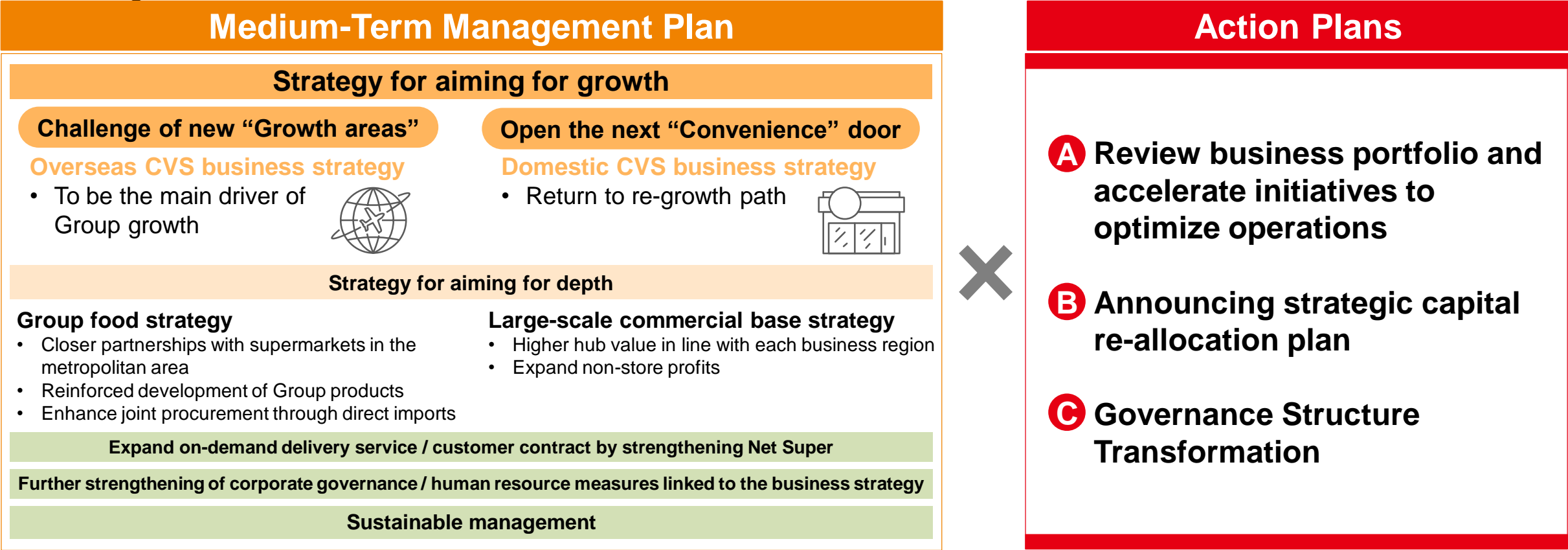
(2) Non-Japanese board member consists 33.3% (5 / 15) and female board member consists 20.0% (3 / 15) of the entire board

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Our Plan to Become a World-Class Global Retailer Group

- Accelerating various measures to drive growth in accordance with the Medium-Term Management Plan



To Become a World-Class Global Retailer Group

With Livings - Seven & i Group



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