



Seven & i Management Report

(as of January 12, 2022: digest version; partially revised version)

Promoting Constructive Dialogue with Stakeholders and
Sincere Governance for Collaborative Value Creation

This report is a partially revised version of the Seven & i Management Report (as of January 12, 2022: digest version) that provides updates to the sections mentioned below of interest to readers.

We hope that this report will serve as a useful reference. Thank you for your continued understanding and support.

Updated Sections

Page 26: Revision of material issues (Materiality)

March 30, 2022

Seven & i Holdings Co., Ltd.

About the digest version of the Seven & i Management Report

The digest version is based on the original version, the Seven & i Management Report (as of January 12, 2022; partially revised version). This more compact version highlights initiatives for promoting constructive dialogue with our stakeholders and sincere governance for collaborative value creation.

Introduction to the Seven & i Management Report (as of January 12, 2022; partially revised version) (hereafter, “original version”)



The Seven & i Management Report presents in an easy-to-understand format medium- to long-term initiatives of the Group that balance efforts to address social issues, such as situations that affect environmental (E) and social (S) elements through sincere governance (G), with efforts to boost corporate value.

This report offers expanded content, including coverage of high-profile topics that emerged during constructive dialogue with shareholders and investors—stakeholder relations—that used the previous report, issued on February 3, 2021, as the basis for conversation, as well as responses to various disclosure issues derived from the revised Corporate Governance Code. In addition, efforts were made to use suggestions from readers to adjust content for better readability.

Please refer to the original version for content you are sure to find interesting.

Key contents in the original version

- Message from the President
- Outline of Medium-Term Management Plan 2021–2025 and Overview of Strategies
- Message from General Manager of the Corporate Finance & Accounting Division
- Message from General Manager of the Corporate Development Division
- Initiatives for Reducing the Environmental Impact
- Social Initiatives
- Messages from Outside Directors
- Initiatives for Corporate Governance, etc.



Seven & i Management Report (available only online at the following website)
<https://www.7andi.com/en/ir/library/mr.html>

Seven & i Management Report (Digest Version): Contents

Revised Sections revised as of March 30, 2022

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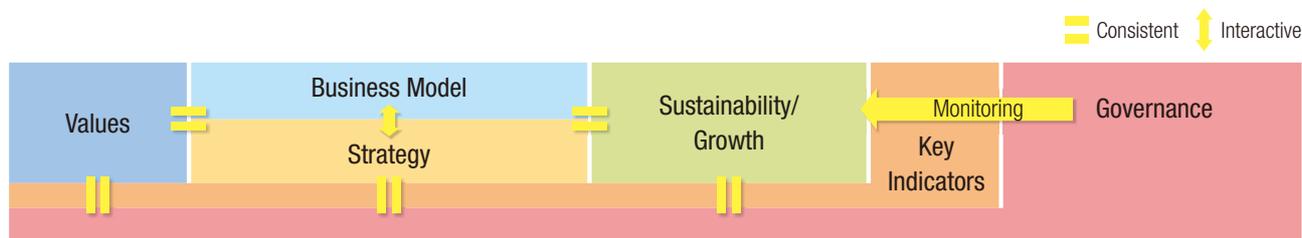
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Composition of Seven & i Management Report and Use of the Guidance for Collaborative Value Creation



Editorial Policy

We aim to inform all stakeholders, including shareholders and other investors, about the Group's value creation initiatives in an easier-to-understand manner by integrating non-financial information (about the environment, society, governance and the like) with financial information in a single report. To this end, we have used two documents as reference when compiling the Seven & i Management Report: "The International Integrated Reporting Framework," released by the International Integrated Reporting Council (IIRC) in December 2013, and "Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation," issued by Japan's Ministry of Economy, Trade and Industry (METI) on May 29, 2017.

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.



Creating a Sustainable Future, Together

The spread of the novel coronavirus that causes COVID-19 was the catalyst for accelerated changes, especially in lifestyles and the social environment, making this a challenging time for predicting the path ahead. A time like this highlights more than ever our duty to provide value to society through sustainable business activities that balance economic growth and solutions to social issues.

The cornerstone of our Corporate Creed—to be a sincere company trusted by all stakeholders—is our basic stance, which reflects our aim to continue to provide new experiences and values from a customer point of view.

In April 2021, guided by this basic stance, Seven & i Holdings drafted the "Sustainability Declaration" to underscore the Group's long-lasting determination to work alongside all stakeholders in daily routines to promote activities that deliver solutions to social issues. With everyone embracing this idea, we will put into practice whatever is possible to create a better future.

Statement

Why should we care about sustainability?

How can we secure a sustainable future?

Who will create a future where no one is left behind?

How long will the same old today last?

How can we unite our efforts?

We are in this together.

The Seven & i Group is searching for answers with you.

Even if we can't do it alone,
we can make a difference if we work together.

The actions of one may seem small,
but if we all work together,
our collective efforts will shape the future.

So, let's do what we can for a better future together in our daily life.



Details on the Seven & i Group's sustainability activities are at <https://www.7andi.com/en/sustainability/statement/>

Overview of the Seven & i Group

Network of about 79,000 stores in 19 countries and territories around the world*¹

The Seven & i Group is achieving growth toward becoming a global brand.

The Group includes convenience stores, superstores, department stores, and specialty stores in Japan and 18 countries and territories overseas.

The Group draws on the strengths afforded by this global network and diverse businesses, which become part of the daily routine for customers around the world and deliver new concepts in value and high-quality services.

*¹ As of October 31, 2021. Includes the number of stores operated in each country by area licensees (companies that have acquired licenses from 7-Eleven, Inc., to operate 7-Eleven stores in specified areas).

Domestic Convenience Store Operations



Major Group Companies

- SEVEN-ELEVEN JAPAN CO., LTD.
- SEVEN-ELEVEN OKINAWA CO., LTD.
- 7dream.com Co., Ltd.
- Seven Net Shopping Co., Ltd.
- Seven-Meal Service Co., Ltd.
- TOWER BAKERY CO., LTD.*²

(5 consolidated subsidiaries, 4 affiliates; 9 companies, in total)

Overseas Convenience Store Operations



Major Group Companies

- 7-Eleven, Inc.
- SEJ Asset Management & Investment Company
- SEI Speedway Holdings, LLC
- Speedway LLC
- 7-Eleven International LLC
- SEVEN-ELEVEN HAWAII, INC.
- SEVEN-ELEVEN (CHINA) INVESTMENT CO., LTD.
- SEVEN-ELEVEN (BEIJING) CO., LTD.
- SEVEN-ELEVEN (CHENGDU) CO., LTD.
- SEVEN-ELEVEN (TIANJIN) CO., LTD.
- SHAN DONG ZHONG DI CONVENIENCE CO., LTD.*²

(108 consolidated subsidiaries, 4 affiliates; 112 companies, in total)

Superstore Operations



Major Group Companies

- Ito-Yokado Co., Ltd.
 - York-Benimaru Co., Ltd.
 - Life Foods Co., Ltd.
 - York Co., Ltd.
 - SHELL GARDEN CO., LTD.
 - Marudai Co., Ltd.
 - K.K. Sanei
 - K.K. York Keibi
 - IY Foods K.K.
 - Seven Farm Co., Ltd.
 - Peace Deli Co., Ltd.
 - Ito-Yokado (China) Investment Co., Ltd.
 - Hua Tang Yokado Commercial Co., Ltd.
 - Chengdu Ito-Yokado Co., Ltd.
 - Tenmaya Store Co., Ltd.*2
 - DAIICHI CO., LTD.*2
- (16 consolidated subsidiaries, 5 affiliates; 21 companies, in total)

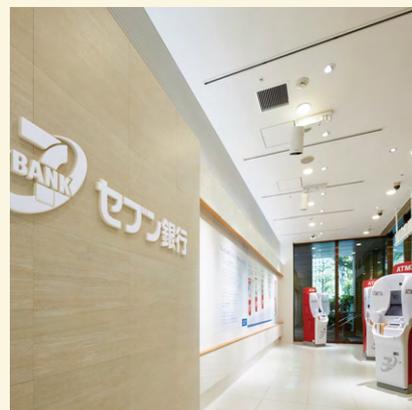
Department and Specialty Store Operations



Major Group Companies

- Sogo & Seibu Co., Ltd.
 - IKEBUKURO SHOPPING PARK CO., LTD.
 - GOTTSUO BIN CO., LTD.
 - DISTRICT HEATING AND COOLING CHIBA CO., LTD.
 - Akachan Honpo Co., Ltd.
 - Barneys Japan Co., Ltd.
 - Oshman's Japan Co., Ltd.
 - Seven & i Food Systems Co., Ltd.
 - THE LOFT CO., LTD.
 - Nissen Holdings Co., Ltd.
 - Nissen Co., Ltd.
 - SCORE Co., Ltd.
 - MARRON STYLE Co., Ltd.
 - Francfranc Corporation*2
 - Tower Records Japan Inc.*2
 - Nissen Credit Service Co., Ltd.*2
- (23 consolidated subsidiaries, 6 affiliates; 29 companies, in total)

Financial Services



Major Group Companies

- Seven Bank, Ltd.
 - Seven Financial Service Co., Ltd.
 - Seven Card Service Co., Ltd.
 - Seven CS Card Service Co., Ltd.
 - Bank Business Factory Co., Ltd.
 - Seven Payment Service, Ltd.
 - FCTI, Inc.
 - TORANOTEC Ltd.*2
- (13 consolidated subsidiaries, 2 affiliates; 15 companies, in total)

Others

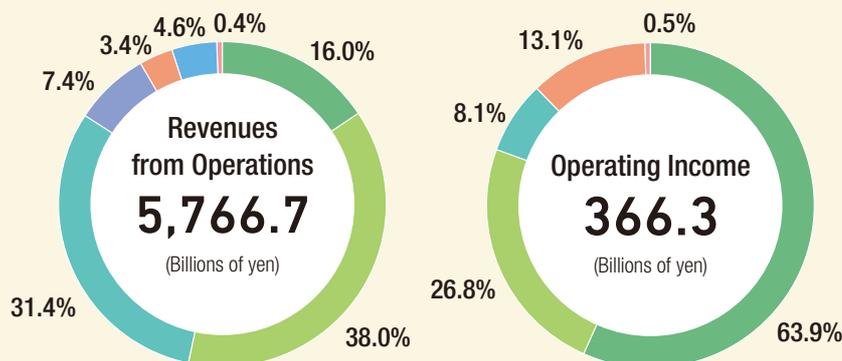
Major Group Companies

- Seven & i Create Link Co., Ltd.
 - Seven & i Net Media Co., Ltd.
 - Seven Culture Network Co., Ltd.
 - Yatsugatake Kogen Lodge Co., Ltd.
 - Terube Ltd.
 - I ing Co., Ltd.*2
 - PIA Corporation*2
- (6 consolidated subsidiaries, 4 affiliates; 10 companies, in total)

Corporate

- SEVEN & i Financial Center Co., Ltd.
- (1 consolidated subsidiary)

*2 Of major Group companies listed, TOWER BAKERY CO., LTD., SHAN DONG ZHONG DI CONVENIENCE CO., LTD., Tenmaya Store Co., Ltd., DAIICHI CO., LTD., Francfranc Corporation, Tower Records Japan Inc., Nissen Credit Service Co., Ltd., TORANOTEC Ltd., I ing Co. Ltd., and PIA Corporation are affiliates.



*The composition ratios shown in the pie charts do not include eliminations and corporate.

- Domestic Convenience Store Operations
- Overseas Convenience Store Operations
- Superstore Operations
- Department Store Operations
- Financial Services
- Specialty Store Operations
- Others

From the second quarter of the fiscal year ending February 28, 2022, Seven & i Holdings changed its segment classification as it moves forward with the new Medium-Term Management Plan. Revenues from operations, operating income, and segments presented in the pie charts are actual results for the fiscal year ended February 28, 2021 (previous segment classification), while major Group companies in each segment represent allocations as of August 31, 2021 (new segment classification).

In accordance with the spirit embodied in the Corporate Creed, we will remain a sincere company that earns the trust of our stakeholders.

1. Management Philosophy

The Company formulated its Corporate Creed as below in 1972. The Corporate Creed is unchanging and comprehensively symbolizes the Group's management philosophy; thus, the Company values it most as the fundamental basis of the Group's management.

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.

2. 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.

The Corporate Action Guidelines present the basic attitudes adopted by all of the Group's Directors, Audit & Supervisory Board Members, and employees and comprise the Basic Policy, which sets out the approach of the Group as a whole, and the Code of Corporate Conduct, which sets out rules for conduct. Furthermore, each Group company has established detailed guidelines and conduct rules appropriate for its business format at the concrete action level and, together with the

Guidelines, will keep all new recruits and newly appointed managerial employees fully informed through their training.

Structure of the Corporate Creed and Corporate Action Guidelines



Corporate Action Guidelines

<https://www.7andi.com/en/sustainability/policy/guidelines.html>

Deepening awareness of Corporate Creed and Corporate Action Guidelines

Since 2013, we have regularly conducted a survey within the Group to gauge awareness of our Corporate Creed, Corporate Action Guidelines, and the status of compliance. In 2018, we included questions in our employee engagement survey to confirm awareness and, in FY2021, this survey was

undertaken at 34 Group companies involving about 82,000 respondents. Previously, the survey had been conducted biennially, but from 2020, we switched to an annual format, with results used at each Group company to implement improvements.

Employee engagement survey in FY2021 *Participating companies are listed on page 7

Are you aware of the Group's Corporate Creed?

- Yes, and I can explain what it means
- Yes, but I'm not sure what it means
- I know of it
- I didn't know there was a Corporate Creed



I observe the Group's Corporate Action Guidelines and the standards (Code of Conduct, etc.) of my own company

- Absolutely, yes
- I suppose so
- Not really
- Absolutely not



3. View on Appropriate Cooperation with Stakeholders

The Company aims to be a sincere company in line with its Corporate Creed, earning the trust of all stakeholders, including customers, business partners and franchisees, shareholders and investors, local communities, and employees. Guided by our Group slogan of “Responding to Change while Strengthening Fundamentals,” we view the constantly changing needs of society and our customers as opportunities to create new retail services, and work toward the creation of new retail services in response to changing times. Today, as various changes are

accelerating, the Company recognizes the importance of constantly striving to accurately understand the expectations and interests that stakeholders have of the Group.

For this reason, the Company will strive to respond quickly to “feedback” from its stakeholders—their opinions, requests, and so forth—that it receives through its dialogue with them, and at the same time, the Company will continue to sincerely reflect this “feedback” in its business activities and management decision-making process (stakeholder engagement).



Example

Improving employee engagement—Establishment of Engagement Improvement Committee and activities of improvement campaigns

Each company under the Seven & i Group umbrella sets up its own Engagement Improvement Committee under the direction of the president of the respective company. Campaign members select a diverse group of employees, including staff from stores and frontline positions, through an open application

process, and create and then monitor the status of action plans designed to improve engagement, based on dialogue with campaign members, to achieve a better level of engagement among employees. The activities of the Engagement Improvement Committee are described on page 36.



Stakeholder Engagement

<https://www.7andi.com/en/sustainability/engagement.html>

Companies participating in employee engagement survey in FY2021

Seven & i Holdings Co., Ltd.
SEVEN-ELEVEN JAPAN CO., LTD.
SEVEN-ELEVEN OKINAWA CO., LTD.
7dream.com Co., Ltd.
Seven Net Shopping Co., Ltd.
Seven-Meal Service Co., Ltd.
Ito-Yokado Co., Ltd.

York-Benimaru Co., Ltd.
Life Foods Co., Ltd.
York Co., Ltd.
SHELL GARDEN CO., LTD.
K.K. York Keibi
IY Foods K.K.
Sogo & Seibu Co., Ltd.

Akachan Honpo Co., Ltd.
Barneys Japan Co., Ltd.
Oshman's Japan Co., Ltd.
Seven & i Food Systems Co., Ltd.
THE LOFT CO., LTD.
Nissen Holdings Co., Ltd.
Nissen Co., Ltd.

Nissen Life Co., Ltd.
ad kyusha co., Ltd.
SCORE Co., Ltd.
Seven Bank, Ltd.
Seven Financial Service Co., Ltd.
Seven Card Service Co., Ltd.
Seven CS Card Service Co., Ltd.

Bank Business Factory Co., Ltd.
Seven & i Create Link Co., Ltd.
Seven & i Net Media Co., Ltd.
Seven Culture Network Co., Ltd.
Yatsugatake Kogen Lodge Co., Ltd.
Terube Ltd.

Seven & i Group's Value Creation Trajectory: Closely Reflecting Changes in Social Structure and Needs

1920

Yokado established
(later, renamed from Meugaya)



1946

Opened store in Kitasenju



1974

Opened 7-Eleven store



Significance

Created Japanese-style convenience store and established concept as component of social infrastructure

Provided value

- Large stores and small shops prosper together
- Existing small shops are revitalized
- Provided merchandise of high quality and convenience in buyers' market, where customers choose the merchandise they want

1991

Rebuilt Southland Corporation (now, 7-Eleven, Inc.)



Significance

U.S. 7-Eleven rebuilt by Japanese company

Global expansion

Provided value

Applied methods of convenience store operations in Japan to U.S. to better meet needs of U.S. customers

1920–1960s

1970–1980s

1990s

1923 Great Kanto Earthquake
1929 Great Depression 1939 World War II

1973 First oil shock

1989 Consumption tax introduced

1995 Great Hanshin-Awaji Earthquake
Early 1990s Collapse of "bubble" economy

Changing social structure and needs

High economic growth

Large-Scale Retail Store Law

Kyoto Protocol

Heightened need for emphasizing quality over quantity

Shortages

Shift from era of shortages to era of excess

1961

Began developing supermarket chain network



Significance

Establishment
Spirit of trust and sincerity
Customer-oriented business using self-service chain-store approach

Provided value

Provided better quality at lower prices to more local customers

1974

Opened Denny's restaurant



Significance

Created Japanese-style family restaurant chain

Provided value

Provided delicious food for enjoyment outside the home

2001

Established IY Bank Co., Ltd. (now, Seven Bank, Ltd.)



Significance

Retail industry's first settlement bank based on customer perspective

Provided value

Provided convenience of deposit/withdrawal transactions at any time

Since starting as a single apparel store, the Group has remained closely attuned to changes in the social structure and customer needs, providing new levels of value while significantly changing its merchandise, services, and business content.

We will continue to embrace the challenge of creating new value by sincerely staying close to our customers' lives.

2005

Seven & i Holdings established



Significance

Multi-business format with Group management under holding company structure

Provided value

Provided new merchandise and services through Group synergy transcending borders of formats, such as convenience stores, supermarkets and department stores

May 2021

Acquisition of Speedway by 7-Eleven, Inc.



Significance

Business expansion in North American market

Accelerated global expansion

Provided value

Providing new food and beverage experiences and convenience as a store indispensable to customers' lives

June 2021

7-Eleven International LLC established



Significance

Enhancing 7-Eleven's global brand value through Japan-U.S. collaboration

Provided value

Reinforced support for existing area licensees, accelerated store openings in new areas, and promoted merchandise procurement and development initiatives leveraging the economies of scale

2000s

2007 Global financial crisis

2010s

2011 Great East Japan Earthquake

Age of coexistence with coronavirus

2020 COVID-19 pandemic

Work-life balance

Interest in foods that are safe and provide peace of mind

Low birthrate/graying of society

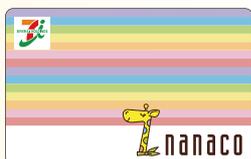
Increase in two-income households (increasing need for meals prepared outside the home)

Shift from consumption of products to consumption of services

SDGs

2007

Birth of nanaco electronic money service



Significance

Improving customer convenience
Addressing trend toward diversified small-payment methods

Provided value

- Provided an easy and speedy payment method that do not require change
- Supported fun and convenient life scenarios with point system

2007

Birth of Seven Premium



Significance

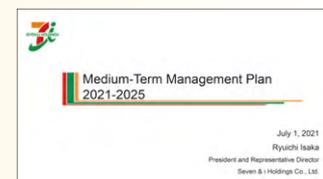
Sharing know-how of every Group company and providing quality and value

Provided value

Proposed richer dining experiences to customers by providing "safety, security, and health," "best taste and technology," and "daily life and convenience"

July 2021

Drafted Medium-Term Management Plan 2021–2025



Ideal Group image for 2030

A world-class global distribution group that leads distribution innovation through global growth strategies centered on the 7-Eleven business and proactive utilization of technology

Seven & i Group's Value Creation Process

Treating social issues and environmental changes as business opportunities, the Seven & i Group gathers and deploys its management resources—diverse human resources and know-how—to create value in the form of new, unique merchandise and services. In this way, we contribute to local communities both in Japan and overseas by providing new experiences and values from the customer's perspective. At the same time, we aim to reduce the environmental impact of our operations by using resources efficiently. Through our core business, which is closely tied to the social infrastructure, we aim to help resolve social issues.

Our Strengths

Social capital

- Diverse customer contact points

Number of store-visiting customers:
Globally, 53.8 million/day*1

Human capital

- Greater independence and productivity through diverse human resources

Number of employees
(consolidated)*2: 135,332

Intellectual capital

- Group synergies through diverse business expansion
- Merchandise development capabilities combining high-level techniques and insight generated through Team Merchandising

Seven Premium merchandise sales:
¥1,460 billion*3

- Global 7-Eleven trademark and brand
- Franchise system that grows along with franchisees

Manufacturing and sales capital

- Global store development
- High-quality and stable merchandise manufacturing infrastructure reflecting collaboration with SEVEN-ELEVEN JAPAN's excellent partner companies

Domestic production facilities:
180*5 (of which 166 are dedicated production facilities)

Financial capital

- Robust cash-generating capability

Consolidated operating cash flow: ¥539.9 billion*3

External Environment

Global trends

- Increasingly more serious environmental issues
- Increased awareness of sustainability
- Advances in technology
- Diversification of values
- Increasing and visible country risks



Domestic consumption/competitive environment

- Population decline, declining birthrate and aging population
- Population concentration in urban areas, depopulation of rural areas
- Externalization of housework and food
- Diversification of working styles
- Competition that transcends the boundaries of business types



Changes accelerating due to COVID-19 impact

- Thoughts on health, safety and security
- Spread of digital consumption and delivery
- Non-contact/remote society
- The need for resilience
- Small trade areas and their diversification



Group Priority Strategy

Challenge of new "Growth areas"
Overseas CVS business strategy

Open the next "Convenience" door
Domestic CVS business strategy

Challenge of "Food" expected now
Group food strategy

Create an abundant "Lifestyle Hubs"
Large-scale commercial base strategy

Challenge of the Last Mile

Expand on-demand delivery service/enhance online supermarkets (BOPIS)*6

Customer Base

6.5 million a day
in North America

22.4 million a day
in Japan

Expansion of customer contact

DX/Financial strategy

Further strengthening of corporate governance/Human resource measures linked to the business strategy

Sustainable management

Balancing the sustainable growth of the company with sustainable society

Materiality
Page 26

G

Corporate Governance

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Senior management team

Monitoring

Board of Directors

Audit & Supervisory Board

Mechanism to increase corporate value over the medium to long term

Objective monitoring through a sincere management framework

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.

What we learn about the creation of new retail services gained from earnest dialogue with stakeholders is accumulated in management resources, resulting in sustainable growth

*1 Includes area licensees (companies that acquired licenses from 7-Eleven, Inc. to operate 7-Eleven stores in specified areas)

*2 Includes part-time employees (monthly average based on a 163-hour work month), as of February 28, 2021. Does not include employees at franchises of SEVEN-ELEVEN JAPAN or 7-Eleven, Inc.

*3 Fiscal year ended February 28, 2021

*4 Includes the number of stores operated in each country by area licensees, as of October 31, 2021

*5 Number in Japan, including Okinawa Prefecture, as of February 28, 2021

*6 Buy Online Pick-up In Store: Format that lets customers pick up at stores merchandise purchased online

Aims for 2050: Decarbonization, circular economy, society in harmony with nature



*Numerical targets are as of October 31, 2021.

CO₂ emissions from store operations

Net zero

(compared with FY2014)
[Result] FY2021
22.7% reduction*7

Eco-friendly materials*8 in containers for original merchandise*9

100%

[Result] FY2021
21.8%

*7 The period of the calculations was from April to March. The period of the calculations from April of the year to March of the following year is presented as the fiscal year ended February (FY). Totals are for 12 companies (SEVEN-ELEVEN JAPAN CO., LTD., Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., Life Foods Co., Ltd., York Co., Ltd., SHELL GARDEN CO., LTD., IY Foods K.K., Sogo & Seibu Co., Ltd., Akachan Honpo Co., Ltd., Barneys Japan Co., Ltd., Seven & i Food Systems Co., Ltd., and THE LOFT CO., LTD.). For the calculation methods, please refer to the environmental data of each operating company described in Data Section of the CSR Data Book.
<https://www.7andi.com/en/sustainability/report>

*8 Biomass, biodegradable materials, recycled materials, paper, etc.

*9 Including *Seven Premium* merchandise

*10 The period of the calculations was from April to March.

*11 Basic unit of generation (waste generated per million yen in sales)

Organic waste recycling rate

100%

[Result] FY2021
Organic waste recycling rate:
52.8%*10

Food loss/waste

75% reduction*11

(compared with FY2014)
[Result] FY2021
14.7% reduction*10

Raw food ingredients with guaranteed sustainability used in original merchandise*9

100%

[Result] FY2021
18.1%

[Result] FY2021

Group's total sales

¥11,044.8 billion

Items handled by 7-Eleven online convenience store

About **2,800** items



Providing social infrastructure

Seven Anshin Delivery
[Result] As of April 30, 2021
(107 trucks in Hokkaido, Osaka, Kyoto, and 35 other prefectures)
Ito-Yokado Tokushima
[Result] As of February 28, 2021
(27 trucks in nine municipalities)



Providing safety and reliability and building an ethical society

Ito-Yokado "Fresh Foods with Traceability":
[Result] As of February 28, 2021
254 items



Supporting the active role of women, youth and seniors across the Group and in society

Percentage of female managers:
[Result] As of February 28, 2021
Team leader (32.4%), section manager (22.1%), executive officer (13.6%), officer (11.3%), manager (8.2%) (eight Group companies)*12

*12 Total for eight Group companies (Seven & i Holdings Co., Ltd., SEVEN-ELEVEN JAPAN CO., LTD., Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., Sogo & Seibu Co., Ltd., Akachan Honpo Co., Ltd., Seven & i Food Systems Co., Ltd., Seven Bank, Ltd.)

Officers represent the total of Directors, Audit & Supervisory Board Members, and executive officers (excluding executive officers who are Directors) of six companies (Seven & i Holdings Co., Ltd., SEVEN-ELEVEN JAPAN CO., LTD., Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., York Co., Ltd., and Sogo & Seibu Co., Ltd.) as of May 31, 2021.

Stakeholders

Output

Make effective use of resources without waste
(muri, muda, mura)

Franchisees

Employees

Provide a new experience and value consistently from the customer's point of view

Customers

Contribute to local communities in Japan and overseas

Business partners

Demonstrate our function as social infrastructure

Shareholders
Investors

Spur motivation and boost productivity

Local communities

Message from the President



Ryuichi Isaka

Representative Director and President

Joined SEVEN-ELEVEN JAPAN CO., LTD. (SEJ), in 1980. Became Director of SEJ in 2002 and Managing Executive Officer of SEJ in 2006. After working as Director & Managing Executive Officer of the Merchandising & Foods Department, became Representative Director and President of SEJ in 2009. Representative Director and President of Seven & i Holdings from May 2016.

Under the new Medium-Term Management Plan, we will reinforce cooperation within the Group and, with agile responsiveness, we will pursue sustainable growth.

Drafting the new Medium-Term Management Plan

In July 2021, Seven & i Holdings announced the new Medium-Term Management Plan, with FY2026 as the end year. We had intended to announce the plan in FY2021 and were putting the final touches on content in FY2020 with that timing in mind. But as we entered FY2021, COVID-19 was spreading worldwide, and then another big event occurred—7-Eleven, Inc. (SEI), our U.S. subsidiary, acquired Speedway, in a major acquisition deal*¹. Both COVID-19 and the massive Speedway acquisition would significantly impact performance expectations, and after repeated discussions by the Board of Directors and other executive committees, it was decided that announcement of the new Medium-Term Management Plan would be delayed to allow time for drafting a more accurate blueprint for the plan.

To respond agilely to a world that is certainly more VUCA*² than ever before, Group companies face challenges addressing current circumstances on their own. Approaches drawing on the combined capabilities of the Group are vital. Therefore, the new Medium-Term Management Plan seeks to promote cooperation among Group companies, with Seven & i Holdings as the point of intersection and the Company leveraging Group strategies. This is a major change from the previous Medium-Term Management Plan, which hinged on the independent strategies of Group companies to underpin growth.

The previous Medium-Term Management Plan, which was the first drafted by Seven & i Holdings and intended to guide the Group through FY2020, described the Group's business direction, focusing on growth strategies and business restructuring. It also highlighted operating income and ROE levels to be achieved by FY2020. This was new territory for us, and we failed to reach several targets. We take this situation seriously, and in drafting the new Medium-Term Management Plan, we delved into the causes that led to these results. At the same time, we acknowledged issues in Group management that came to light during the previous Medium-Term Management Plan and explored plans more likely to deliver better results.

We also engaged in dialogue with Group companies to deepen mutual understanding. We vigorously conveyed our perception of the current situation and measures to address outstanding issues, and Group

*1 Speedway major acquisition deal: Seven & i Holdings' consolidated subsidiary 7-Eleven, Inc. acquired from Marathon Petroleum Corporation (MPC) shares and other interests in several companies that engage in the convenience store and fuel retail businesses, primarily under MPC's Speedway brand (excluding fuel retail operations for direct dealers in MPC's retail division).

*2 VUCA: Volatility, Uncertainty, Complexity, and Ambiguity

companies presented candid opinions in return. Through this process, we laid the cornerstone for Group companies and all employees to be more highly motivated in working toward targets. The Board of Directors pursued in-depth opinion exchanges with Outside Directors, exploring risks and opportunities from various angles and endeavoring to make decision-making processes more transparent.

Enhanced cooperation among Group companies with Seven & i Holdings at point of intersection

The composition of Japanese society has changed, with a gradually decreasing population, more elderly and fewer children in the demographic mix, more women working, and more seniors living on their own. Consumer behavior has also changed, fueled by the COVID-19 pandemic. These are shared changes that characterize the larger business environment and transcend industry borders. I am therefore confident that as a cohesive corporate group, connected beyond business lines and drawing on the strengths of each Group company, we can make a breakthrough on the issues before us. For example, individual company approaches limit contact to a certain range of customers, and opportunities to understand the lifestyles and preferences of each customer are similarly limited. At domestic operations only, the Group welcomes more than 22 million people to its stores every day. By coordinating activities across business lines to reinforce respective customer relationships, each operating company can deepen approaches fine-tuned to customers' purchasing behavior while boosting customer satisfaction as well.

Toward this end, efforts were directed to increasing interest in the Groupwide 7iD program, which enables customers to use an ID shared throughout the Group. As of October 31, 2021, membership stood at about 21 million people. Through 7iD, stores expand their points of contact by offering incentives and notifications matched to the lifestyle and preferences of each individual. But it is also important to develop points of contact with customers by adding new value such as delivery services and new payment services. Therefore, a future goal will be to increase the 7iD membership base and enhance convenience and features. To strengthen this platform, in 2021, we established the Group DX Promotion Division and the Group DX Solution Division at Seven & i Holdings, improving the structure that the Company will use to vigorously drive Group strategies forward.

With regard to financial strategies, we will lay the groundwork for new value creation such as payment solutions and financial services. In 2021, we established the Financial Business Strategy Office at Seven & i Holdings, reinforcing the structure for promoting Group strategy.

On the merchandise front as well, we will tackle new value creation with activities that harness the results of Groupwide involvement. Since FY2021, under the Group's food strategy, we have been promoting measures such as the realignment of stores within the Group, shared infrastructure, including supply and distribution bases, and larger bases for the online supermarket, and in 2021, to accelerate

progress in such initiatives as joint procurement from overseas, we established the Overseas Procurement Department at Seven & i Holdings. All these activities are part of efforts to reinforce the structure to leverage Group synergies.

SEI growth strategy and Speedway integration

Our global growth strategy hinges on the convenience store (CVS) business and represents a vital pillar of the new Medium-Term Management Plan. At SEI, which is raising its contribution to Group performance, the focus has been on a growth strategy—the Six Point Plan—since 2017. This strategy has particularly emphasized fresh food such as sandwiches, proprietary beverages, and the development of new merchandise under the private brands to improve the quality of merchandise and create a more appealing merchandise mix. This approach has revealed customers' latent needs, enabled SEI to attract a larger number of new customers, and sharpened the selling power of stores, leading to steadily higher average daily sales at existing stores.

In this way, SEI capitalizes on the power of merchandise that distinguishes its operations from those of other CVS businesses to fuel growth, while seeking to further increase growth potential by expanding the sales network. This is the underlying objective in the Speedway acquisition, completed in 2021. The integration of Speedway stores has brought the number of stores in SEI's North American network to 13,400. Prior to the integration, SEI oversaw the largest store network in the North American CVS market and already enjoyed top share as well, but through the integration, the company has further strengthened its position and achieved a store density where half of the people in the United States can find an SEI store within a two-mile radius of their location. This gives SEI a huge advantage for building a better supply base and logistics structure for fresh food and enables it to continually develop merchandise with customer needs as the starting point, just as in Japan.

Concerted efforts are also being directed into leveraging DX*³. One part of the DX strategy is the 7NOW delivery service, which has already been expanded to about 4,000 stores. The attraction of this service from a customer perspective is speed—about 30 minutes from order to delivery. Enhanced store density is another facet of integration that gives SEI an additional advantage in the market.

SEVEN-ELEVEN JAPAN (SEJ) is indispensable



*3 DX: Digital transformation

to the success of these SEI growth strategies. This means that, for high-quality merchandise development and an efficient supply chain, SEI will have to leverage approaches including personnel exchanges that facilitate access to the know-how and insights SEJ has accumulated.

Promote value improvement of 7-Eleven brand globally

Close cooperation between SEI and SEJ will underpin development of the Group's global strategy. As of October 31, 2021, 7-Eleven was operating in 18 countries and regions worldwide, and the network of about 77,000 stores was the world's largest under a single brand. Our goal is to raise the value of the 7-Eleven brand by enabling stores to offer high-quality merchandise and services regardless of where on the world map the store may be. Toward this end, Seven & i Holdings established 7-Eleven International LLC in the United States in 2021 to form an operational framework for SEI and SEJ to jointly promote global strategy.

This global strategy hinges on three points. The first is to work with existing licensees, the second is to expand store-opening opportunities to new areas, and the third is to maximize synergies related to procuring raw materials and attaining SDGs. On the first point, the goal is to help existing licensees grow through cooperation hinging on the strengths of SEI and SEJ to address various issues that licensees grapple with, such as fully grasping customer perspectives, providing a merchandise mix that meets customer needs, developing merchandise, and getting up to speed technologically, including the embrace of DX. On the second point, from a global perspective, the potential for opening new 7-Eleven stores is growing, and the goal is to capitalize on opportunities and take a robust approach to opening stores in new areas. On the third point, efforts will be directed into utilizing scale for joint procurement as well as environmental investment, which will not only improve efficiency but also qualitatively facilitate excellent initiatives that balance solutions to social issues and higher corporate value.

Again reimagining domestic CVS business through the transformation of stores

The way domestic 7-Eleven stores are used has changed significantly due to the pandemic, but we see this as a huge opportunity. Domestic 7-Eleven will soon mark 50 years in business, and the environment surrounding operations today is totally different from that of the early days, particularly in regard to customer lifestyles and the composition of households. To keep the 7-Eleven transformation moving forward, the CVS business must break free from old stereotypes and adapt to the new environment to

better meet new expectations. New purchasing behavior among customers became more noticeable and evolved much faster because of the pandemic, and the CVS business capitalized on this opportunity to revise the merchandise mix, change the merchandise assortment, and accelerate the transformation of stores. In FY2021, SEJ began ramping up the redesign of sales layouts to achieve an extensive merchandise mix that more fully supports the daily routines of customers.

SEJ is also keen to improve the way merchandise and services are provided to customers. Because of the pandemic, demand for delivery of food has greatly increased. In this area as well, with so many locations being customers' closest stores, SEJ has a duty so to speak to build a business model that utilizes this advantage and provides high-quality services to customers. Delivery services were repeatedly tested under the online convenience store concept, and using the results, we expect that SEJ will expand the service to about 1,200 stores in FY2022 and by FY2023 to about 3,000 stores with the same brand name 7NOW delivery service used in North America. In developing this service, SEJ built a system that can pinpoint store inventory in real time, creating another advantage in a competitive market. The system enables customers to see store inventory when they place an order and to confirm the order's status. In addition, the system utilizes a nationwide network of more than 21,000 stores for delivery in as little as 30 minutes. Drawing on these unique advantages, SEJ offers tangible convenience that is second to none.

Also, with Seven Bank ATMs, multi-function copiers, and other on-site machines, stores are providing more administrative services than ever before. This further reinforces the role that stores play in the social infrastructure. By enhancing these constituent features and improving services, SEJ will actively contribute to realizing Society 5.0*⁴, an initiative for Japan's future. In addition, SEJ will use its store network and system platforms to turn stores into pickup centers for e-commerce, even for purchases originating outside the 7-Eleven network. Incorporating various service features like this to enhance convenience in local communities will make 7-Eleven a real platformer for various businesses, which will in turn raise store value and contribute more to local communities.

*4 Society 5.0: A human-centered society that balances economic development and solutions to social issues through highly integrated systems fusing cyberspace and physical space. Next stage in societal evolution, following the hunter-gatherer society (Society 1.0), the agrarian society (Society 2.0), the industrial society (Society 3.0), and the information society (Society 4.0). First proposed in the 5th Science and Technology Basic Plan, scripted by the Japanese government as a model of the kind of future society Japan seeks to create.

Promoting business restructuring and optimizing the business portfolio

Following our current understanding of the operating environment, as described in the new Medium-Term Management Plan, we are coordinating efforts by Group companies on growth strategy and business restructuring. At food supermarkets, which play a key role in the Group's food strategy, employees who support frontline operations will confidently meet customer needs with a level of motivation that remains high even during the pandemic and enthusiastically embrace the challenges inherent in Group strategies. In addition, at Ito-Yokado, problems were clarified through meetings and other dialogue opportunities, and



everyone within the company is engaged in the restructuring process. The food division continues to show a positive shift in business results.

In large-store business restructuring, efforts to find a contents mix attuned to local needs and free of existing business formats is proving successful. Continuing this approach, we will accelerate the metamorphosis of large stores into regional lifestyle hubs through alliances with speciality shops under the Group umbrella as well as those external to the Group. Toward this end, our business segments changed, effective from the second quarter of FY2022, with department stores and speciality shops integrated into one segment to reinforce joint efforts. In the department store and restaurant field, business activities were restricted due to COVID-19, but linking the use of DX and delivery services by external providers, we made headway on measures to establish a business model matched to new customer needs.

Amid significant changes in the operating environment, a perspective on optimizing the business portfolio is gaining importance in Group management. Therefore, it is indispensable for us to objectively grasp the status of value creation at each Group company through fine-tuned goal setting, namely, yearly, semiannual, quarterly, and monthly targets, and their validation. This kind of monitoring enables us to reposition businesses, and this line of thinking extends to our business portfolio in the new Medium-Term Management Plan. We recognize that decision-making based on actual results and reflecting various options and possibilities is important if we are sincere in our approaches to the employees who work at each company.

Contribute to realization of sustainable society and reinforce connections to local communities

The Group sees contributions to the realization of a sustainable society as integral components of business activities, and sustainable society initiatives are core facets of the new Medium-Term Management Plan as well. In environmental activities especially, we announced the environmental declaration 『GREEN CHALLENGE 2050』 in 2019 and have been promoting activities under specific targets in four categories closely related to Group businesses. Climate change is now a pressing concern everywhere around the world, and like many other companies and organizations, the Group is taking action to reduce CO₂ emissions. Stores are working to visualize reductions, such as lower electricity consumption, through smart sensors and other devices, and these results help employees acquire a new

awareness about initiatives. Concurrently, stores are also emphasizing the transition to renewable energy, with a robust approach toward environmental investment. Stores have already adopted systems powered by renewable energy using solar panels and fuel cells, and installed systems to utilize surplus electricity. In the future, the push will be on joint efforts with manufacturers and suppliers to reduce CO₂ emissions across the whole supply chain.

In efforts to support a circular economy, the goal is to contribute to the establishment and promotion of resource recycling fine-tuned to the local community by creating a structure that uses the Group's store network as points of a recycling hub. The Group is already involved in joint activities with local governments and other regional organizations to develop a model, and the goal is to sort out deterrents and then collaborate with the public and private sectors to find solutions to outstanding issues. In addition, we will encourage operating companies to engage with recyclers and be involved in solutions by measures such as expanding target resources and processing capacities.

Focus on developing human resources and cultivating an open corporate culture

I believe that fulfilling social obligations requires growing business the right way. By that I mean companies and human resources must be on the same page for the Group to grow. To confirm that this is happening, we monitor status through an employee engagement survey and other tools and strive to create comfortable work environments and motivate employees. In addition, we need people in new fields of expertise to fuel progress on target strategies. Therefore, we will provide learning opportunities to human resources now employed but also promote measures to hire people with specialized knowledge and skills from outside the organization. For this strategy of growing human resources and companies the right way as we diversify the composition of human resources within the Group, we must describe the direction of strategies and other plans clearly, while using dialogue to build a shared awareness for reaching targets. A common understanding is absolutely vital for successful growth. Toward this end, for both our Corporate Creed and our basic stance, we have defined the ideal Group image for 2030 in the new Medium-Term Management Plan and have clarified which growth areas the Group will explore and which domains will require innovation.

As the new Medium-Term Management Plan unfolds, we will also strive to enhance management transparency and cultivate an open corporate culture through suitable information disclosure and dialogue with all stakeholders. We ask for your continued support and understanding.

Outline of Medium-Term Management Plan 2021–2025

Seven & i Group Management Policies

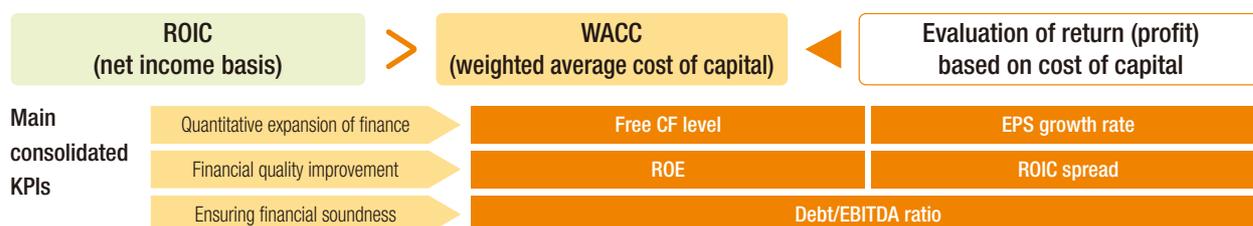
Corporate creed	<p>We aim to be a sincere company that our customers trust.</p> <p>We aim to be a sincere company that our business partners, shareholders and local communities trust.</p> <p>We aim to be a sincere company that our employees trust.</p>
Basic stance	We aim to contribute to the local community both in Japan and overseas by providing new experiences and values from the customer's point of view.
Ideal Group image for 2030	A world-class global distribution group that leads distribution innovation through global growth strategies centered on the 7-Eleven business and proactive utilization of technology

Towards 2030 (Positioning of the Medium-Term Management Plan)



Basic Financial Policy

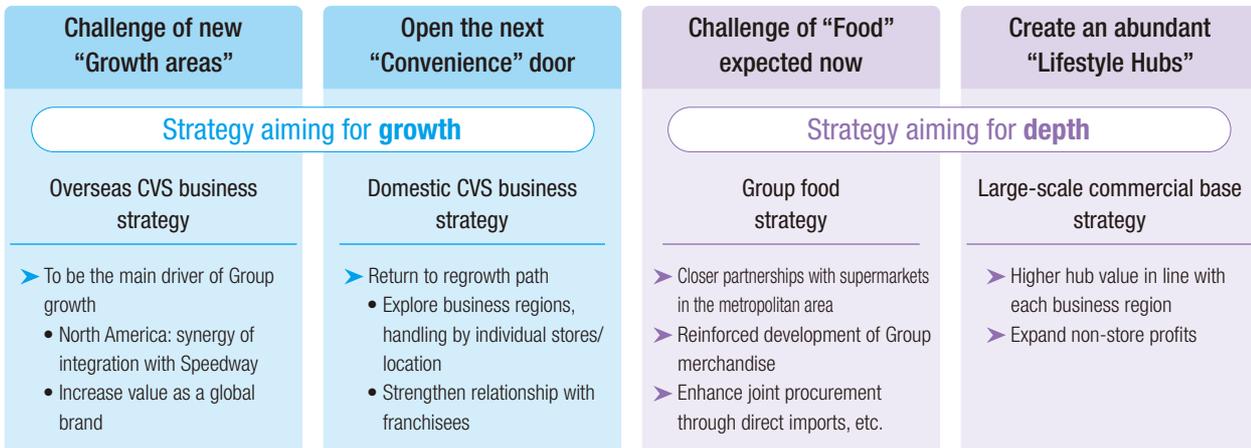
In order to continuously improve corporate value, increase returns (profit) that exceed the cost of capital and increase the ability to generate cash flow (CF).





Overview of Group Priority Strategy

Provide a new experience and value consistently from the customer's point of view



Challenge of the Last Mile Page 24

- Expand on-demand delivery service
- Enhance online supermarkets (BOPIS*)

Customer Base

6.5 million a day in North America

22.4 million a day in Japan

Expansion of customer contact

- Improve LTV*2 by 7Rewards/CRM*3
- Expand 7NOW (delivery)
- Expand 7Wallet (digital settlement)
- Improve LTV by Group CRM around "7iD"
 - Strengthen point strategy, provide new settlement experience
 - Enhance financial services
- Build Last Mile delivery platform Page 24
- Improve technology-aided productivity

DX/Financial strategy

Further strengthening of corporate governance/Human resource measures linked to the business strategy

Sustainable management

Balancing the sustainable growth of the company with sustainable growth in society Page 26

*1 BOPIS: Buy Online Pick-up In Store: Format that lets customers pick up at stores merchandise purchased online

*2 LTV: Life Time Value

*3 CRM: Customer Relationship Management

Consolidated Financial Numerical Targets

	FY2021 results	FY2026 targets
EBITDA	¥626.8 billion	¥1 trillion or more
Operating CF (excluding financial services)*1	¥456.7 billion	¥800 billion or more
Free CF level (excluding financial services)*2	¥132 billion	¥400 billion or more
ROE	6.8 %	10 % or more
ROIC (excluding financial services)*3	4.7 %	7 % or more
Debt/EBITDA ratio	2.8 times	Less than 2.0 times
Adjusted Debt/EBITDA ratio*4	—	Less than 2.2 times
EPS growth rate (CAGR)*5	—	15 % or more

*1 Management accounting figures based on NOPAT excluding the financial services business.

*2 Management accounting base figures excluding financial services business. M&A is calculated by excluding it from investment CF as a strategic investment.

*3 ROIC: Calculated as (net income + interest expense × (1 - effective tax rate)) / (equity capital + debt (average at the beginning and end of the period)).

*4 Adjusted Debt/EBITDA ratio: Excluding financial services business, Net Debt/EBITDAR management accounting figures (Net Debt: Debt + on-balance lease - cash and deposit and other adjustment)

*5 Estimated by CAGR (Compound Annual Growth Rate) for FY2021.

Global Strategy for the 7-Eleven Brand

Overseas expansion of 7-Eleven

As of October 31, 2021, our worldwide 7-Eleven network had approximately 77,000 stores. In Japan, North America, and China (Beijing, Tianjin, and Chengdu), 7-Eleven stores

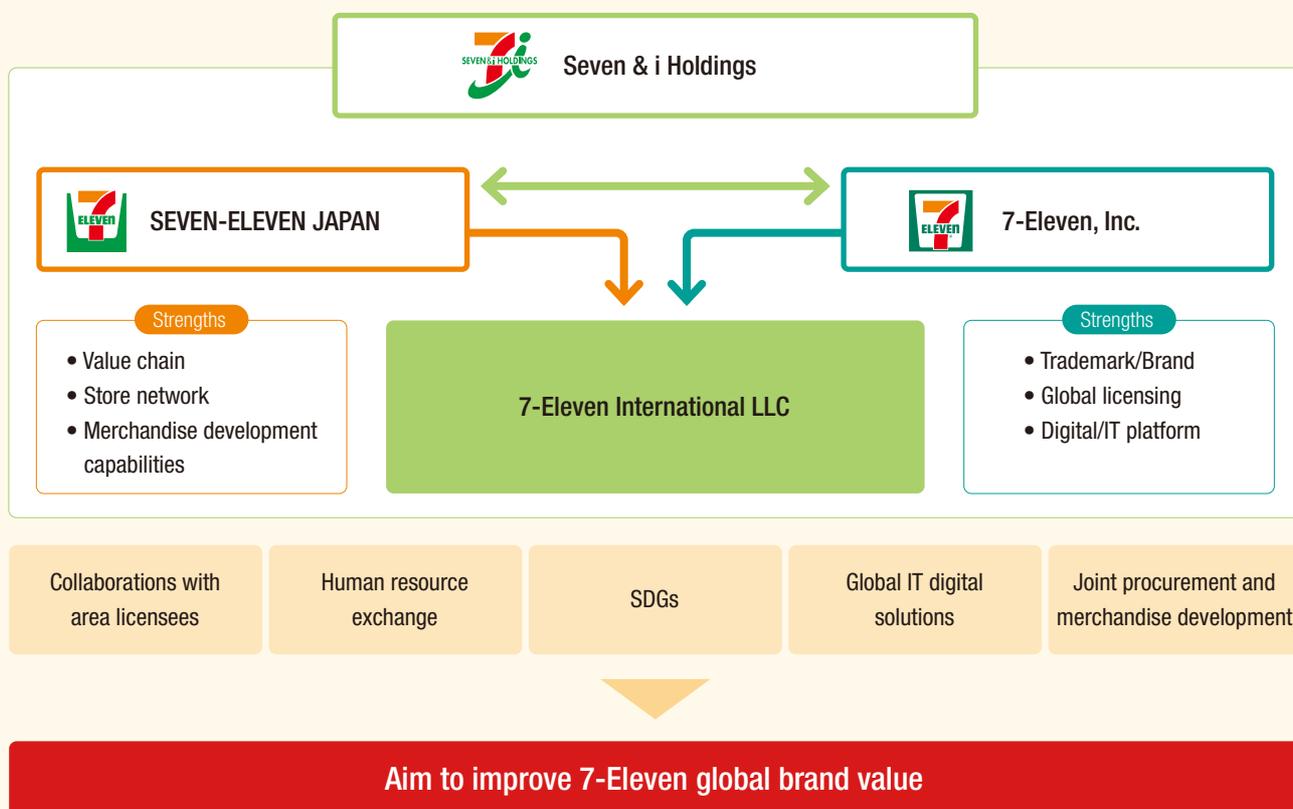
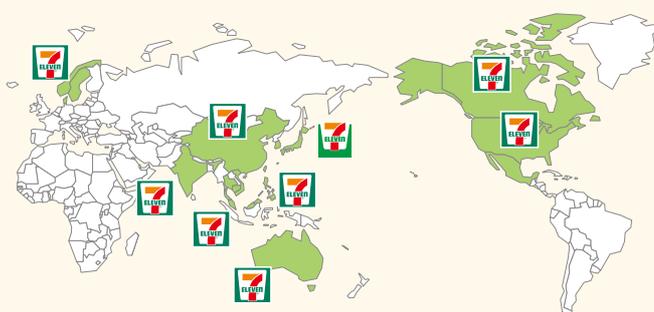
are operated by subsidiaries. In other countries and regions, prominent local corporate groups run 7-Eleven stores as area licensees.

7-Eleven International LLC established to enhance global brand value

The 7-Eleven convenience store network is the largest in the world. As of October 31, 2021, 7-Eleven stores operated in 18 countries and regions, with ample opportunities to generate significant growth through new store openings. Going forward, we will expand the 7-Eleven brand into new countries, with plans for 50,000 stores (outside Japan and North America) by FY2026.

To further expand our business globally, it is essential for SEVEN-ELEVEN JAPAN and SEI to establish a framework for mutual cooperation. For this reason, we established 7-Eleven International LLC to leverage the strengths of both

companies and thus enhance the value of the 7-Eleven global brand worldwide.



Enhancing 7-Eleven's global brand value through Japan-U.S. collaboration



Strategy of 7-Eleven International LLC

1 Strengthen collaboration with existing markets

A comparison of average daily sales of stores in existing markets reveals a disparity between regions where our stores are directly managed by consolidated subsidiaries and those where area licensees operate our stores. In

existing markets, 7-Eleven International LLC will enhance the collaborative program with area licensees, meticulously plan strategies for each country and region, and reinforce collaboration with area licensees in each area.

2 Promote new market entry

For store openings in new regions, 7-Eleven International LLC's policy is to select and proceed after a thorough analysis of the risks and opportunities of the candidate country and potential local partners. To expand the number

of regions where we can open new stores, 7-Eleven International LLC will adopt comprehensive value chain support measures and incorporate joint ventures and M&As into strategies.

3 Expand global collaborations

Through 7-Eleven International LLC, we will maximize synergies and expand global collaboration in areas such as human resource exchanges, SDGs/ESG initiatives, global IT digital solutions, joint procurement, and joint merchandise development.



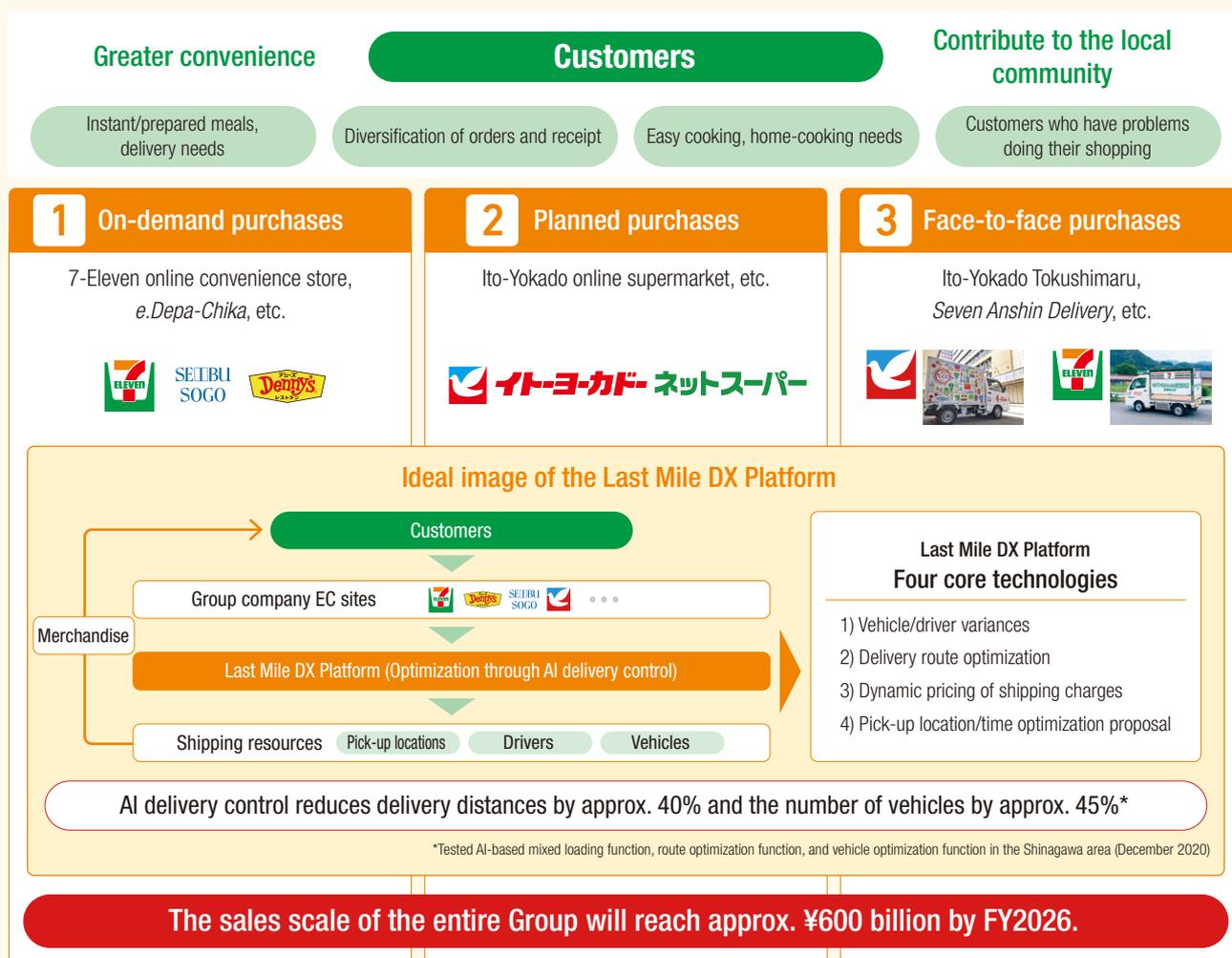
Last Mile Measures

Reinforcing the Seven & i Group's unique strengths and values

The Group is currently working on three Last Mile measures. The first relates to on-demand services such as 7-Eleven online convenience store, *e.Depa-Chika* (online department store with food section), and Denny's home delivery, which deliver shortly after order placement. The second is delivery service like that of the Ito-Yokado online supermarket, which supports planned shopping. Currently, we deliver to customers' homes, but we plan to gradually expand to more diverse pickup locations, such as 7-Eleven stores and pickup lockers. In addition, we will strengthen the merchandise assortment we deliver, including fresh foods and meal kits. Our third Last Mile measure involves mobile supermarkets—namely, Ito-Yokado Tokushimaru and

Seven Anshin Delivery—for people inconvenienced by daily shopping. Here, we will gradually expand the number of operational trucks with a view to supporting shoppers. The Group is targeting sales of approximately ¥600 billion from Last Mile measures by FY2026. With its diverse business formats, the Group has a unique set of Last Mile solutions. A key feature of these is our ability to build a Last Mile DX Platform common to the Group. In Tokyo's Shinagawa area, where we are conducting preliminary tests, we have effectively reduced delivery distances by around 40% and the number of vehicles by around 45% compared with those of the regular system.

Last Mile measures (ideal image)



1 On-demand purchases

7-Eleven online convenience store

The 7-Eleven online convenience store service is an excellent partner of busy customers who do not have much time to shop or want to use their time efficiently. It is a convenient service that allows customers to order from 7-Eleven's wide merchandise selection using their smartphones and receive same-day delivery. (This service is to be expanded sequentially from some areas.)

Real-time inventory linkage

- Approx. 2,800 items (excluding magazines and tax-exempt merchandise)
- High conversion rate

Minimum 30-minute delivery service

- The inventory base closest to the customer
- Responding to immediate meal needs (fried food by order, etc.)

Last Mile DX Platform (future)

- Optimization of delivery resources and routes utilizing AI
- Expand view to cover the delivery of Group company merchandise (being tested)

Gourmet *Depa-Chika* delivery service: *e.Depa-Chika*

Since February 2021, Sogo & Seibu has been developing a new service to deliver prepared dishes, boxed lunches, sweets, drinks, and other items from its department stores' basements' food sections to customers' homes and offices. At SEIBU Ikebukuro store, the service covers a broad lineup of around 100 brands, and customers can place single orders from multiple categories and brands for delivery to seven Tokyo wards in as little as 45 minutes.

As of October 31, 2021, the service was provided by three stores: Ikebukuro, Hiroshima, and Chiba. Going forward, we plan to extend the service to all Sogo & Seibu stores nationwide.

Expanding merchandise assortment

February 2021
80 brands
250 items



May 2021
90 brands
250 items



July 2021
100 brands
400 items



November 2021
100 brands
500 items



2 Planned purchases

At Ito-Yokado, we are advancing the Ito-Yokado online supermarket service, which allows customers to order merchandise with a personal computer or smartphone for delivery at specified times. We plan to open the Ito-Yokado online

supermarket Shin-Yokohama Center (tentative name) in spring 2023. The new center will function as a large-scale base with delivery areas for approximately 30 Ito-Yokado stores around and locations up to roughly 30 kilometers from the center.

3 Face-to-face purchases

As of April 30, 2021, SEVEN-ELEVEN JAPAN operated its mobile store service, *Seven Anshin Delivery*, from 107 stores. Using light trucks fitted with sales equipment developed in-house, we travel mainly to areas where daily shopping is inconvenient or where many elderly people have trouble getting around. The service covers a variety of foods and beverages, from ambient temperature to frozen. Ito-Yokado Tokushimaru uses its mobile supermarket initiative to support customers

who find shopping inconvenient. It is also engaged in business related to neighborhood watch activities for the elderly in collaboration with local communities.



Seven Anshin Delivery

Ensuring Sustainability and Growth

Basic approach and governance system supporting sustainability

The Company considers that being “a sincere company that all our stakeholders trust” as embodied in its Corporate Creed is the “heart” of corporate governance and at the same time is the “foundation” for securing the Company’s sustainability and growth.

With a “sincere” corporate governance structure that is highly transparent and compliant with laws, regulations, and social norms, we will accurately grasp society’s expectations and demands through dialogue with our stakeholders and earnestly undertake initiatives to contribute to solving social issues through our business, while reducing the negative social impact in environmental (E) and social (S) issues. We believe this approach will earn the long-term “trust” of our stakeholders and result in the “sustainable development of society” and the “sustainable growth of the Company.”

Recently, the role of companies in solving global issues is emphasized in initiatives such as the Sustainable Development Goals (SDGs). In order to respond to these

demands and uphold its responsibilities as a company, the Group will promote global ESG initiatives in collaboration with our stakeholders focusing not only on the Company but on the entire supply chain.

At present, as our governance system to support sustainability initiatives, the Company stipulated various policies, such as the Corporate Action Guidelines, and established the CSR Management Committee and thereunder subcommittees, thereby setting up a system able to properly execute the policies to ensure sustainability and growth by accurately grasping the external environment and situation. Details of its activities are monitored by the Company’s Board of Directors from an objective standpoint.

Going forward, the Group will fulfill its social responsibilities. As a cohesive unit, we will strive for a sustainable society and sustainable corporate growth by addressing the expectations and demands of society through stakeholder dialogue.

Revised

Revision of material issues (Materiality)

In 2014, the Group identified Five Material Issues to be addressed by the Group as a whole to meet the expectations and demands of our stakeholders. While promoting initiatives to reduce any adverse effects or risks from our activities, we are at the same time working toward CSV* to realize these issues through our merchandise, services, stores, and other operations and through the creation of new business models, aiming for a sustainable society and sustainable corporate growth. In 2015, the UN adopted the SDGs as common goals for the international community to pursue until 2030. To contribute to achieving these goals, the Company studied the relationship between the goals and the Five Material Issues

and incorporated them into sustainability initiatives.

Over the seven years since the Group identified the material issues, social issues related to our business activities and society’s demands have become more diverse. To address these issues appropriately, the Group has revised those material issues in March 2022 through dialogue with various stakeholders to clarify our approach as a Group for the creation of social and economic value, and to maximize Group synergies.

*Creating Shared Value

Steps for revising of material issues in March 2022

STEP 1 Selection of social issues

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

Selection method



STEP 2 Survey of more than 5,000 stakeholders

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

*SEVEN-ELEVEN JAPAN CO., LTD., 7-Eleven, Inc., Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., York Co., Ltd., Sogo & Seibu Co., Ltd., Seven & i Food Systems Co., Ltd., Seven Bank, Ltd., Seven & i Holdings Co., Ltd.

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

STEP 3 Dialogue with experts

The Group's three flagship operating companies (SEVEN-ELEVEN JAPAN, Ito-Yokado, and Sogo & Seibu) and Seven & i Holdings engaged in dialogue with knowledgeable experts as representatives of stakeholders. From the survey results,

we identified their unreserved opinions about the Group's role in society and the social issues that the Group should address. (File photos of the Seven & i Holdings dialogue participants)

Seven & i Holdings Management



Ryuichi Isaka
Representative Director and President



Katsuhiro Goto
Representative Director and Vice President



Junro Ito
Director and Managing Executive Officer
General Manager of the Corporate Development Division

Experts



Toshio Arima
Chairman of the Board
Global Compact Network Japan



Ken Shibusawa
Chief Executive Officer
Shibusawa and Company, Inc.



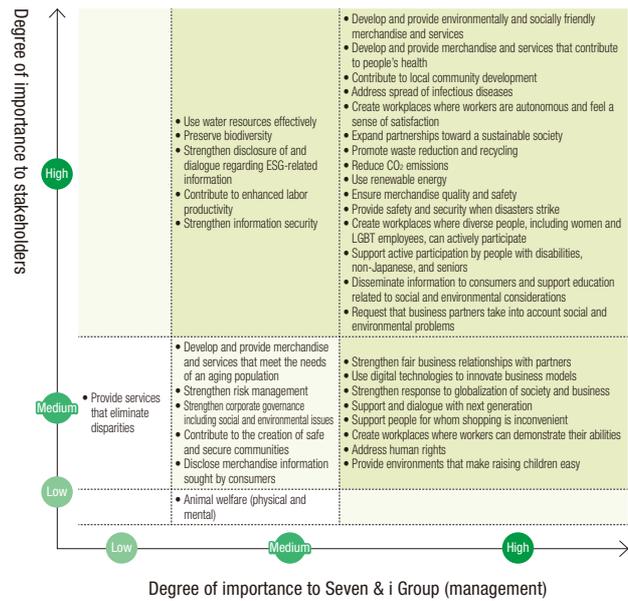
Manami Yamaguchi
Representative Director
Japan Sustainable Labels Association

STEP 4

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

Using the stakeholder survey results, we created a matrix for each of the nine companies, using the degree of importance to stakeholders as the vertical axis and the degree of importance to the companies as the horizontal axis. We then consolidated these into a Group matrix and identified seven material issues, taking into account the survey comments, dialogues with experts, and interviews with management of other operating companies.

We have adopted the new material issues using wording that makes it easy to understand their correlation with concrete initiatives, so that Group employees can pursue them “on their own.”



New material issues (revised in March 2022)

Seven material issues	Examples of concrete initiatives to address issues
<p>1 Create a livable society with local communities through various customer touchpoints</p>	<p>Management that aims to address community issues including an aging and decreasing population</p> <ul style="list-style-type: none"> Expand online convenience store, online supermarket, mobile supermarket vehicles Administrative services (issuance of official documents) Work with local governments to develop local merchandise
<p>2 Provide safe, reliable, and healthier merchandise and services</p>	<p>Support for an abundant and safe society</p> <ul style="list-style-type: none"> Expand development and sales of health-oriented merchandise Strengthen quality control structure Develop health management app
<p>3 Realize decarbonization, circular economy, and society in harmony with nature, through environmental efforts</p>	<p>Environmentally friendly management</p> <ul style="list-style-type: none"> Develop environmentally friendly stores Recycle plastic bottles, increase use of environmentally friendly containers Reduce food loss/waste and recycle organic waste Expand lineup of certified merchandise
<p>4 Achieve a society in which diverse people can actively participate</p>	<p>Realizing a society that accepts diverse values and lifestyles</p> <ul style="list-style-type: none"> Support child-raising and education of next generation Normalization, universal design
<p>5 Improve work engagement and environment for people working in Group businesses</p>	<p>Becoming a company that provides job satisfaction and sense of accomplishment</p> <ul style="list-style-type: none"> Promote diversity and inclusion Increase engagement through human resource development and dialogue Promote DX to improve work environments
<p>6 Create an ethical society through dialogue and collaboration with customers</p>	<p>Working with customers to make communities thrive</p> <ul style="list-style-type: none"> Public awareness and cooperation with customers (food drives, turning off lights, etc.) Improve services using customer opinions
<p>7 Achieve a sustainable society through partnerships</p>	<p>Working with business partners to achieve a thriving society</p> <ul style="list-style-type: none"> CSR audit of business partners (eradication of forced labor and child labor) Work with nonprofits and NGOs, have joint projects with business partners, other industries, and same industry

STEP 5 Risks and opportunities related to material issues

As we identified the material issues, we also consolidated the related risks and opportunities based on opinions including the survey of stakeholders and dialogue with experts. In addition to

creating new initiatives to address the material issues, we are striving to reduce risks with the aims of achieving a sustainable society and sustainable corporate growth.

STEP 6 Incorporation into action plans

To place the newly identified material issues as a basis of management and ensure their effectiveness, the Group is formulating concrete initiatives to address the material issues through each operating company's business. Using a process similar to that of the SDG Compass*, we are integrating the

new material issues into management by formulating action plans to achieve our targets and working to realize those issues through our businesses.

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

Related SDGs	Risks	Opportunities
 	<ul style="list-style-type: none"> Decline in sales opportunities from decrease in the infrastructure of daily life, leading to population decrease, depopulation, aging population Failure to open new stores as planned because of 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.
 	<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.
      	<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 emissions, etc. 	<ul style="list-style-type: none"> Cut costs by saving energy, reducing waste, recycling, changing energy sources Create brand value as a company at the forefront of environmental measures, etc.
 	<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.
  	<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.
	<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.
     	<ul style="list-style-type: none"> Interruption of merchandise supply, deterioration of merchandise quality, or boycotts associated with labor environment or human rights problems or compliance violations in the supply chain, resulting in loss of social trust, etc. 	<ul style="list-style-type: none"> Increase resilience through sustainable raw material procurement Provide new merchandise and services in cooperation with business partners, other industries, same industry, etc.

E

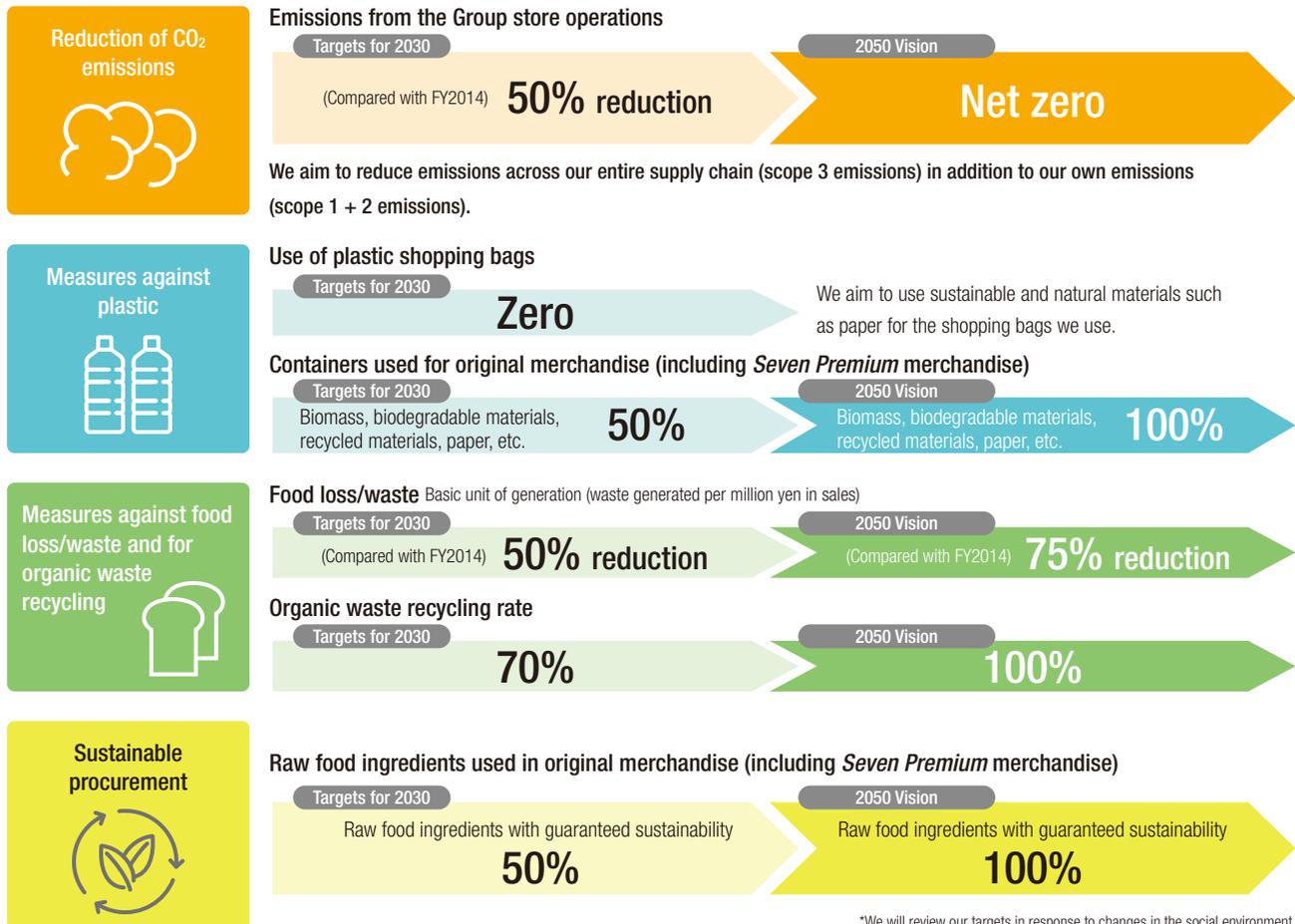
Initiatives for Reducing the Environmental Impact

Seven & i Group's environmental declaration: 『GREEN CHALLENGE 2050』



further reduction of environmental impact and pass on a plentiful earth to future generations. We are working together with our customers, business partners, and all other stakeholders to realize a rich and sustainable society. In order to achieve the goals set forth in the environmental declaration, we have identified four themes, established project teams, and are promoting initiatives across the Group.

In order to respond to various changes in the social environment, the Group has established the 『GREEN CHALLENGE 2050』, its environmental declaration, to promote



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

Four project teams



Reduction of CO₂ emissions

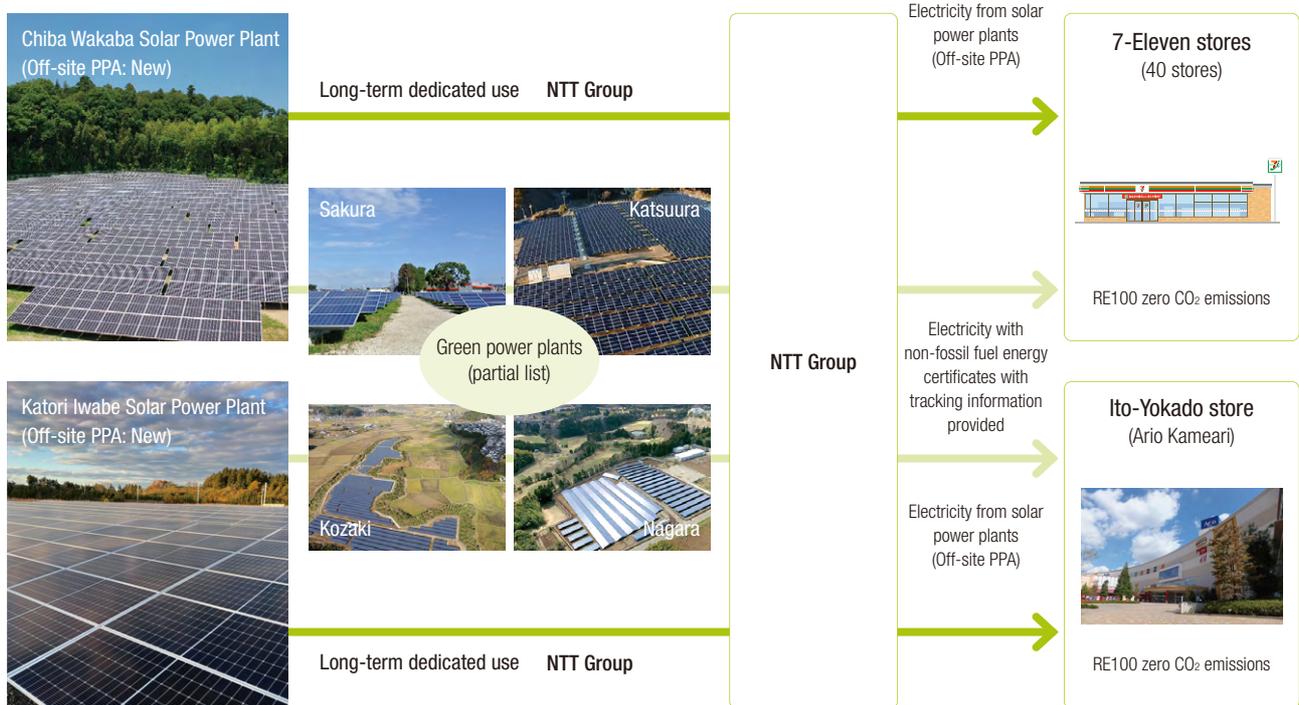
Introducing green power, including Japan's first off-site PPA, at certain stores

Since April 2021, Seven & i Holdings and Nippon Telegraph and Telephone Corporation (NTT) have been successively introducing at certain stores electricity procured through Japan's first*¹ off-site PPA (power purchase agreement) and power generated by green power plants owned by the NTT group, aiming to have 100% of the electricity used in Group store operations generated by renewable sources.

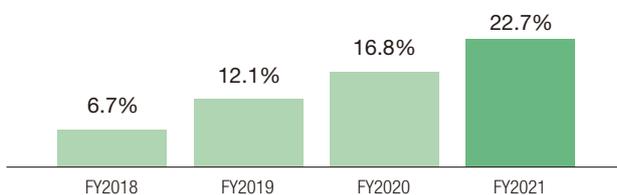
Under this program, 40 of the Group's 7-Eleven stores and store operation in the Ario Kameari shopping center will use 100% renewable energy for 20 years. Using an off-site PPA structure, NTT Anode Energy Corporation constructed two solar

power plants to supply electricity*² via a distribution grid. This is Japan's first off-site PPA, in which a company like NTT Anode Energy constructs new, remote renewable energy power plants dedicated for power consumers like companies and local governments, and provides a long-term power supply via a distribution grid. For the portion that cannot be supplied via the PPA, the stores will use electricity generated by green power plants owned by the NTT group, meaning that these stores will operate with 100% renewable energy.

*¹ According to NTT Anode Energy Corporation, based on interviews with RTS Corporation and others.
 *² The electricity will be provided as a service of NTT Anode Energy Corporation, acting as agent of its subsidiary, ENNET Corporation (Retail electric power company registration No. A0009).



Percentage of reduction of CO₂ emissions from store operations (vs. that of FY2014)*³



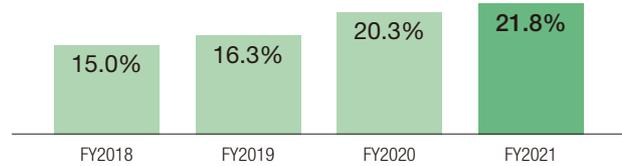
*³ The period of the calculations was from April to March. The period of the calculations from April of the year to March of the following year is presented as the fiscal year ended February (FY). Totals are for 12 companies (SEVEN-ELEVEN JAPAN CO., LTD., Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., Life Foods Co., Ltd., York Co., Ltd., SHELL GARDEN CO., LTD., IY Foods K.K., Sogo & Seibu Co., Ltd., Akachan Honpo Co., Ltd., Barneys Japan Co., Ltd., Seven & i Food Systems Co., Ltd., and THE LOFT CO., LTD.). For the calculation methods, please refer to the environmental data of each operating company described in Data Section of the CSR Data Book.

https://www.7andi.com/library/dbps_data/_template/_res/en/sustainability/sustainabilityreport/2021/pdf/2021_19_01.pdf

Measures against plastic

The Group is engaged in activities including resource collection at stores, the promotion of recycling, and the use of reusable materials, in cooperation with customers and business partners, with the aim of achieving a circular economy, which uses resources effectively.

Percentage of eco-friendly materials*4 in containers for original merchandise*5



*4 Biomass, biodegradable materials, recycled materials, paper, etc.

*5 Including *Seven Premium* merchandise

Initiatives with customers' "plastic bottle resource circulation"

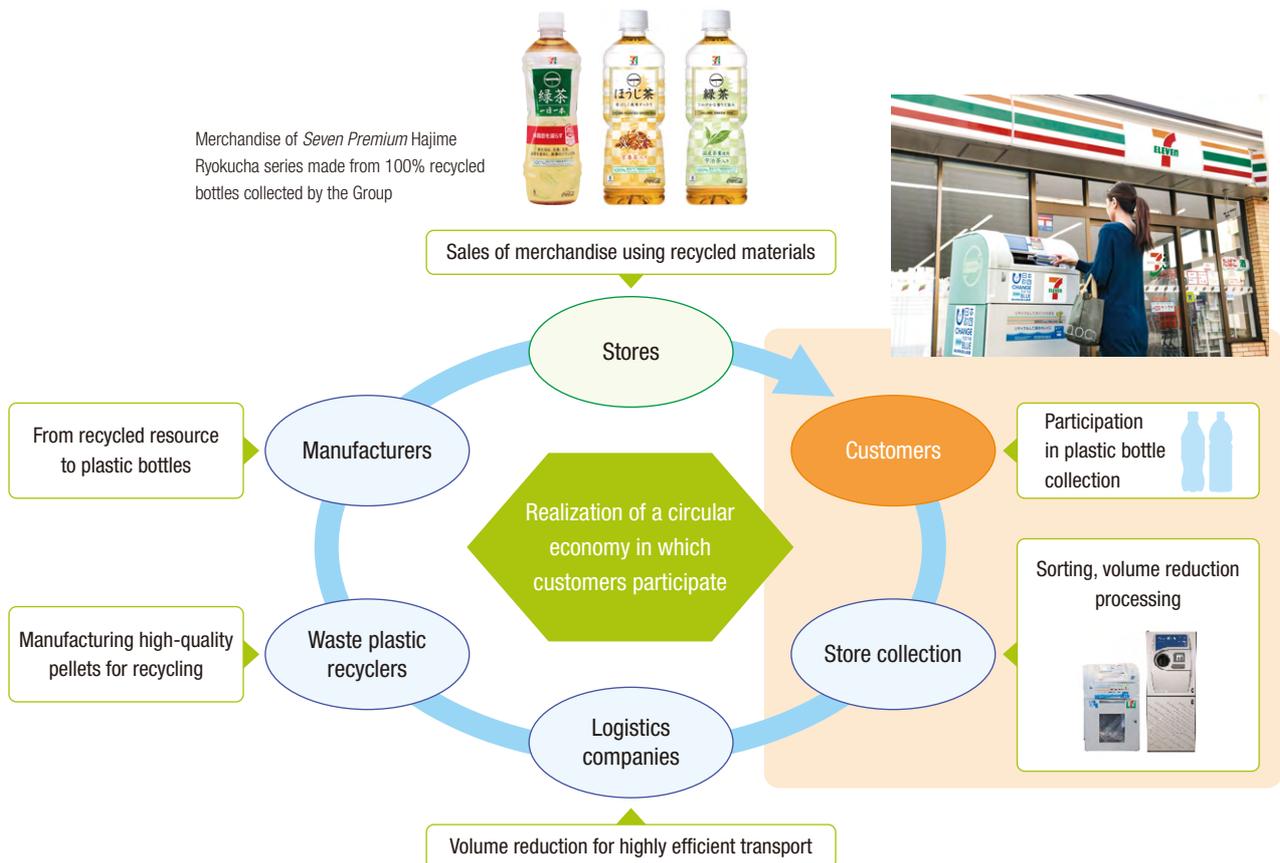
The Group has been installing plastic bottle collection machines at stores since 2012.

When a bottle is put into a machine, sensors detect and remove foreign matter, and the bottle is compressed or crushed to reduce volume. This facilitates recycling as a higher quality resource, making it possible to transport large volumes from stores to recycling plants and reducing the number of trips required.

Some of these recycled plastic bottles are turned back into

plastic bottles or things like clothing or merchandise packaging. As of November 30, 2021, a total of 1,613 collection machines had been installed at four companies: SEVEN-ELEVEN JAPAN, Ito-Yokado, York-Benimaru, and York. With the cooperation of our customers, the equivalent of roughly 330 million plastic bottles was collected and recycled during FY2021. Working with customers, business partners, and local governments, we are steadily expanding the loop of plastic resource circulation.

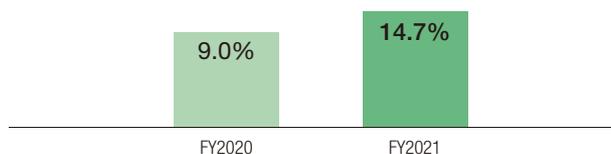
Plastic bottle recycling system using collection machines



Measures against food loss/waste and for organic waste recycling

Food merchandise accounts for roughly 60% of the Group's sales. We are working to reduce the amount of food waste generated at stores by establishing a framework in which customers participate in measures against food waste at stores and sales areas to control the amount of food thrown out.

Percentage of reduction of food loss/waste* (vs. that of FY2014)



*The period of the calculations was from April to March. The period of the calculations from April of the year to March of the following year is presented as the fiscal year ended February (FY). Totals are for the six food-related operating companies (SEVEN-ELEVEN JAPAN CO., LTD., Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., York Co., Ltd., SHELL GARDEN CO., LTD., and Seven & i Food Systems Co., Ltd.).

*Basic unit of generation (waste generated per million yen in sales)

Ethical project

SEVEN-ELEVEN JAPAN has launched an "ethical project" at all stores nationwide in which bonus points corresponding to 5% of the retail price are awarded when eligible merchandise including rice balls and bread is bought close to their sales deadline using the *nanaco* electronic money service, in an effort with customers to address together the issue of food waste.



Temaedori activities

Together with the Consumer Affairs Agency, the Ministry of Agriculture, Forestry and Fisheries, and the Ministry of the Environment, SEVEN-ELEVEN JAPAN and other convenience store operators have been rolling out the *Temaedori* activities since June 2021.

This activity aims to reduce food waste by displaying merchandise in a way that encourages customers to purchase food they intend to consume immediately by placing these items at the front of a display.



Introduction of *mottECO*

For introducing its *mottECO* program to reduce food waste, Seven & i Food Systems has been selected by the Ministry of the Environment as a "FY2021 Model Business for Reduction of Food Waste and Promotion of Recycling by Local Governments and Businesses."

Under this program, restaurant customers unable to finish their food can request 100% plant-derived containers in which to take home the leftover portion. By having customers assume the responsibility for taking home these leftovers on their own,

this campaign is raising awareness of reducing food waste and promoting a "culture of taking home leftovers as one's own responsibility."



Sustainable procurement

With society directly facing numerous environmental problems like climate change, depletion of natural resources, and the loss of biodiversity, as well as other issues including human rights and labor problems, the Group is working with stakeholders to incorporate sustainable procurement throughout the entire supply chain.

Sales of MEL-certified merchandise

The Group sells Marine Stewardship Council (MSC)-certified and Aquaculture Stewardship Council (ASC)-certified merchandise under the *Seven Premium* private brand. In addition, Ito-Yokado was Japan's first major retailer to acquire Marine Eco-Label Japan (MEL) certification for marine products caught, cultivated, processed, and distributed in an environmentally friendly manner. Four species of fish under the "Fresh Fish with Traceability" original brand have been sold with the MEL label since April 2020—yellowtail, amberjack, red sea bream, and flatfish. Wakame seaweed and coho salmon have also received

Raw food ingredients with guaranteed sustainability used in original merchandise*



*Including *Seven Premium* merchandise

certification and as of February 28, 2021, six certified marine products were being sold at 123 stores nationwide. This initiative is also spreading across the Group, with York obtaining MEL certification in June 2021 and York-Benimaru in July 2021.



Procurement of palm oil

The Group joined the Roundtable on Sustainable Palm Oil (RSPO) in January 2020 and has been studying ways to use sustainable palm oil.

Since November 2020, the Group has been selling laundry detergents and fabric softeners developed as part of a joint project with Saraya Co., Ltd., which promotes the development of RSPO-certified merchandise using sustainable palm oil. We also began selling dish detergents in November 2021. In

addition, we have set up a program in which customers themselves can make a social contribution by purchasing this merchandise, with a portion of the series' sales used for social contribution activities.



Seven Premium Lifestyle brand Yashinomi dish detergent bottle and refill

Procurement of organic cotton

With increased interest in merchandise that is safe, secure, and environmentally friendly, the Group has developed items including underwear and bedding made from organic cotton.

To convey to customers the value of organic cotton in an easy-to-understand way, from February 2020, we successively began selling merchandise with a shared icon to show that they met the requirements of either the Organic Content Standard

(OCS) or Global Organic Textile Standard (GOTS) international organic certification. In August 2021, we also began selling organic cotton T-shirts made from quality Turkish cotton with the cotton's producer and location indicated.



External Recognitions and Response to/Participation in External Frameworks

External recognitions (As of December 31, 2021; recognitions are of Seven & i Holdings, unless otherwise noted)

<p>Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA</p> <p>Dow Jones Sustainability Asia/Pacific Index</p>	 <p>FTSE4Good</p> <p>FTSE4Good Index*1</p>	 <p>FTSE Blossom Japan</p> <p>FTSE Blossom Japan Index*2</p>
 <p>MSCI ESG Leaders Indexes*3</p>	 <p>Gold Product Safety Company*4</p>	 <p>2021 Certified Health & Productivity Management Outstanding Organizations (White 500)*5</p>
 <p>The first company certified as an Employer Promoting the Active Roles of Persons with Disabilities*6</p>	 <p>Third rank Second rank</p> <p>"L-Boshi" certification mark*7</p>	 <p>"Platinum Kurumin" certification*8 "Kurumin" certification*8</p>

Response to/participation in external frameworks (As of December 31, 2021)

 <p>Response to TCFD recommendations</p>	 <p>Participation in RE100</p>	 <p>Registered with the Whistleblowing Compliance Management System</p>
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*1 For details of the FTSE4Good Index Series, please visit <https://www.ftserussell.com/products/indices/ftse4good>

*2 For details of the FTSE Blossom Japan Index, please visit <https://www.ftserussell.com/products/indices/blossom-japan>

*3 Seven & i Holdings' inclusion in the MSCI index and its use of the MSCI logo, trademark, service mark, and index name do not represent support, recommendation, or promotion of Seven & i Holdings by MSCI or its affiliated companies. The MSCI index is the exclusive asset of MSCI. The name and logo of MSCI and the MSCI index are the trademarks or service marks of MSCI and its affiliated companies.

*4 Ito-Yokado Co., Ltd.

*5 Seven & i Holdings Co., Ltd., SEVEN-ELEVEN JAPAN CO., LTD., Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., York Co., Ltd., Sogo & Seibu Co., Ltd., Seven & i Food Systems Co., Ltd., Seven Bank, Ltd., Akachan Honpo Co., Ltd.

*6 Terube Ltd.

*7 Third rank of "L-Boshi": Seven & i Holdings Co., Ltd., Ito-Yokado Co., Ltd., Sogo & Seibu Co., Ltd., Seven Bank, Ltd., Seven Card Service Co., Ltd., Seven Financial Service Co., Ltd., Nissen Co., Ltd., Nissen Life Co., Ltd.

Second rank of "L-Boshi": SEVEN-ELEVEN JAPAN CO., LTD., Seven & i Food Systems Co., Ltd.

*8 "Platinum Kurumin": Ito-Yokado Co., Ltd.

"Kurumin": Seven & i Holdings Co., Ltd., SEVEN-ELEVEN JAPAN CO., LTD., York-Benimaru Co., Ltd., Sogo & Seibu Co., Ltd., Seven & i Food Systems Co., Ltd., Seven Bank, Ltd., Seven Financial Service Co., Ltd.

 External Recognition and Awards
<https://www.7andi.com/en/sustainability/awards.html>

S

Social Initiatives

Human resource measures

“Human resources” are the source of the Group’s growth potential. We believe that providing support that enables all employees to improve their ability proactively and linking this to improving productivity as a company are important tasks for allowing diverse human resources to enthusiastically demonstrate their abilities. We will promote human resource measures that are linked to the business strategy by creating an environment where diverse human resources can demonstrate their abilities, developing a system that supports flexible work styles, and implementing measures to improve productivity based on technological innovations, among other things.

Human resource measures linked to the business strategy

Creation of organizations in which both companies and employees can grow together (Motivation for work)

(Development of each employee’s ability and support for self-directed learning, etc.)

Creation of a workplace that is comfortable for everyone

(Work-style reform, improvement of productivity, promotion of diversity and inclusion, etc.)

Improvement of employee engagement

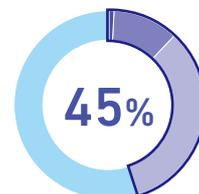
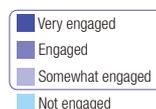
The Group annually conducts an employee engagement survey* with the aim of creating comfortable and fulfilling work environments. We believe that improving engagement and motivation to contribute will energize our organization and enhance corporate competitiveness. In FY2021, we conducted surveys of approximately 82,000 employees at 34 domestic companies.

The results of the employee engagement survey are reported at the Company’s and Group companies’ Board of Directors meetings, management meetings, and other meetings, to analyze the survey results, identify issues, and consider and implement measures. The findings are also used for sharing case studies within the Group. In 2021, Group companies established the Engagement Improvement Committee, led by Group company

presidents. The committee is primarily chaired by human resources department managers, and diverse employees are selected as members through an open application process. The committee promotes improvement activities by establishing and monitoring action plans for improving engagement based on dialogue with the members.

*The employee engagement survey is an index of employees’ feelings about doing their best and refusing to give up until they deliver results above expectations, while having the “feeling that each and every employee is always playing a leading role” with “pride and passion in everyone’s own work.”

Results of the FY2021 employee engagement survey



*Target: Approx. 82,000 employees
Response rate: 75%
Participating companies are listed on page 7



Members of the Engagement Improvement Committee having a conversation with President Isaka



Joint Group meeting of the Engagement Improvement Committee chairs attended by 29 Group companies

Promotion of diversity and inclusion

The Group has a diverse workforce, including part-time employees, non-Japanese employees, and employees who raise children or provide nursing care. We recognize that supporting the active roles of each employee and improving the workplace environment to allow employees to work with fulfillment will not only lead to greater productivity and the securing of human resources but will also increase customer satisfaction and expand innovation, which will become a source of

competitiveness. We are actively involved in diversity and inclusion promotion activities with each Group company. Particularly, to strengthen our initiatives for promoting the advancement of women, in 2021, we established our goal of raising the percentage of female executive officers to 30% by the end of February 2026, and joined the 30% Club Japan*.

*30% Club Japan: Japan chapter of 30% Club, a global campaign to achieve sustainable corporate growth, enhance corporate value, and increase percentage of women in director and key decision-making positions of companies.

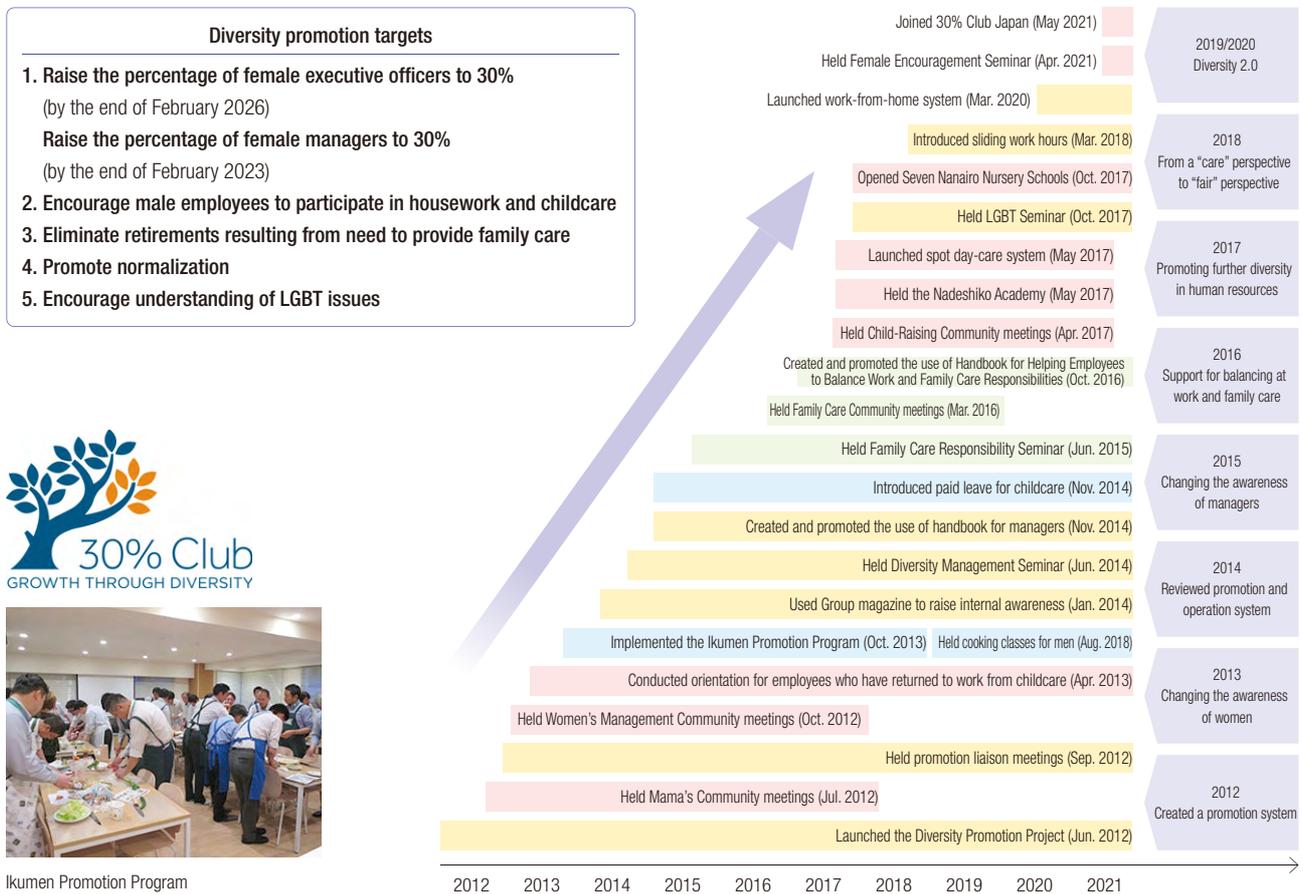
Diversity and inclusion promotion targets and efforts

As a system for promoting diversity and inclusion, we established the Seven & i Group Diversity & Inclusion Promotion Project (the Diversity Promotion Project at the time of its inception) in 2012, which is responsible for formulating policies for the Group's diversity and inclusion promotion activities and for planning and implementing Groupwide measures. In addition, we hold regularly the Diversity Promotion Liaison Council where personnel in charge of promoting diversity at major Group companies gather to share information on the progress of promotion activities and issues at each Group company, and to facilitate the horizontal

deployment of good practices to other Group companies. The details of these activities are regularly reported to the Corporate Ethics and Culture Subcommittee, which gathers the personnel managers of the 26 Group companies, and to the CSR Management Committee.

The Group has been promoting work-style reforms with Group companies and implementing measures such as creating a culture where diverse human resources can play active roles. We implement various measures across the Group, including Diversity Management Seminars and a training program on

Steps for promoting diversity and inclusion



Ikumen Promotion Program

unconscious biases to change the awareness of managers, the Ikumen Promotion Program to encourage men to participate in housework and child-raising, a childcare leave program, Family Care Responsibility Seminars, and seminars for promoting understanding of LGBT issues. Group companies also promote the development and promotion of women by having them share career plans with supervisors during interviews and actively recruit women for training as candidates for managers and management teams.

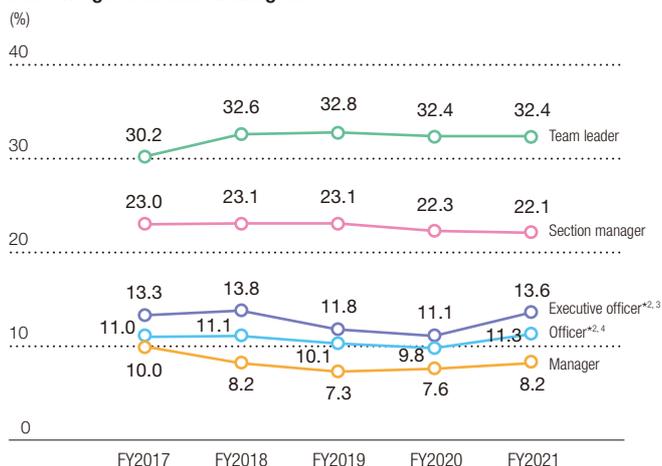
Recruiting non-Japanese and mid-career hires

The Group has been actively promoting overseas employees as local management team members and is actively developing and promoting core human resources to support our global strategy.

In Japan, we are actively recruiting mid-career human resources with diverse experience, and in FY2021, 201 such people joined eight*1 Group companies.

We do not set specific goals, etc., for recruiting non-Japanese and mid-career hires but evaluate abilities and achievements fairly, regardless of nationality, employment category (new graduate or

Percentage of female managers*1



*1 Total for eight companies (Seven & i Holdings Co., Ltd., SEVEN-ELEVEN JAPAN CO., LTD., Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., Sogo & Seibu Co., Ltd., Akachan Honpo Co., Ltd., Seven & i Food Systems Co., Ltd., and Seven Bank, Ltd.).

*2 Officers represent the total for six companies (Seven & i Holdings Co., Ltd., SEVEN-ELEVEN JAPAN CO., LTD., Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., York Co., Ltd., and Sogo & Seibu Co., Ltd.) as of May 31 of each year.

*3 Excluding executive officers who are Directors

*4 Officers represent the total of Directors, Audit & Supervisory Board Members, and executive officers (excluding executive officers who are Directors).

mid-career), and other factors, and promote a variety of people to management positions to encourage diverse human resources to demonstrate their abilities.

Holding of Female Encouragement Seminars

In 2021, we held the Female Encouragement Seminars, a cross-Group training program aimed at developing female manager candidates, with female employees from 19 Group companies attending. The participants learned from the President and management team members about the Group's management policies and philosophies, merchandise strategies, and initiatives on SDGs, and engaged in discussions. Since the seminars were implemented online, female employees nationwide with reduced work hours due to childcare have been able to participate. The seminars have

become opportunities to raise awareness about management with accounts from perspectives different from those of daily work. Furthermore, through discussions with diverse people with different backgrounds and positions, many participants said that they were encouraged and inspired by women working in the same Group, which enhanced their motivation.



The first term of Female Encouragement Seminars

Support for active participation of non-Japanese employees

The percentage of non-Japanese employees at stores including franchisees of SEVEN-ELEVEN JAPAN is increasing. As of February 28, 2021, a nationwide average of about 9.5% or approximately 39,000 employees are foreign nationals. As part of our support for franchisees, we launched Hospitality Training in 2020, which provides basic lectures on Japanese culture and customer service for

international students and non-Japanese employees. Approximately 180 people have participated so far.



Hospitality Training

Supply chain management

Building a sustainable supply chain with our business partners

Since our establishment, the Group has been committed to being a sincere company that our stakeholders trust, as stated in our Corporate Creed.

Various human rights issues have come up in the world today. Expectations are high for companies to fulfill their social responsibilities throughout their supply chains for the merchandise and services they provide. That means respecting and protecting human rights, complying with laws and regulations, protecting the environment, and giving consideration to working conditions. The Group places the highest priority on respecting and

protecting human rights, and we ask our business partners to understand and implement the Seven & i Group Business Partner Sustainable Action Guidelines (“Action Guidelines”).

Together with our business partners, we apply the Action Guidelines in building a sustainable supply chain. In this way, we not only provide our customers with merchandise and services whose safety and quality are ensured, but we also promote the protection and respect of human rights, compliance with laws and regulations, global environmental conservation, and consideration for working environments throughout our supply chain.

Implementing CSR audits of business partners

Of the factories to which the Group outsources the manufacture of our private-brand merchandise (*Seven Premium*) and the private-brand merchandise of Group companies, we seek cooperation in our CSR audits from factories in regions (mainly in China and Southeast Asia) that we judge particularly important from the viewpoint of risk management. We also share updates with our business partners on the status of the promotion of the Action Guidelines and support corrective actions to address any problems.

When we request a new business relationship with a Group company, we ask the partner company to understand and comply with the Action Guidelines and undergo a CSR audit. If the business partner is found to comply with the CSR audit or to take any required corrective action, we issue a Certificate of Conformity and start business with the partner. Renewal of the Certificate of Conformity is a prerequisite for continuing business with the Group.

CSR audit certification process for private-brand production facilities in China and Southeast Asia



CSR audit

Human rights initiatives

Seven & i Group Human Rights Policy established

As business activities become increasingly globalized, public concern about company initiatives related to respecting human rights is mounting. In addition, while the Group has been conducting activities to protect human rights based on the Corporate Action Guidelines, we believe that it is extremely important to comply with international standards and respect the human rights of our stakeholders. With this in mind, we established the Seven & i Group 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 Declaration on Fundamental Principles and Rights at Work, the Ten Principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and other principles and standards. We will continue to engage with our employees, our supply chain, and local communities as we strengthen our efforts to respect human rights.



Details of the Seven & i Group Human Rights Policy

https://www.7andi.com/en/sustainability/policy/human_rights.html

Promotion system

To implement this policy, we have established a Groupwide organization, the Human Rights Promotion Project, and are

promoting initiatives to respect human rights under the supervision of our Board of Directors.

Human rights awareness and training

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

To further support education at Group companies, we are

working to promote employee understanding with our human rights awareness handbook, “Human Rights for Everyone—Let’s Start by Learning,” and the “Normalization Support Guide.”

Furthermore, to reduce and mitigate human rights risks in the supply chain, we conduct compliance training for business partners and internal personnel in charge of merchandise development and procurement.

Conducting human rights due diligence

The Group has established a human rights due diligence mechanism in accordance with procedures set forth in the UN Guiding Principles on Business and Human Rights, and strives to prevent or mitigate any negative impact on human rights.

If it becomes clear that the Group’s business activities are

causing or contributing to human rights abuse, we work to correct or remedy the situation. Led by the Human Rights Promotion Project, a Groupwide organization, we identify risks of human rights violations in the Group, take preventive, mitigating, or corrective actions, and promote them with the PDCA cycle.

Helplines for human rights issues

The Group has established the Groupwide Employee Help Line as an internal reporting system for Group employees, their family members, and former employees to consult about or report

on any human rights problem in the workplace. In addition, the Group has set up the Business Partner Help Line, which can be used by Directors and Audit & Supervisory Board Members,

employees, and former employees of domestic Group companies' business partners.

The rules of the internal reporting system stipulate that

people who contact the service and those who cooperate by investigating situations will not be subject to disadvantageous treatment.

Health and nutrition considerations

With increasing attention being paid to health and nutrition in the face of obesity, diabetes, metabolic syndrome, and nutritional deficiencies, the Group is striving to provide foods that are nutritionally balanced, as well as labeling nutritional components such as sugars (available carbohydrates) and dietary fiber, in consideration of the greater health consciousness of our customers.

In May 2020, in order to create new value for the Group's private brand *Seven Premium* merchandise, we formulated the "Seven Premium Connect Declaration," which consists of four pillars: eco-friendliness, health-consciousness, high-quality merchandise, and global compatibility. As part of our health support initiatives, we have added sugars (available carbohydrates) and dietary fiber to nutritional components labelling (from September 2019) and are developing merchandise with less salt and sugars (available carbohydrates) content. In addition, considering seniors, children, and working

women as our main customers, we are developing merchandise to meet the needs of each of these segments to maintain and improve their health, based on the concepts of "add" and "reduce." We have adopted a "Team Merchandising" method for development, incorporating the knowledge and technologies of our business partners in nutrition and health, and are promoting the reduction of additives.

Main measures for each customer segment

	Working women	Seniors	Children
Add	Dietary fiber/vegetables		
	Iron	Calcium	Calcium
	High-quality protein	High-quality protein	
Reduce	Salt		
	Excessive sugars (available carbohydrates) intake		
	Excessive fat intake		



Example of labeling of nutritional components such as sugars (available carbohydrates) and dietary fiber "Seven Premium Potato Salad"



Salad Chicken with 0 g of sugar

Our approach to the use of food additives

7-Eleven's fresh food such as boxed lunches are intended to taste as if they had been freshly prepared at home. When we use food additives, we use only the fewest types and minimum amounts needed. We have also set voluntary standards for food additives and strive to minimize the use of food additives that are of high concern to customers.

7-Eleven's approach to the use of food additives in fresh food

- Aim to create a taste like that of food freshly prepared at home
- Use only the minimum amount of food additive as needed
- Establish voluntary standards to restrict use



Details of SEVEN-ELEVEN JAPAN's initiatives

https://www.sej.co.jp/products/anshin/thought_tenkabutsu.html (in Japanese only)

Basic Views on Corporate Governance

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 longstanding patronage of all stakeholders, including customers, business partners and franchisees, shareholders and investors, local communities, and employees, based on the Corporate Creed.

The Company's mission as a holding company is to strengthen corporate governance and maximize the Group's corporate value, and the Company will strive to achieve this mission through the provision of support, oversight, and optimal resource allocation to its operating companies.

Development and establishment of corporate governance linked to the advancement of group management

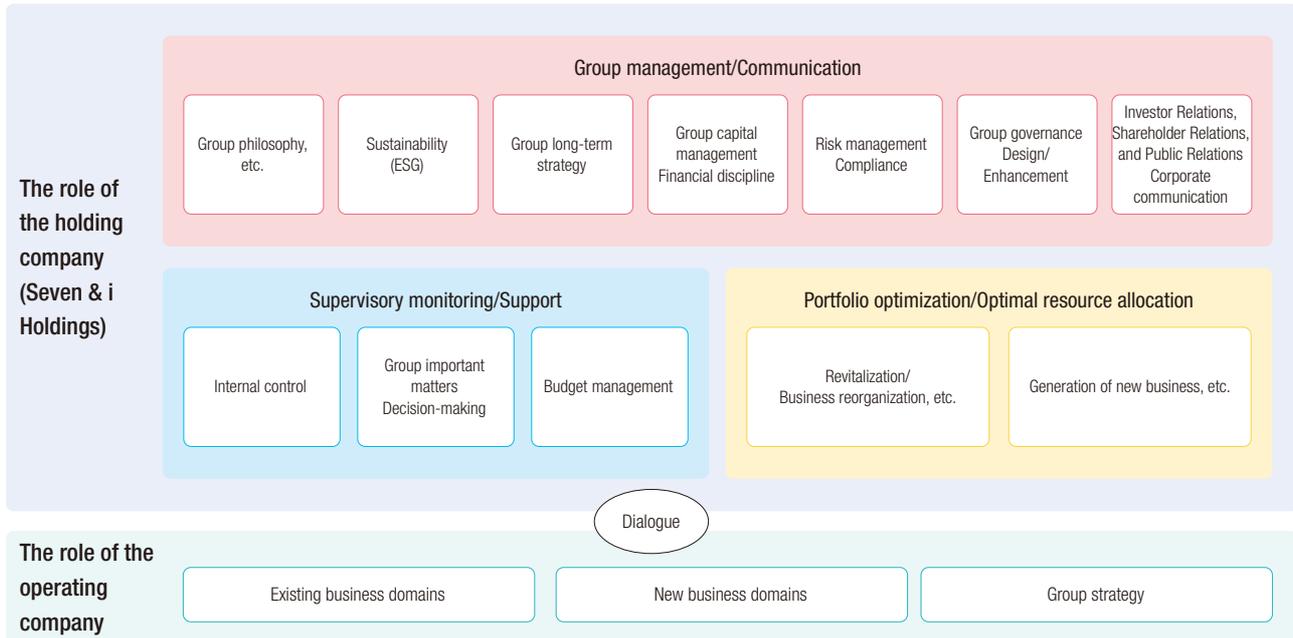
The Group is improving every day under its slogan of "Responding to Change while Strengthening Fundamentals," and is also engaged in the development and establishment of the corporate governance "system," in line with the advancement of the group management stage.



*Figures for percentage displays, rounded down to the first decimal place

Group Governance Framework Driving Corporate Value Creation

Group governance using a holding company system



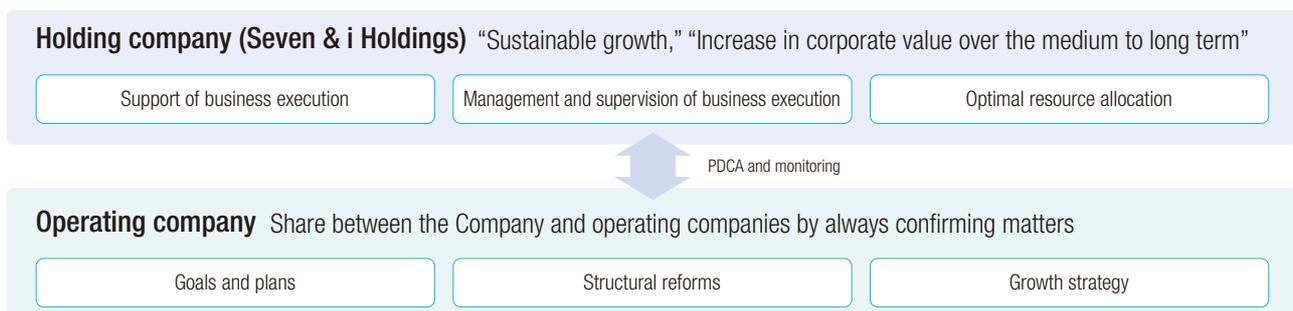
Based on the Group’s philosophy and management policies, we employ a Group governance framework based on a holding company system as a mechanism to drive the creation of Group corporate value, not only in the short term but also over the medium to long term.

As the holding company overseeing the Group, in order to achieve sustainable growth for the Group and to increase corporate value over the medium to long term, the Company supports and supervises management execution by operating companies, as well as optimally allocates resources to them. In addition, the Company is responsible for “Group management,” including disseminating the Group philosophy, drawing up sustainability policies and long-term Group strategies, managing the Group’s capital and maintaining financial discipline, enhancing the risk management and compliance system, and enhancing Group governance, as well as “Group communication,” including investor relations, shareholder relations, and public relations activities.

Meanwhile, each operating company under the Company’s umbrella, while demonstrating autonomy, aggressively performs structural reforms and growth strategies utilizing the PDCA cycle with respect to its own business area, based on the goals and plans established through dialogue with the Company, and fulfills their own responsibilities, striving to increase corporate value and improve capital efficiency.

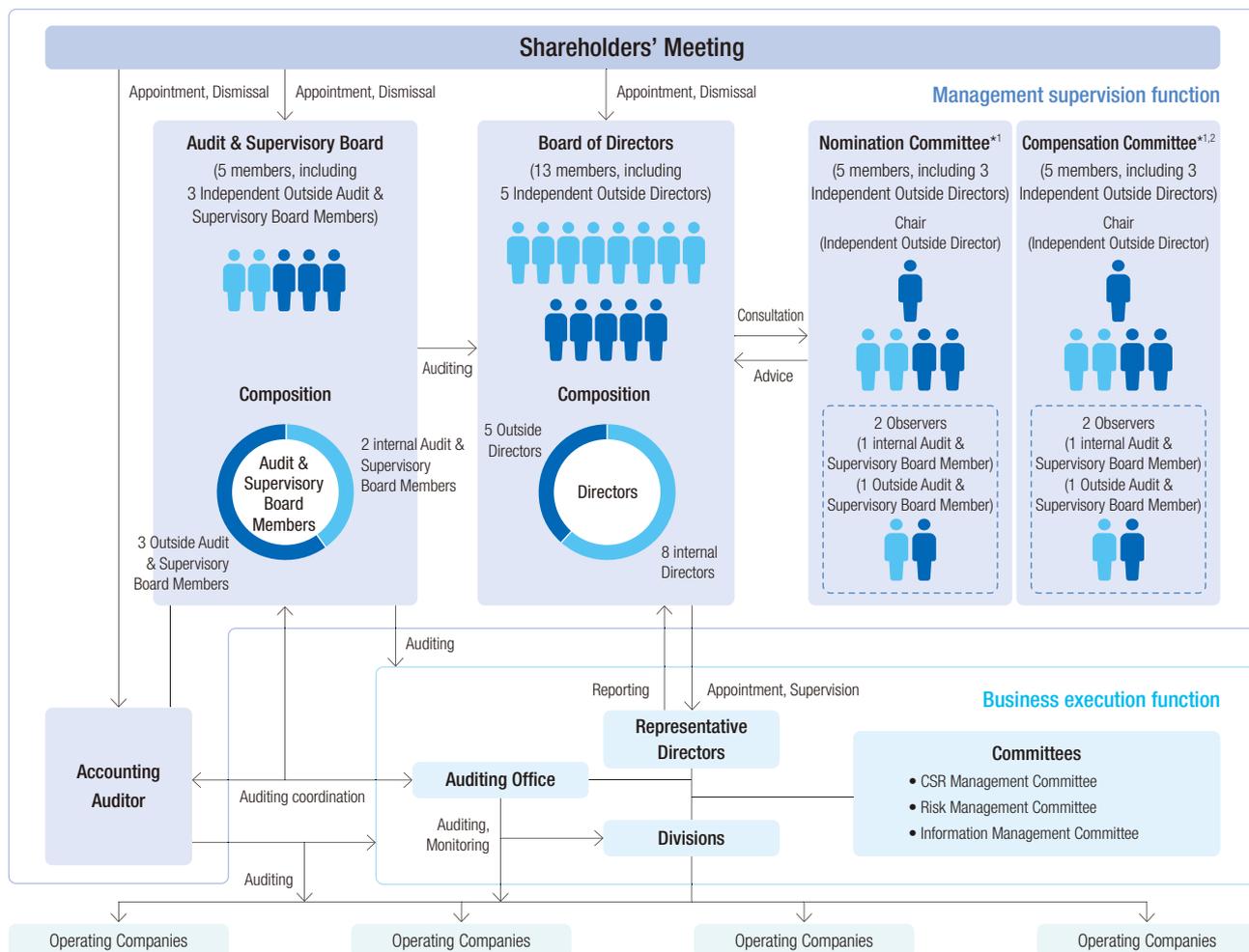
Based on the clear division of roles among the Group companies, we will steadily execute the Medium-Term Management Plan, realize the management philosophy and management policies, and strive to increase Group corporate value, by having closer and stronger dialogue and collaboration between us, the holding company and operating companies.

Mechanism for creating corporate value based on enhanced dialogue and collaboration with operating companies



Overview of Corporate Governance “Systems”

Corporate Governance System (as of October 31, 2021)



*1 The chair and committee members are selected by the Board of Directors, and the observers are selected through discussion among Audit & Supervisory Board Members.
*2 Internal committee members are selected from Directors other than Representative Directors.

1 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 audit division, and “formulation of management strategies” and “supervision of business execution” conducted by the Board of Directors, including multiple Outside Directors who maintain their independence and have advanced management knowledge and experience.

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.

Utilization of the company with Audit & Supervisory Board Member system

The Company considers the following characteristics and advantages of the 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:

1. Each Audit & Supervisory Board Member independently has its own auditing authority (individual independence system), which allows audits to be conducted from the perspectives of each Audit & Supervisory Board Member.
2. The independence of the Audit & Supervisory Board Members is clearly specified by law, which enables independent and objective audits.
3. The Audit & Supervisory Board Members have legally specified authority to investigate subsidiaries, which is effective also from a Group audit perspective.

Composition of Directors and Audit & Supervisory Board Members at each meeting body (as of October 31, 2021)

(◎: Board or committee chair)

Name	Position in the Company	Board of Directors	Audit & Supervisory Board	Nomination Committee	Compensation Committee	CSR Management Committee	Risk Management Committee	Information Management Committee
Ryuichi Isaka	Representative Director and President Executive Officer and President	◎		○		◎		
Katsuhiko Goto	Representative Director and Vice President Executive Officer and Vice President Information Management Supervisor	○		○		○	○	◎
Junro Ito	Director and Managing Executive Officer General Manager of the Corporate Development Division	○			○	○	◎	○
Kimiyoshi Yamaguchi	Director and Executive Officer General Manager of the Corporate Communication Division	○			○	○	○	○
Yoshimichi Maruyama	Director and Executive Officer General Manager of the Corporate Finance & Accounting Division	○				○	○	○
Fumihiko Nagamatsu	Director	○						
Shigeki Kimura	Director In charge of the President Office In charge of Group Cooperation	○						
Joseph M. DePinto	Director	○						
Yoshio Tsukio	Independent Outside Director	○		○				
Kunio Ito	Independent Outside Director	○		◎	◎			
Toshiro Yonemura	Independent Outside Director	○		○				
Tetsuro Higashi	Independent Outside Director	○			○			
Kazuko Rudy (Real name: Kazuko Kiriya)	Independent Outside Director	○			○			
Noriyuki Habano	Standing Audit & Supervisory Board Member		◎			○	○	○
Yoshitake Taniguchi	Standing Audit & Supervisory Board Member		○			○	○	○
Kazuhiro Hara	Independent Outside Audit & Supervisory Board Member		○					
Mitsuko Inamasu	Independent Outside Audit & Supervisory Board Member		○					
Kaori Matsuhashi (Real name: Kaori Hosoya)	Independent Outside Audit & Supervisory Board Member		○					

Values

Business Model

Strategy

Sustainability/Growth

Governance

Key Indicators

Composition, etc., of the Board of Directors (as of October 31, 2021)

1 Composition of the Board of Directors (balance among knowledge, experience, and skills, and diversity and size, of the Board of Directors) and reasons for selection as Director

The Company emphasizes the composition of Directors and Audit & Supervisory Board Members for the Board of Directors having a good overall balance of knowledge, experience, and skills to effectively perform the role and responsibilities of the Board and ensuring both diversity and an appropriate size.

In particular, as a holding company, the Company needs to conduct comprehensive and multifaceted management for diverse business domains. Therefore, the Company examines the Board composition, considering diversity (including career and age) in terms of female and non-Japanese Directors and Audit & Supervisory Board Members as well as the balance among their knowledge, experience, and skills. For the Company's Audit & Supervisory Board Members, the Company takes care to appoint such persons with appropriate knowledge of finance and accounting.

The Company stipulates the aforementioned policies in the "Guidelines for Directors and Audit & Supervisory Board Members."

Composition, etc., of the Board of Directors for FY2022

With respect to the members of the Board of Directors for FY2022, from the perspective of ensuring a good balance of knowledge, experience, skills, and diversity, and starting from FY2022, by also utilizing the "Skills Matrix," we selected members who are deemed appropriate for the Board of Directors, which continues to promote measures aimed at improving the Group's corporate value over the medium to long term, and will be responsible for formulating and supervising the implementation of the new Medium-Term Management Plan.

In the formulation of the "Skills Matrix," deliberations were conducted by the Nomination Committee and the Board of Directors as part of the discussion regarding the effectiveness evaluation of the Board of Directors, based on advice obtained through constructive dialogue with institutional investors. Checks have been placed on skills, etc. that are associated with the required "Management Experience" based on the Group's business environment and business attributes, and the required "Management Skills" for solving the management issues of the Group.

We will continue to deliberate the details of the experience and skills that are required for the Board of Directors going forward, through dialogues with stakeholders.

With members that ensure diversity, the Company's Board of Directors will continue to appropriately fulfill its roles and responsibilities by conducting highly effective supervision and engaging in decision-making that supports swift and decisive risk-taking regarding important decisions.

Appointment of Audit & Supervisory Board Members with expertise with regard to finance and accounting

The Company has appointed the following three Audit & Supervisory Board Members who have expertise with regard to finance and accounting.

- Standing Audit & Supervisory Board Member Yoshitake Taniguchi was engaged in operations relating to finance and accounting in the finance and accounting division in the Company and its Group companies for a total period of seven (7) years or more.
- Audit & Supervisory Board Member Kazuhiro Hara is a certified public accountant and certified tax accountant.
- Audit & Supervisory Board Member Kaori Matsuhashi is a certified public accountant.

Major management and industry experience, management skills, knowledge, etc. of Directors and Audit & Supervisory Board Members

Name	Title	Management and Industry Experience				Management Skills, Knowledge, etc.						
		CEO Experience	Retail Experience	International Business Experience	Financial Business Experience	Organizational Management	Marketing/ Branding	DX/IT/ Security	Finance and Accounting	Risk Management/ Crisis Response/Legal	Sustainability	
Ryuichi Isaka	Representative Director and President	○	○	○		○	○					○
Katsuhiro Goto	Representative Director and Vice President		○		○	○	○	○				
Junro Ito	Director		○			○					○	○
Kimiyoshi Yamaguchi	Director		○				○					○
Yoshimichi Maruyama	Director				○				○	○		
Fumihiko Nagamatsu	Director	○	○			○	○					
Shigeki Kimura	Director		○			○			○	○		
Joseph M. DePinto	Director	○	○	○		○	○	○				
Yoshio Tsukio	Independent Outside Director						○	○				○
Kunio Ito	Independent Outside Director					○	○	○	○	○	○	○
Toshiro Yonemura	Independent Outside Director					○		○		○		
Tetsuro Higashi	Independent Outside Director	○		○		○			○			
Kazuko Rudy (Real name: Kazuko Kiriya)	Independent Outside Director		○			○	○					
Noriyuki Habano	Standing Audit & Supervisory Board Member		○				○				○	
Yoshitake Taniguchi	Standing Audit & Supervisory Board Member				○				○			
Kazuhiro Hara	Independent Outside Audit & Supervisory Board Member								○	○		
Mitsuko Inamasu	Independent Outside Audit & Supervisory Board Member							○		○		
Kaori Matsuhashi (Real name: Kaori Hosoya)	Independent Outside Audit & Supervisory Board Member					○			○	○		

*The above table is not an exhaustive list of the knowledge and experience each person can offer.

Director (Internal)

Name (date of birth)	Area of Responsibility in the Company and Important Concurrent Positions	Attendance at Meetings	Reasons for Selection (experience and knowledge)
 <p>Ryuichi Isaka October 4, 1957</p> <p>Member of the Nomination Committee</p>	<p>Representative Director and President Director of SEVEN-ELEVEN JAPAN CO., LTD. Director of 7-Eleven, Inc.</p>	<p>Board of Directors*¹ $\frac{14}{14}$</p> <p>Nomination and Compensation Committee*² $\frac{2}{2}$</p> <p>Nomination Committee*² $\frac{3}{3}$</p>	<p>He has overseas business experience and broad knowledge of the retailing industry cultivated as a president of a Group company and a director of the Company as well as broad knowledge and experience in company management including the franchise business, marketing, and management administration, as well as sustainability (addressing environmental and social issues and so forth). The Company would like him to utilize this knowledge and experience to realize the management plans aimed for by the Company, and to maximize the Group's corporate value through the generation of new business and through activation of our existing business by means of using the collective capabilities of the retail group, which has various business categories.</p>
 <p>Katsuhiko Goto December 20, 1953</p> <p>Member of the Nomination Committee</p>	<p>Representative Director and Vice President Information Management Supervisor Director of Seven Bank, Ltd.</p>	<p>Board of Directors*¹ $\frac{14}{14}$</p> <p>Nomination and Compensation Committee*² $\frac{2}{2}$</p> <p>Nomination Committee*² $\frac{3}{3}$</p>	<p>He has broad knowledge of the retailing and financial industries cultivated as a director of the Company and its Group companies including a finance related subsidiary as well as broad knowledge and experience in areas including advertising and branding, management administration, risk management, and so forth. The Company would like him to utilize this knowledge and experience to realize the management plans aimed for by the Company, and to advance Group function (strengthening the provision of high value added services and the function of administrative divisions).</p>
 <p>Junro Ito June 14, 1958</p> <p>Member of the Compensation Committee</p>	<p>Director and Managing Executive Officer General Manager of the Corporate Development Division Outside Director of AIN HOLDINGS INC.</p>	<p>Board of Directors*¹ $\frac{14}{14}$</p> <p>Compensation Committee*² $\frac{2}{2}$</p>	<p>He has overseas business experience and broad knowledge of the retailing industry cultivated as a director of the Company and its Group companies as well as broad knowledge and experience in ESG (Environment, Social, Governance), risk management, accounting and finance, social marketing, 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.</p>

*1 Attendance at meetings of the Board of Directors held in the 16th fiscal year (from March 1, 2020 to February 28, 2021) (The same applies to the following.)

*2 Due to the reorganization of the Nomination and Compensation Committee into the Nomination Committee and the Compensation Committee after the Annual Shareholders' Meeting held on May 28, 2020, the attendance status for the period from March 1, 2020 to May 28, 2020 represents the attendance at the Nomination and Compensation Committee, while that for the period from May 28, 2020 to February 28, 2021 represents the attendance at each of the Committees. (The same applies to the following.)

Name (date of birth)	Area of Responsibility in the Company and Important Concurrent Positions	Attendance at Meetings	Reasons for Selection (experience and knowledge)
 <p>Kimiyoshi Yamaguchi November 8, 1957</p> <p>Member of the Compensation Committee</p>	<p>Director and Executive Officer General Manager of the Corporate Communication Division Director of Sogo & Seibu Co., Ltd.</p>	<p>Board of Directors*1 <u>14</u> 14</p> <p>Compensation Committee*2 <u>2</u> 2</p>	<p>He has broad knowledge of the retailing industry cultivated as a director of the Company and its Group companies as well as broad knowledge and experience relating to marketing including advertising, branding, management information analysis and sustainability (addressing environmental and social issues and so forth). The Company would like him to utilize this knowledge and experience to realize the management plans aimed for by the Company, and to activate the Group companies' corporate communication, etc.</p>
 <p>Yoshimichi Maruyama November 2, 1959</p>	<p>Director and Executive Officer General Manager of the Corporate Finance & Accounting Division Director of 7-Eleven, Inc. Representative Director and President of Seven & i Financial Center Co., Ltd.</p>	<p>Board of Directors*1 <u>11</u> 11</p>	<p>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 of the Company and the finance division of the Company as well as broad knowledge and experience relating to risk management, finance and accounting, 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 stabilize the Group's financial base, and to strengthen financial discipline.</p>
 <p>Fumihiko Nagamatsu January 3, 1957</p>	<p>Director Representative Director and President of SEVEN-ELEVEN JAPAN CO., LTD. Director of 7-Eleven, Inc.</p>	<p>Board of Directors*1 <u>14</u> 14</p>	<p>He has broad knowledge of the retailing industry cultivated as a president of a Group company and a director of the Company as well as broad knowledge and experience relating to company management including the franchise business, management administration, personnel management, etc. The Company would like him to utilize this knowledge and experience to realize the management plans aimed for by the Company, to advance Group functions, and to pursue Group synergies.</p>
 <p>Shigeki Kimura March 16, 1962</p>	<p>Director In charge of the President Office In charge of Group Cooperation Director of SEVEN-ELEVEN JAPAN CO., LTD.</p>	<p>Board of Directors*1 <u>14</u> 14</p>	<p>He has broad knowledge of the retailing industry cultivated as a director of the Company and its Group companies as well as broad knowledge and experience in areas including management administration and risk management. The Company would like him to utilize this knowledge and experience to realize the management plans aimed for by the Company, and to coordinate with Group companies, etc.</p>
 <p>Joseph M. DePinto November 3, 1962</p>	<p>Director Director and President and Chief Executive Officer (CEO) of 7-Eleven, Inc. Chairman of the Board (Independent Director) of Brinker International, Inc. Independent Director of DHC Acquisition Corp.</p>	<p>Board of Directors*1 <u>14</u> 14</p>	<p>He has broad knowledge of the international retailing business cultivated as a president of our American Group company and as a director of the Company as well as broad knowledge and experience relating to company management, the franchise business, management administration, marketing 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 provide advice to the Company's Board of Directors from an international perspective, and to promote global management of the Company.</p>

Director (Outside)

Name (date of birth)	Area of Responsibility in the Company and Important Concurrent Positions	Attendance at Meetings	Reasons for Selection (experience and knowledge)
 <p>Yoshio Tsukio April 26, 1942</p> <p>Member of the Nomination Committee</p>	<p>Independent Outside Director President and Representative, Tsukio Research Institute</p>	<p>Board of Directors*¹ 14 14</p> <p>Nomination Committee*² 3 3</p>	<p>He has broad high level knowledge and experience including his experience being responsible for IT policy for the government as Vice-Minister for Policy Coordination at the Ministry of Internal Affairs and Communications, participation in city planning for various areas around the world as a university professor and involvement in constructing a sustainable society, and monitoring current natural environmental issues by visiting various places around the world, and he has insights regarding measures for such issues, etc. The Company would like him to utilize this knowledge and experience to realize the management plans aimed for by the Company, and to further improve the effectiveness of the Company's management and the Board of Directors.</p>
 <p>Kunio Ito December 13, 1951</p> <p>Chair of the Nomination Committee</p> <p>Chair of the Compensation Committee</p>	<p>Independent Outside Director Chief Financial Officer (CFO) and Head of Education Research Center of Hitotsubashi University Specially Appointed Professor, Chuo Graduate School of Strategic Management, Chuo University Outside Director of KOBAYASHI PHARMACEUTICAL CO., LTD. Outside Director of Toray Industries, Inc.</p>	<p>Board of Directors*¹ 14 14</p> <p>Nomination and Compensation Committee*² 2 2</p> <p>Nomination Committee*² 3 3</p> <p>Compensation Committee*² 2 2</p>	<p>He has broad high level knowledge and experience regarding finance and accounting, economics including marketing and branding, ESG (Environment, Society, Governance), risk management, etc. cultivated through his long term work experience as a university professor and his abundant experience as an outside executive of other companies. The Company would like him to utilize this knowledge and experience to realize the management plans aimed for by the Company, and to further improve the effectiveness of the Company's management and the Board of Directors.</p>
 <p>Toshiro Yonemura April 26, 1951</p> <p>Member of the Nomination Committee</p>	<p>Independent Outside Director</p>	<p>Board of Directors*¹ 14 14</p> <p>Nomination and Compensation Committee*² 2 2</p> <p>Nomination Committee*² 3 3</p>	<p>He has held such important positions as Superintendent General of the Tokyo Metropolitan Police Department and Deputy Chief Cabinet Secretary for Crisis Management, has held positions such as Chief Security Officer (CSO) of the Tokyo Organising Committee of the Olympic and Paralympic Games, and has broad high level knowledge and experience regarding organizational management, risk management, etc. The Company would like him to utilize this knowledge and experience to realize the management plans aimed for by the Company, and to further improve risk management and the effectiveness of the Company's management and the Board of Directors.</p>
 <p>Tetsuro Higashi August 28, 1949</p> <p>Member of the Compensation Committee</p>	<p>Independent Outside Director Outside Director of Ube Industries, Ltd. External Director of Nomura Real Estate Holdings, Inc.</p>	<p>Board of Directors*¹ 14 14</p> <p>Compensation Committee*² 2 2</p>	<p>He has business experience overseas, has held such important positions as Representative Director, Chairman and President, etc. of Tokyo Electron Limited, and has broad high level knowledge and experience regarding international corporate management, management administration, finance, accounting, etc. The Company would like him to utilize this knowledge and experience to realize the management plans aimed for by the Company, and to further improve the effectiveness of the Company's management and the Board of Directors.</p>
 <p>Kazuko Rudy October 10, 1948</p> <p>Member of the Compensation Committee</p>	<p>Independent Outside Director Representative Director of WITAN ACTEN Co., Ltd. Outside Director of TOPPAN FORMS CO., LTD.</p>	<p>Board of Directors*¹ 14 14</p> <p>Compensation Committee*² 2 2</p>	<p>She has business experience overseas and broad high level knowledge and experience in the retail industry and marketing gained through her career, such as working at a cosmetics company and a mail-order firm and later serving as a consultant and as a graduate school professor specializing in branding and direct marketing. The Company would like her to utilize this knowledge and experience to realize the management plans aimed for by the Company, and to further improve the effectiveness of the Company's management and the Board of Directors.</p>

Audit & Supervisory Board Member (Internal/Outside)

Name (date of birth)	Area of Responsibility in the Company and Important Concurrent Positions	Attendance at Board of Directors Meetings*1	Attendance at Audit & Supervisory Board Meetings*3	Reasons for Selection (experience and knowledge)
 <p>Noriyuki Habano February 10, 1958</p>	Standing Audit & Supervisory Board Member Audit & Supervisory Board Member of Sogo & Seibu Co., Ltd. Audit & Supervisory Board Member of Ito-Yokado Co., Ltd.	14 14	26 26	He has broad knowledge related to the overall operations of the Group cultivated as a Senior Officer of the Auditing Office of the Company, as well as broad knowledge and experience in marketing, branding, risk management, etc. The Company would like him to contribute to the establishment of a good corporate governance structure that can realize the robust and sustainable growth of the Company, create medium- to long-term corporate value, and respond to social trust by utilizing his knowledge and experience.
 <p>Yoshitake Taniguchi March 13, 1958</p>	Standing Audit & Supervisory Board Member Audit & Supervisory Board Member of SEVEN-ELEVEN JAPAN CO., LTD. Audit & Supervisory Board Member of York Co., Ltd.	14 14	26 26	He has experience in investment bank operations in the financial industry, group management operations, and business management operations of business companies, as well as broad knowledge and experience related to the retail industry, finance, and accounting, cultivated through his work at the finance and accounting division in the Company and its Group companies. The Company would like him to contribute to the establishment of a good corporate governance structure that can realize the robust and sustainable growth of the Company, create medium- to long-term corporate value, and respond to social trust by utilizing his knowledge and experience.
 <p>Kazuhiro Hara February 25, 1954</p>	Independent Outside Audit & Supervisory Board Member Certified Public Accountant Certified Tax Accountant	14 14	26 26	He has abundant experience and technical knowledge related to finance, accounting, tax, and risk management cultivated as a certified public accountant and tax accountant. The Company would like him to contribute to the establishment of a good corporate governance structure that can realize the robust and sustainable growth of the Company, create medium- to long-term corporate value, and respond to social trust by utilizing his knowledge and experience.
 <p>Mitsuko Inamasu March 15, 1976</p>	Independent Outside Audit & Supervisory Board Member Attorney at Law	14 14	26 26	She has abundant experience and technical knowledge related to overall corporate legal affairs, including legal affairs pertaining to the digital field, and risk management cultivated as an attorney at law. The Company would like her to contribute to the establishment of a good corporate governance structure that can realize the robust and sustainable growth of the Company, create medium- to long-term corporate value, and respond to social trust by utilizing her knowledge and experience.
 <p>Kaori Matsuhashi June 7, 1969</p>	Independent Outside Audit & Supervisory Board Member Certified Public Accountant Representative Director of Luminous Consulting Co., Ltd.	14 14	26 26	She has abundant experience and technical knowledge related to finance, accounting, business management, and risk management cultivated through her experience in a business company and as a consultant and certified public accountant. The Company would like her to contribute to the establishment of a good corporate governance structure that can realize the robust and sustainable growth of the Company, create medium- to long-term corporate value, and respond to social trust by utilizing her knowledge and experience.

*3 Attendance at meetings of the Audit & Supervisory Board held in the 16th fiscal year (from March 1, 2020 to February 28, 2021)

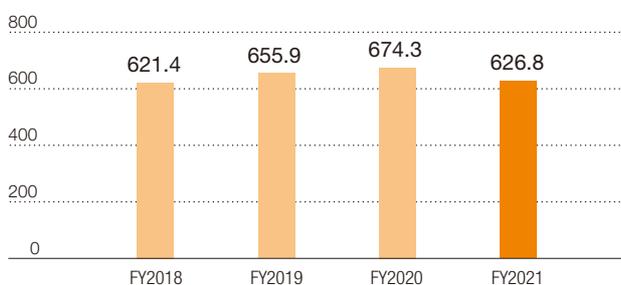
Key Indicators

Below are some of the Seven & I Group's key indicators.

Financial indicators

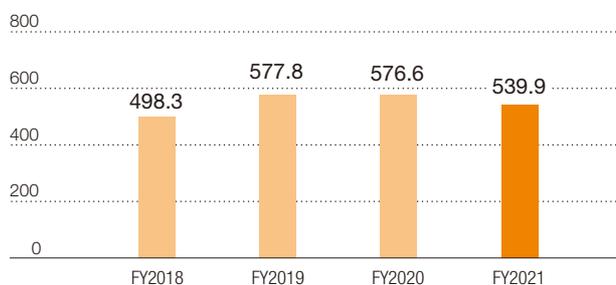
EBITDA

(Billions of yen)



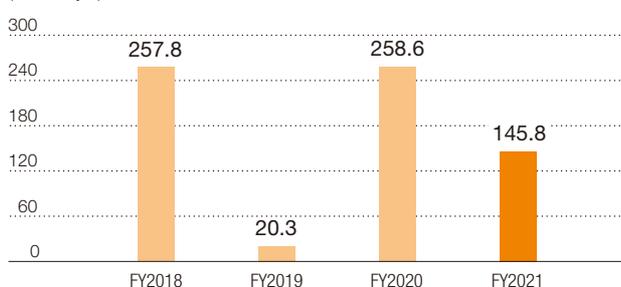
Cash flows from operating activities

(Billions of yen)



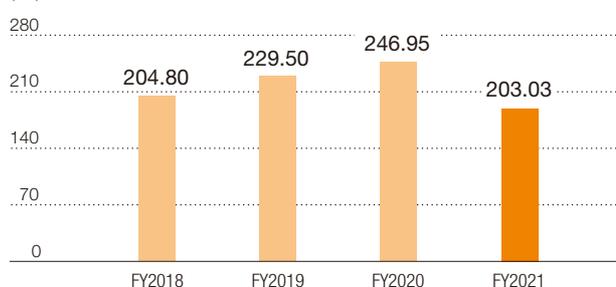
Free cash flows*1

(Billions of yen)



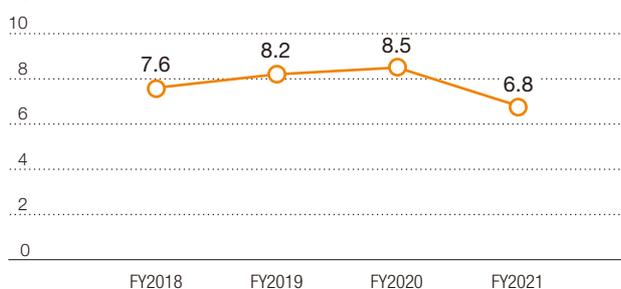
EPS

(Yen)



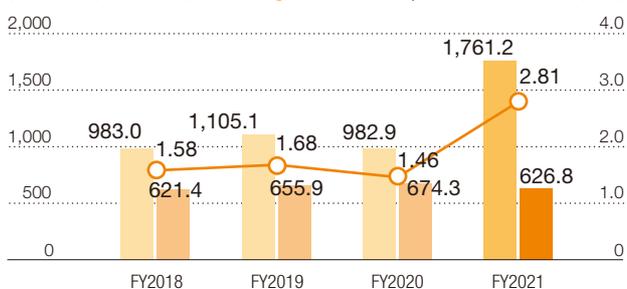
ROE

(%)



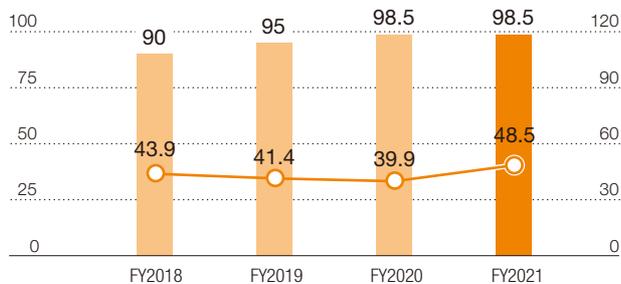
Debt/EBITDA multiple

(Billions of yen)



Dividends per share

(Yen)

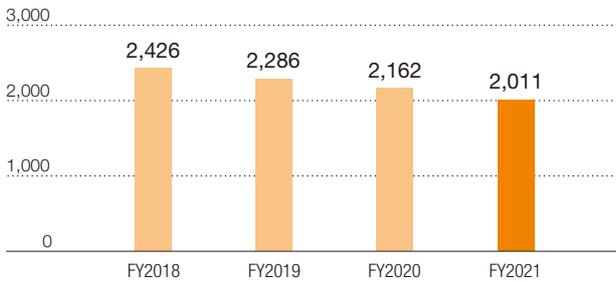


*1 Free cash flows = Cash flows from operating activities + Cash flows from investing activities

Non-financial indicators

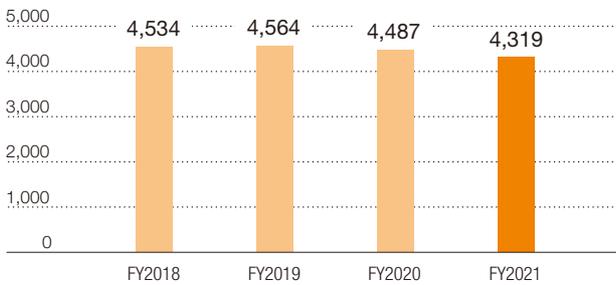
CO₂ emissions from store operations*²

(Thousand t-CO₂)



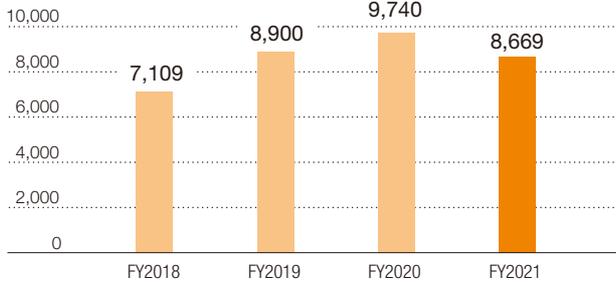
Electricity consumption in store operations*²

(GWh)



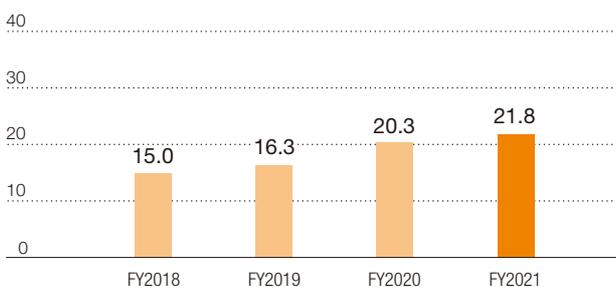
Volume of plastic (PET) bottles collected from collection machines

(t)



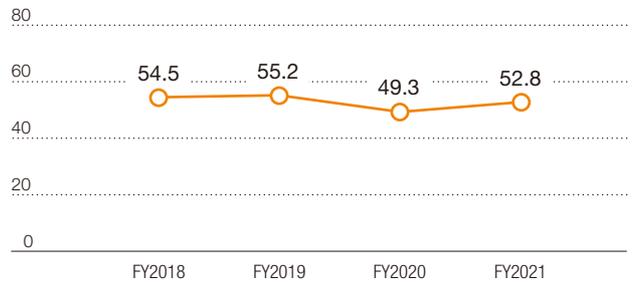
Ratio of eco-friendly materials*⁹ in containers for original merchandise

(%)



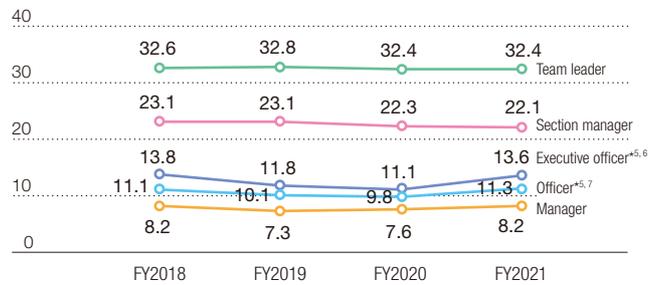
Organic waste recycling rate*³

(%)



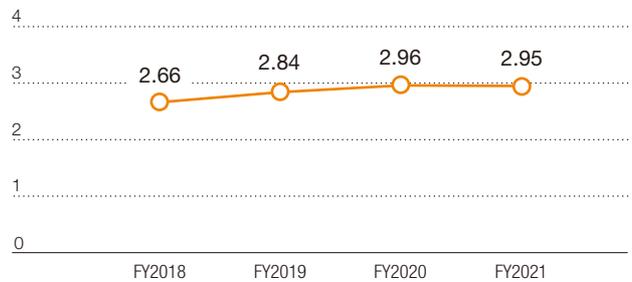
Percentage of female managers*⁴

(%)



Percentage of employees with disabilities*⁸

(%)



*² The period of the calculations was from April to March. The period of the calculations from April of the year to March of the following year is presented as the fiscal year ended February (FY). Totals are for 12 companies (SEVEN-ELEVEN JAPAN CO., LTD., Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., Life Foods Co., Ltd., York Co., Ltd., SHELL GARDEN CO., LTD., IY Foods K.K., Sogo & Seibu Co., Ltd., Akachan Honpo Co., Ltd., Barneys Japan Co., Ltd., Seven & i Food Systems Co., Ltd., and THE LOFT CO., LTD.). For the calculation methods, please refer to the environmental data of each operating company described in Data Section of the CSR Data Book. <https://www.7andi.com/en/sustainability/report/2020.html>

*³ The period of the calculations was from April to March. The period of the calculations from April of the year to March of the following year is presented as the fiscal year ended February (FY). Totals are for the six food-related operating companies (SEVEN-ELEVEN JAPAN CO., LTD., Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., York Co., Ltd., SHELL GARDEN CO., LTD., and Seven & i Food Systems Co., Ltd.).

*⁴ Total for eight companies (Seven & i Holdings Co., Ltd., SEVEN-ELEVEN JAPAN CO., LTD., Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., Sogo & Seibu Co., Ltd., Akachan Honpo Co., Ltd., Seven & i Food Systems Co., Ltd., and Seven Bank, Ltd.).

*⁵ Officers represent the total for six companies (Seven & i Holdings Co., Ltd., SEVEN-ELEVEN JAPAN CO., LTD., Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., York Co., Ltd., and Sogo & Seibu Co., Ltd.) as of May 31 of each year.

*⁶ Excluding executive officers who are Directors

*⁷ Officers represent the total of Directors, Audit & Supervisory Board Members, and executive officers (excluding executive officers who are Directors).

*⁸ The rate for each fiscal year is the rate as of June 1 of the year. The percentage of workers with disabilities is for the five qualified Group companies: Seven & i Holdings Co., Ltd., SEVEN-ELEVEN JAPAN CO., LTD., Ito-Yokado Co., Ltd., Seven & i Food Systems Co., Ltd., and Terube Ltd. (special subsidiary for employees with severe disabilities).

*⁹ Biomass, biodegradable materials, recycled materials, paper, etc.

Company Information

(As of February 28, 2021)

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

[in brackets, number of part-time employees*]

(Consolidated) 58,975 [76,357]

(Non-consolidated) 799 [16]

*Monthly average based on a 163-hour working month

Paid-in Capital

¥50,000 million

Auditor

KPMG AZSA LLC

Stock Information

Number of Shares of Common Stock

Issued: 886,441,983 shares

Number of Shareholders

83,671

Stock Listing

Tokyo Stock Exchange, First Section

Transfer Agent and Registrar

Mitsubishi UFJ Trust and Banking Corporation

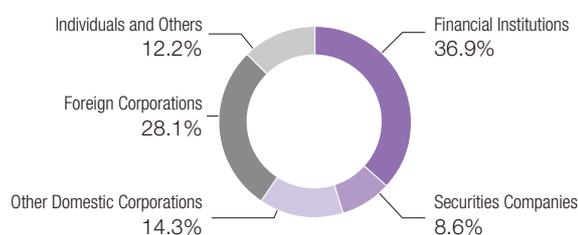
Annual Shareholders' Meeting

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

Principal Shareholders

	Number of shares held (Thousand shares)	Percentage of shares held (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	84,837	9.6
Ito-Kogyo Co., Ltd.	70,701	8.0
Custody Bank of Japan, Ltd. (Trust account)	48,466	5.5
SMBC Nikko Securities Inc.	23,519	2.7
Nippon Life Insurance Company	17,672	2.0
Masatoshi Ito	16,799	1.9
MITSUI & CO., LTD.	16,222	1.8
JAPAN SECURITIES FINANCE CO., LTD.	15,749	1.8
Custody Bank of Japan, Ltd. (Trust account 4)	15,657	1.8
STATE STREET BANK WEST CLIENT-TREATY 505234	12,528	1.4

Classification of Shareholders by Percentage of Shares Held



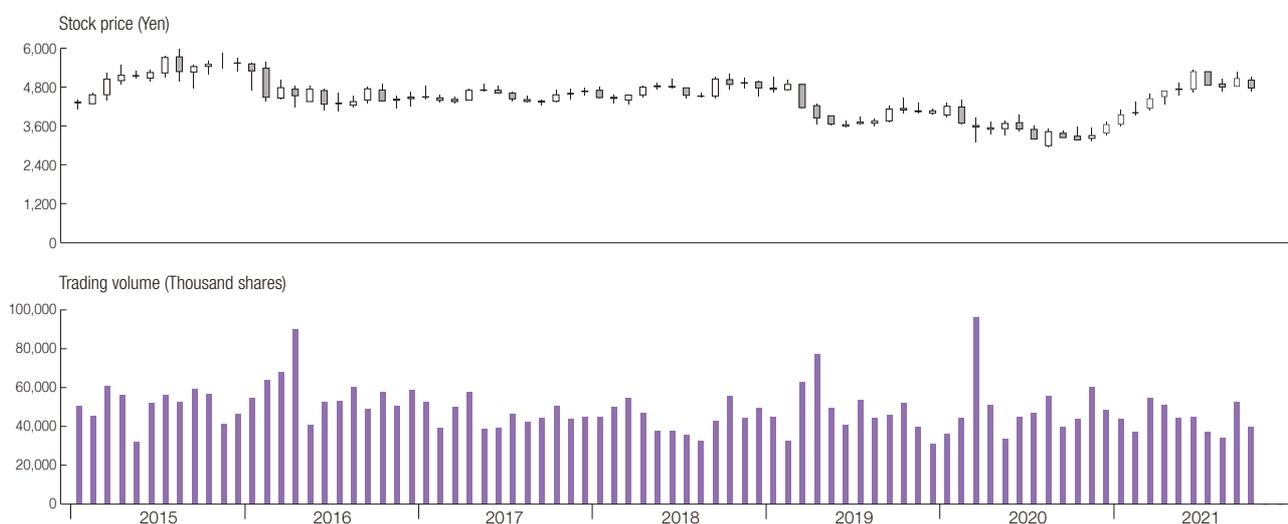
Rating Information

Ratings (As of October 31, 2021)

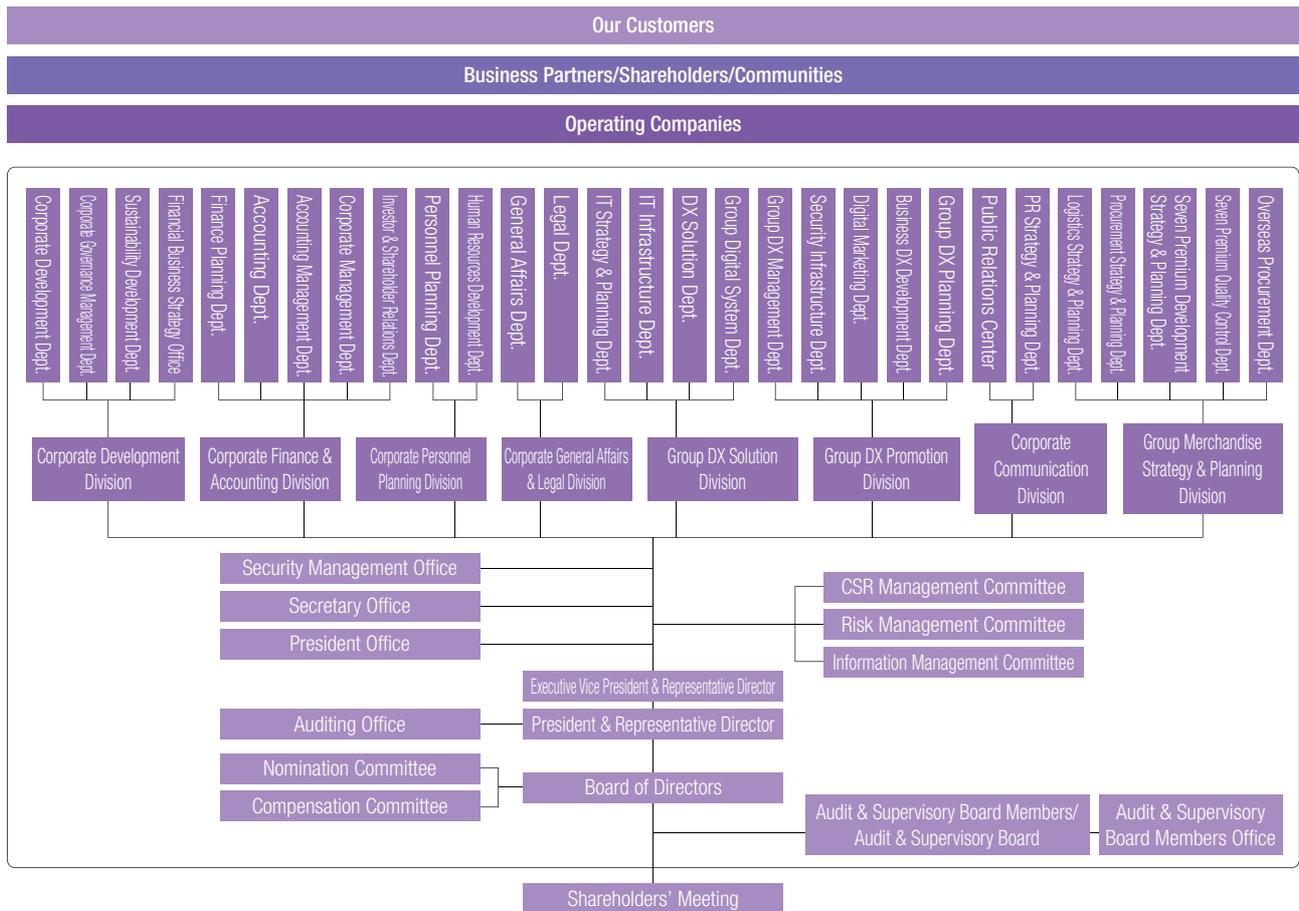
		S&P	Moody's	R&I	JCR
Seven & i Holdings	Long-term	A	A2	AA-	AA
SEVEN-ELEVEN JAPAN	Long-term	A			AA
	Short-term*	A-1	P-1		
7-Eleven, Inc.	Long-term	A	Baa2		
Seven Bank	Long-term	A		AA-	
	Short-term	A-1			

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

Stock Price/Trading Volume Chart (Tokyo Stock Exchange) (As of October 31, 2021)



Organization chart (As of October 18, 2021)



Relevant disclosure materials

Latest IR Materials
<https://www.7andi.com/en/ir/library.html>
 You can view the Company's latest IR materials in one place.
 We have posted financial information including securities reports (in Japanese only), financial results, and brief summaries of financial results.

Corporate Outline
<https://www.7andi.com/en/ir/library/co/2021.html>
 Annual journal summarizing the Group's business activities and business performance information.

Seven & i Management Report (original version)
<https://www.7andi.com/en/ir/library/mr.html>
 Integrated Report promoting constructive dialogue with stakeholders and sincere governance for collaborative value creation

Sustainability Website
<https://www.7andi.com/en/sustainability/>
 A website that comprehensively communicates information on the Group's sustainability activities.

Disclosure materials for individual investors

Website for Individual Investors
<https://www.7andi.com/ir/individual/> (in Japanese only)
 We provide easy-to-understand details of the Group's businesses to individual investors.

"Quarterly Report" Shareholder Newsletter
<https://www.7andi.com/company/quarterly.html> (in Japanese only)
 Shareholder newsletter showcasing the latest initiatives of the Seven & i Group and each Group company. Delivered to shareholders every three months, each issue includes a special feature on various topics.



All disclosure materials presented herein have been posted on the Company's website.

<https://www.7andi.com/en>



SEVEN&i HLDGS.

<https://www.7andi.com/en>