

Seven & i Group’s Environmental Goals “GREEN CHALLENGE 2050”

We have established four themes and will pursue to achieve them in Japan by 2050

Seven & i Holdings Co., Ltd. (8-8, Nibancho, Chiyoda-ku, Tokyo 102-8452, Japan, President & Representative Director: Ryuichi Isaka) has established the Seven & i Group’s Environmental Goals “GREEN CHALLENGE 2050” to respond to various changes in the social environment (e.g., changes in societal needs and environmental issues). We will now work to realize a rich and sustainable society together with our customers, business partners and all other stakeholders. In addition, we will launch four new innovation teams and promote cross-group efforts.

The Seven & i Group has strived to realize rich and convenient lives by responding to various changes in the social environment through the provision of products and services with value. At the same time, various environmental issues and social issues (e.g., external diseconomies) have come to the fore. Solutions to these issues are urgently needed for the sustainable development of society.

With awareness of this current situation, our group will further promote a reduction of our environmental footprint across our entire store network that exceeds 22,000 stores in Japan (as of the end of February 2019) and supply chain. All employees in our group are coming together as one to work on preserving the rich global environment for future generations.



1. Name of the Environmental Goals
Seven & i Group’s “GREEN CHALLENGE 2050”
2. Content of the “GREEN CHALLENGE 2050”

Vision	Theme	Targets for 2030	2050 Vision
Decarbonized society	Reduction of CO ₂ emissions	Reduce emissions from group store operations by 30% (compared to FY2013).	Reduce emissions from group store operations by at least 80% (compared to FY2013).
		Reduce emissions across our entire supply chain (scope 3) in addition to our own emissions (scopes 1 + 2).	
Circular Economy	Measures against plastic	Containers used in our original products (including Seven Premium) to be made 50% with environmentally friendly materials (e.g., biomass, biodegradable and recycled materials and paper).	Containers used in our original products (including Seven Premium) to be made 100% with environmentally friendly materials (e.g., biomass, biodegradable and recycled materials and paper).
		Zero use of plastic-made shopping bags. Shopping bags to be made of sustainable natural materials (e.g., paper).	
	Measures against food loss and for food recycling	Reduce food waste by 50% at the amount generated by unit (amount generated per million yen in sales) (compared to FY2013).	Reduce food waste by 75% at the amount generated by unit (amount generated per million yen in sales) (compared to FY2013).
Increase food waste recycling rate to 70%.		Increase food waste recycling rate to 100%.	

Society in harmony with nature	Sustainable procurement	50% of the raw food ingredients used in our original products (including Seven Premium) to be those that guarantee sustainability.	100% of the raw food ingredients used in our original products (including Seven Premium) to be those that guarantee sustainability.
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*We will review our targets in response to changes in the social environment.

3. Launch of Four Theme-based Innovation Teams

We will work on new innovation under four themes: reduction of CO₂ emissions, measures against plastic, measures against food loss and for food recycling, and sustainable procurement. To that end, we will select leaders (executive officers and higher) from supervisory departments in each operating company to promote cross-group efforts to achieve our targets for 2030 and 2050.

Examples of the Seven & i Group's Environmental Efforts

■ Reduction of CO₂ Emissions

Promotion of Energy Circulation Type Stores

- We have adopted an energy management system (EMS) that utilizes original storage batteries



Image of the Original Storage Batteries

Installation of Solar Panels

- Installed in approximately 40% of 7-Eleven stores (As of the end of February 2019)
- Installed in approximately 10% of Ito-Yokado stores (As of the end of February 2019)



Images of the Solar Panels and Environmentally Friendly Trucks

Utilization of Environmentally Friendly Trucks

(EV trucks and fuel cell trucks)

■ Measures against Plastic

Reduction in Plastic-made Shopping Bags

- Ito-Yokado and York Benimaru started charging for shopping bags from 2012 → Rate of customers declining shopping bags in the food sales areas of Ito-Yokado: 72.7% (FY2018)
- We plan to conduct a verification test aimed at reducing shopping bags in 7-Eleven
 - (1) Test introduction of paper-made shopping bags
 - (2) Examination of the utilization of environmentally friendly materials (e.g., biomass, biodegradable and recycled materials and paper)



Recycling with PET Bottle Collection Machines

- We have installed 759 PET bottle collection machines in the Seven & i Group. We collect approximately 300 million PET bottles (8,900 t) a year (FY2018).
- We plan to recycle the PET bottles collected in our stores and then commercialize bottles to bottles under our group's private branding.



Images of the PET Bottle Collection Machines

■ Measures against Food Loss and for Food Recycling



Reduction of Food Loss with a Vegetable Plant

- We started operating a vegetable plant dedicated to products for 7-Eleven in Sagami-hara, Kanagawa Prefecture in January 2019 with the cooperation of our business partner of Prime Delica Co., Ltd. We will harvest approximately 3 t per day from 2020 onward (equivalent to approximately 70,000 servings of salad).
- We will reduce food loss with a significant improvement in our yield: Outdoor cultivation yield of 60% → Vegetable plant yield of 90%.



Image of the Vegetable Plant

■ Sustainable Procurement



Promotion of Certified Product Sales and Product Development

- MSC certification: Seven Premium's Karashi Mentaiko (spicy cod roe)
- ASC certification: Ito-Yokado's Yoshoku Kaki (farmed oysters)



Images of the Certified Products

Identification of the Four Themes

Awareness of the Current Situation

The Seven & i Group operates diverse distribution service business lines (e.g., convenience stores, supermarkets, department stores and specialty stores). We meet the daily living needs of our customers through these store networks. At the same time, we strive to provide the new value demanded by the times and society. This has allowed us to develop a store network with more than 22,000 stores in Japan. We have been able to grow into a company with 24 million customers visiting us a day. (These figures are current as of the end of February 2019.)

As a result, the products and services we provide are enjoyed by many customers. On the other hand, this now has a considerable effect on the global environment.

As indicated by the Sustainable Development Goals (SDGs), the whole world is seriously seeking sustainable development. Against this backdrop, it is now essential we proactively reduce our environmental footprint so that our group can grow together with our customers and participate in development with society.

Identification of Themes

To that end, we first strived to more specifically express our efforts to reduce our environmental impact. We did this by identifying fields with a particularly high social effect in the environmental impact generated by our business activities. As a result, we recognize that there are four themes with a large social impact that are especially close to our business activities: CO₂ emissions generated by the use of the power necessary in our store operations (e.g., lighting, refrigeration and freezing); use of plastic

(e.g., various products, shopping bags and packaging materials); food loss arising from the disposal of products; and product procurement with an impact on the environment and society in the raw material, processing and manufacturing processes.

Target Value Setting

We grasped the current situation for each of these themes to respond effectively to these challenges. We then specifically indicated our mission and responsibility in the near future of 2030 and in the next generation society of 2050 by setting targets quantitatively. We consider the stakeholders given in our corporate creed to be a sincere company that is trusted to also include the future generations. With this in mind, we would like to share our environmental goals “GREEN CHALLENGE 2050” with each generation in the future.

All Employees Working Together As One

First, all the employees in our group will share the purpose and targets of “GREEN CHALLENGE 2050”. We will then work to achieve this in our daily work. At the same time, it is also essential to respond to social diseconomies arising between companies in the process of distribution to achieve these targets. We will expand our close cooperation structure with our customers, local communities, business partners and all our other stakeholders through serious efforts with our whole group coming together as one. We will then promote innovation toward the creation of a sustainable society.