

Material Issue 1 Providing Social Infrastructure for an Aging Society and Declining Population

Approach to Material Issues

Seven & i Holdings is working to enhance the convenience of shopping while leveraging the unique aspects of its business and some 20,000-store network as a form of social infrastructure to support consumers inconvenienced by shopping and to respond to changes taking place in society. These changes include Japan's decrease in population brought on by a declining birthrate and aging society, the advancement of women in society, and the declining number of retail stores, among others. We recognize that fulfilling these diverse needs of our customers is one of our most important and unwavering roles in society. We will continue to tackle these issues as our most importance issues.

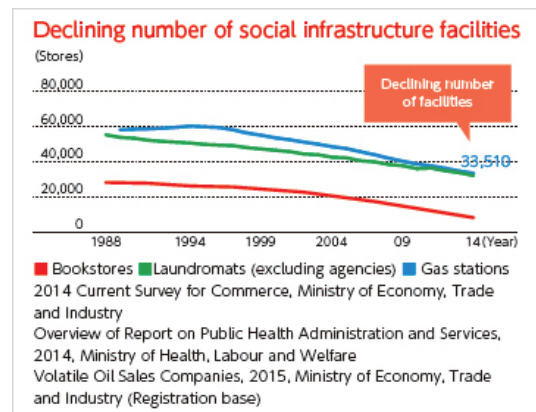
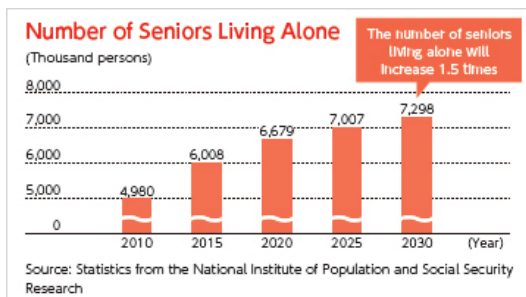
Background to Material Issues

Inconvenience of shopping and other services due to the hollowing out of lifestyle hubs following the aging of society and decline of the population

Japan is experiencing an aging society and declining population. By the year 2060, the country's population will dip below 90 million and nearly 40% will be seniors*. The number of seniors living alone continues to increase each year, with the number expected to rise 1.5-fold from the level in 2010 by 2030.

Meanwhile, the hollowing out of lifestyle hubs following the declining population stands as one of Japan's major social issues. Forecasts suggest that the number of seniors living alone without walkable access to a supermarket with fresh produce and meat will double by the year 2030.

* Source: FY2013 Population Estimates, Statistics Bureau, Ministry of Internal Affairs and Communications



Promotional Framework for Material Issues

In response to this material issue, the CSR Management Committee, led by the president, and its subordinate Social Value Creation Subcommittee, work together with the Group companies and related departments to develop various services as initiatives to resolve social issues through business activities, as well as monitoring the progress of activities and promoting new initiatives. These activities are supervised by the Seven and i Holdings executive officer in charge of Corporate Communication.

Contribution to SDGs

By addressing these material issues, Seven & i Holdings is providing social infrastructure such as public services to a variety of people, including the elderly, and contributing to the achievement of Sustainable Development Goals 9 and 11.



Seven & i Holdings' Initiatives

Shopping Support

We are working to create new "shopping support" services to assist customers for whom shopping is an inconvenience.

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Reducing Housework

We are developing and selling cooked meal products based on the concept of individual servings, small volume, and simplicity for those who find meals inconvenient or difficult.

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Expanding Services as a Form of Social Infrastructure

We are providing public services to alleviate inconvenience for those whose lifestyles are affected by the decline in neighborhood social infrastructure.

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Providing Services to a Wide Range of Customers

We are expanding services and supporting shopping to enable all customers to visit and shop at our stores with ease and peace of mind.

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Shopping Support

Seven & i Holdings will support people for whom shopping is an inconvenience by utilizing the infrastructure it has developed, such as store networks and logistics and information systems, to create new products and services for shopping support.



Omni-Channel

The Seven & i Holdings Group is working to realize an Omni-Channel where customers can order any of the Group's products and choose to pick them up from a local Group store or have them delivered to their homes, as well as return unwanted items. In addition to sales at stores, customers can also order products using their PC or smartphone. For those who are not used to operating a PC, store staff will offer assistance. They will also check in on customers who cannot easily leave home to ask about their needs. In this way, we aim to realize shopping styles that allow customers to purchase what they want in the most convenient way for them.



Shopping Support When Delivering Products

Seven RakuRaku Delivery Provides Home Delivery of Products from Stores

SEJ offers the Seven RakuRaku Delivery service, which provides home delivery for nearly every product sold in its stores. Orders can be placed in advance by telephone or through other means. The service operates a fleet of some 800 "COMS" ultra-small electric vehicles and SEJ is also moving forward with the introduction of around 2,600 power assisted bicycles (as of March 31, 2017).



Seven RakuRaku Delivery

Net Supermarkets

IY operates Net Supermarket at 136 stores (as of February 28, 2017) to provide scheduled deliveries of products ordered by customers using PCs or smartphones. Net Supermarket delivers from nearby stores in as little as four hours. The service deals in food and household goods, and pharmaceutical products were added in November 2013. In December 2014, we started offering a service to help parents raising children. With this service, parents who present and register a maternity notebook issued within the last four years can receive deliveries at a fee of only ¥100 (including tax) for four years from the maternity registration date.



Net Supermarkets

The mobile store services Seven Anshin Delivery and Ito-Yokado Anshin Delivery

SEJ operates the Seven Anshin Delivery mobile store service at 38 stores in 22 prefectures. This service utilizes proprietary developed light trucks equipped with store facilities, which go to areas that are inconvenient for daily shopping and where many residents are seniors who have trouble securing means of transportation. Customers are able to purchase a range of foods and beverages, including frozen foods, using this service. Plans call for this service to be expanded further in the future to fulfill the needs of customers.

IY also uses its own specially developed trucks equipped with store facilities to provide the Ito-Yokado Anshin Delivery mobile store service at five stores in Nagano Prefecture, Sapporo City, Tama City, Hanamaki City, and Iwaki City (as of May 31, 2017).



Seven Anshin Delivery



Ito-Yokado Anshin Delivery

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Reducing Housework

Seven & i Holdings is developing and selling cooked meal products based on the concept of individual servings, small volume, and simplicity for those who find meals inconvenient or difficult to respond to customer demand for saving time and reducing the hassle of housework.



Seven Meal Delivery Service

SEJ provides the Seven-Meal home delivery service at some 15,000 of its stores (as of May 31, 2017). The service provides nutritionally balanced meal sets for those who want to eat healthily. Meals are ordered by customers such as seniors and stay-at-home parents who feel inconvenienced by daily meal preparation.

Moreover, SEJ has concluded senior support agreements with local governments, under which local stores in prefectures and municipalities check on the security of seniors and look out for them when delivering their meals. In this way, we are promoting Seven-Meal as lifestyle infrastructure that goes beyond the scope of a simple service.



Delivering Food to the Home

Developing Products and Services that Make Meal Preparation Easy

SEJ's Seven Premium private brand is also developing products that are easy to prepare and reduce the hassle of housework to meet the needs of customers. The products include simple dishes that can be served directly or need only to be cooked, as well as easy-to-use frozen foods that can be cooked in the microwave. SEJ is also pursuing retention of tastiness and developing a menu of items that can be preserved for a long time and prepared for eating simply by heating in the microwave.



Product Development in Collaboration with Manufacturers and Vendors

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Expanding Services as a Form of Social Infrastructure

Seven & i Holdings works in collaboration with local governments to provide public services to alleviate inconvenience for those whose lifestyles are affected by the decrease in social infrastructure such as local government offices, banks, and retail stores.



Promoting Alliances with Municipalities through Comprehensive Alliance Agreements and Other Means

The Seven & i Group is promoting regional revitalization by concluding comprehensive alliance agreements with local governments in a wide range of fields, including local production for local consumption, senior support, health promotion, and environmental protection. Moreover, we are also moving ahead on concluding “guardian angel agreements” with local governments to look out for the likes of elderly people during regular store operating hours or through delivery services and collaborating with local governments to respond if irregularities are detected, as well as to promote employment of senior citizens, train cognitive impairment supporters and take other measures.

In other developments, we have also concluded “supply-support agreements” to prepare for rapid regional support in the event of disasters, and we are also promoting “agreements for supporting people who cannot return home after a disaster” where we provide tap water, access to restrooms, and local information wherever possible.

Number of Agreements with Local Governments for Each Company

	As of February 29, 2016	As of June 30, 2017
Seven-Eleven Japan	56	81
Ito-Yokado	19	33
Sogo & Seibu	6	8
York-Benimaru	3	5
York Mart	–	1
Seven & i Food Systems	–	1
Total	84	129



Ceremony to mark conclusion of a comprehensive alliance agreement with Toyama Prefecture

➤ For information regarding support during disasters, click [here](#)

Support for Regional Revitalization in Cooperation with Local Governments

The Seven & i Group makes use of comprehensive alliance agreements to promote various regional revitalization initiatives with respective local governments.

SEJ recognizes the importance of local flavors and food cultures by developing products that use local ingredients. IY, Sogo & Seibu, York Mart and other Group companies propose menus using local products and ingredients, helping to support regional revitalization by promoting the appeal of the local area.



7-Eleven stores in the Shikoku area sell Kochi Prefecture-Grown Ginger Rice and Chicken Soboro Rice Balls^{*)} featuring ginger grown in Kochi Prefecture.



"Fukui Specialty Food Fair" Held at Seibu Fukui Store

Government Services (Issuance of Various Certificates)

7-Eleven stores offer a service for issuing copies of residence certificates and seal registration certificates using in-store multi-functional copier machines. As of May 31, 2017 agreements for this service were in place with 417 municipalities. This service is currently being expanded, as family register certificates can now be issued for 253 municipalities and tax certificates for 254. (Individual number cards are required to use the service) This service for individual number card holders is easily operable and can be used even late at night and on holidays, simply by waving the individual number card over a scanner. Private information is given high security protection by a sophisticated dedicated network and special printing prevents forgery and manipulation.



Various certificates can be issued using the multi-function copier machines

Insurance Enrollment and Premium Payment Service

7-Eleven stores became the first in the industry to offer motorcycle and bicycle insurance enrollment and insurance premium payment services where customers can enroll in insurance 24 hours a day by entering the necessary personal information on the multi-functional copier machine screen in store and paying their premium at the register. (The service is for motor scooters and motorcycles with an engine displacement of 250 cc or less, which do not require a warrant of fitness.)

Since September 2015, "1 DAY Insurance" providing automotive insurance coverage in 24-hour intervals has been on sale at 7-Eleven stores. Through sales of this insurance, 7-Eleven supports customers' motoring activities and contributes to the realization of a safe and secure motorized society.

Establishment of Polling Stations in Stores

IY and Sogo & Seibu provide facilities within stores to be used free of charge for use as polling booths in cooperation with local governments to provide voters with easily accessible polling booths that are handy to shopping facilities. Local governments seek to increase the voting rate due to the reduction in number of polling booths and decline in voting rate due to the merger of municipalities, in addition to the enactment of the revised Public Offices Election Act, which lowered the voting age to 18. The booths are used to provide easy access to voters while they are shopping. During the fiscal year ended February 28, 2017, polling booths were set up in 23 stores and election promotion activities were carried out within stores, such as displaying posters, in-store announcements and printing the election date on receipts.



A polling booth set up in a store

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Providing Services to a Wide Range of Customers

Seven & i Holdings is expanding services and supporting shopping to enable easy use by all customers, including senior citizens, people with disabilities, and tourists from overseas, whose numbers are increasing yearly.



Training Cognitive Impairment Supporters

Seven & i Holdings supports the creation of neighborhoods where local residents who suffer from cognitive impairment and their families can live with security. To this end, we are encouraging our employees to attend cognitive impairment supporter training courses.

Each Group company holds training courses, and the number of supporters Groupwide had increased to about 23,000 as of February 28, 2017, achieving the target of 20,000. We will continue to strengthen our efforts to develop cognitive impairment supporters.



Cognitive impairment supporter training

Marketing Products that Support Senior Lifestyles

Ito-Yokado is developing the Anshin Support Shop at 107 stores, which carries a full lineup of apparel, daily essentials, and foods, including products that support the health and lifestyles of seniors and care products (as of May 31, 2017). About 40% of products sold are original products developed together with business partners, and sales are conducted by sales staff with specialized qualifications who are also able to deal with consultations regarding nursing care and welfare issues in general.

In addition, Sogo & Seibu has teamed up with the Caring Design Association to establish a permanent “Living Design Salon” at the Seibu Ikebukuro Store for supporting living and home design for customers aged in their 50s and above. The facility proposes appealing homes that casually incorporate care and support features for the physical changes that occur with age, aiming to enable people to live in their own way even as they grow older.



Anshin Support Shop

Services for Foreign Travelers

The Seven & i Group launched tax-free services at certain stores within every Group company in December 2014, after the range of consumption tax-exempt items for foreign visitors was expanded to cover all items.

Moreover, Seven Bank ATMs offer cash withdrawal services on overseas-issued cards, while stores also offer free in-store Wi-Fi services. Seven Spot in response to strong demand from overseas travelers.



Tax-free service section

Disseminating information to support everyday living for foreigners

Seven Bank provides an overseas remittance app available in nine languages for customers who make use of overseas remittance services. In 2016, we started concluding agreements for promoting multicultural coexistence with local governments in areas with high concentrations of foreign residents. The agreements are mainly intended to disseminate local information through the app. Information about living in these areas, disaster information, and so forth is disseminated in multiple languages through the app to residents, providing support for customers so that they can live safely and conveniently in Japan. As of May 31, 2017, we have concluded agreements with five local governments, and we plan to continue expanding this initiative.

ATM Machines That Diverse Customers Can Operate Easily

Seven Bank is making daily progress on the ATM functions and services so that all customers can use them with confidence. With the voice guidance service, which is mainly for customers with visual disabilities, users can make a transaction by following voice guidance delivered through an intercom phone installed on the ATM to operate the buttons. Customers with the cash cards of around 540 affiliated partner financial institutions* can also use this service. This voice guidance system was developed after soliciting feedback from people with visual disabilities and testing various solutions.

Furthermore, ATMs in 7-Eleven stores now feature cane and drink holders to make them easy for anyone to use.

* Banks, credit unions, credit cooperatives, labor banks, JA banks, JF Marine banks, and securities companies that are partners with Seven Bank. This service is not offered for insurance companies or credit card companies, even if they are a partner of Seven Bank.



Voice guidance service



ATM with cane / drink holder installed