# **Approach to Material Issues**

The Seven & i Group has close to 140,000 employees working throughout the Group. Workplaces also include part-time employees, foreign nationals, and employees working short hours due to childcare and family care responsibilities. With this diverse workforce, we recognize that we have a duty as a corporation to support diverse working formats. We support the careers of our diverse employees and strive to create appealing workplaces that make work worthwhile. This enables us to steadily acquire diverse human resources, and also drives us to incorporate completely new ways of thinking and generate new value. It is therefore a source of competitiveness.

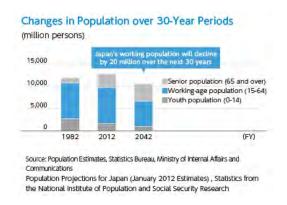
#### Policy Regarding CSR

> Seven & i Holdings Corporate Action Guidelines

# **Background to Material Issue**

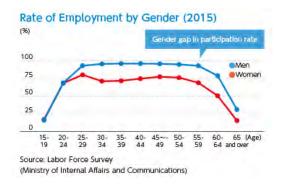
## Population Aging and Decline in Productive-Aged Population

In Japan, the birth rate is in decline, and the population is advancing in age, leading the productive-aged population to decline. Over the next 30 years or so, the productive-aged population is projected to decline by over 20 million. For this reason, raising productivity by bolstering employee capacities and developing diverse personnel will help vitalize Japan's economy and society.



#### Supporting Active Roles for Women

With the productive-aged population in decline, it is essential to promote active participation by women. However, many women are denied the opportunity to work, for example, because it is not possible to balance work with childcare, or because they have been unable to return to work after childcare. Furthermore, the ratio of women in management in Japan is relatively low by international standards at 12.5% (2015). Creating workplaces where women can play active roles is therefore an important task.



#### Promotional Framework for Material Issues

In response to this material issue, the CSR Management Committee, led by the president, and its subordinate Corporate Ethics and Culture Subcommittee, work together with the Group companies and related divisions to create environments that allow individual employees to perform to their full potential and promote the development of appealing, fulfilling workplaces. These activities are supervised by the Seven and i Holdings director and executive officer in charge of Corporate Communication.

#### Contribution to SDGs

Though its engagement in this material issue, Seven & i Holdings provides pleasant working conditions for people inside and outside the company regardless of gender or age, thereby contributing to the achievement of Sustainable Development Goals (SDGs) 3, 4, 5, 8 and 10.











# Seven & i Holdings' Initiatives

#### **Diversity and Inclusion**

We aim to enhance our corporate competitiveness through active participation of diverse human resources with the goal of becoming a company with a sustainable competitive advantage.

> More

#### Achieving a Work-Life Balance

We have a range of human resource systems in place to help employees to work more easily. We are also working to correct long working hours and encourage employees to take leave.

### Support for Fostering More Capable Employees

We are helping to improve the skills and abilities of every employee by having each Group company develop training systems tailored to the business characteristics of each company and work to develop its human resources.

> More

### Assuring Fair Assessment and Treatment of Employees

We are operating various assessment systems for employees to maximize their individual abilities and ensure fair assessments free of unreasonable discrimination.

> More

# Consideration for Employee Health and Occupational Safety and Health

We are taking a range of measures to promote better health among employees and maintain safe and comfortable workplaces.

> More

#### **Employee Engagement Survey**

We conduct an Employee Engagement Survey in order to create a workplace that motivates employees to work.

> More

#### Sound Labor-Management Relations

We recognize various rights of workers based on international norms, such as the right of workers to organize, as we strive to enhance the workplace environment through dialogue with employees.

> More

#### Support for Childcare

We offer various types of assistance related to childcare through our stores and establishments.

> More

# **Diversity and Inclusion**

The Seven & i Group has approximately 140,000 employees working throughout the Group. Workplaces also include part-time employees, non-Japanese employees, and employees working short hours due to childcare and family care responsibilities. With this diverse workforce, we recognize that we have a duty as a corporation to support diverse working formats. We support the careers of our diverse employees and strive to adjust workplaces so as to make work feel worthwhile. We understand that this not only improves productivity and enables us to secure human resources, but also leads to greater customer satisfaction and the generation of innovation, thereby increasing our competitive power.







## Targets and Steps for Promoting Diversity and Inclusion

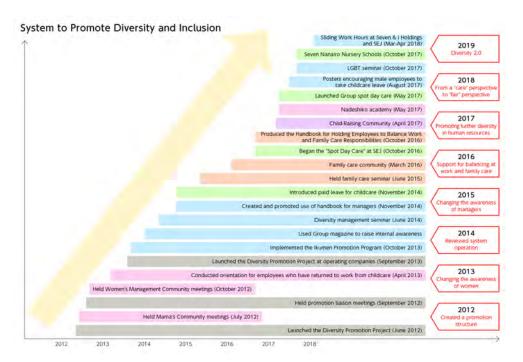
Seven & i Holdings established the Diversity Promotion Project in 2012. At the time, it promoted initiatives with a focus particularly on women's participation and advancement, based in part on the thinking that incorporating the perspectives and sensibilities of women into product and service development as well as sales floor arrangements would translate into higher customer satisfaction given that a majority of customers that visit the Group's stores are women. As the next steps in the initiative, in the fiscal year ended February 28, 2013, we created a promotion system and in 2013 conducted measures for awareness-raising among women themselves and revised operation of the system. In the fiscal year ended February 28, 2015, we moved to the stage of raising the awareness of management-level employees. In addition, since the fiscal year ended February 29, 2016, we have supported the balancing of work and family care responsibilities, and in 2017, our theme was LGBT. Thus, since 2013 we have decided to determine an annual theme and have been implementing measures based since then.

At the same time, we have also reviewed working formats for greater productivity, focusing on rectifying long working hours, which have been a barrier to the further advancement of diverse human resources, and on achieving employee work-life balance.

#### **Diversity Promotion Targets**

#### By 2020

- Raise percentage of female managers: 30% (section managers and team leaders)
- Encourage male employees to participate in housework and childcare 2.
- 3. Eliminate retirements resulting from need to provide family care
- Improve employee satisfaction 4.
- Improve external evaluation



### System to Promote Diversity and Inclusion

Based on the commitment of its top level members, Seven & i Holdings established a Seven & i Group Diversity and Inclusion Promotion Project (initially referred to as the Diversity Promotion Project) in 2012 within the Corporate Ethics and Culture Subcommittee under the CSR Management Committee. This project has involved the formulation of policies for activities to promote diversity and inclusion at the group as well as the formulation and execution of group-wide measures.

From 2013 specialized diversity organizations have also been established at stores including Seven-Eleven Japan and Ito-Yokado. Such organizations have set individual goals in accordance with the characteristics of each group company and initiatives are being implemented. In addition, a Diversity Promotion Liaison Council at which persons in charge of diversity promotion at 11 main group companies is held on a quarterly basis. The aim of this council is to share information on the progress of and issues related to promotion activities at each group company while also facilitating the horizontal deployment of superior initiatives to other group companies. The details of activities are reported on regularly at the Corporate Ethics and Culture Subcommittee at which personnel and CSR managers from 28 group companies attend, and the CSR Management Committee chaired by the President and Representative Director of Seven & i Holdings. The aim is to spread and bring to concrete fruition diversity and inclusion activities throughout the entire group.

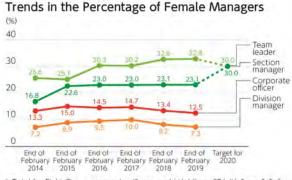
General Employers Action Plan pursuant to the Act on the Promotion of Women's Participation and Advancement in the Workplace

- > Seven & i Holdings 🏗
- > Seven-Eleven Japan Co., Ltd. 🏗
- > Ito-Yokado Co., Ltd. 🤼
- > Sogo & Seibu Co., Ltd. 🏗

# Changes in the Ratio of Female Managers

We are working to promote highly capable women and further bolster personnel training to meet the goal of a 30% ratio of female managers by 2020, one of our targets for diversity promotion. As of the end of February 2019, the percentage of female managers has increased to 32.8% for team leaders and 23.1% for section managers. There has also been progress in changing awareness among female employees and managers, and there are now actually numerous managers in the short working hours program. At present, we are working to further train and promote women by holding selective training for managerial roles and management track candidates at Group companies and encouraging them to share career plans with supervisors during individual meetings.

> Website for the Declaration on Action by a group of male leaders who will create "A Society in which Women Shine" (Gender Equality Bureau, Cabinet Office)



# Fostering a Culture Where Diverse Human Resources Can Play an Active Role

The Seven & i Holdings Group is working to promote active roles for women and other diverse human resources by conducting community activities and seminars targeting various levels within the Group.

## Community Activities for Employees Involved in Raising Children

Since 2012, Seven & i Holdings has been implementing community activities aiming to construct networks and eliminate anxiety for employees who are involved in raising children as well as pregnant employees as a group-wide initiative. Information is exchanged and discussions are held during lunch breaks based on the predetermined theme at each session in relation to balancing work and child-raising. These activities have led to a review of work styles.



Child-Raising Community

Seven-Eleven Japan held a Reappointment Guidance Session based on the theme of balancing work with housework and child-raising for employees hoping to return to work after childcare leave and their superiors. An external lecturer was invited to the event. The aim of this session is to cultivate women who can balance child-raising with their career. The guidance session was held at the head office in Tokyo and a TV conference system was utilized to enable employees working at business offices throughout Japan to view it. In the fiscal year ended February 28, 2019, two sessions were held (spring and fall), with a total of 162 female employees and 170 management level employees attending. A total of 84 employees from 25 offices nationwide attended the spring fiscal 2019 session.

At York Mart, four gatherings were held in fiscal 2018 for female employees with children. Two of these were held jointly with labor and management. At the gatherings, childcare facilities were provided so that employees currently on childcare leave could also join in discussions on issues and goals related to balancing work with child-raising.



Reappointment Guidance Session (Seven-Eleven Japan)

### Career Development Support for Women

At Seven & i Holdings, the Women's Management Community meetings have been held since 2012 as a group-wide initiative to create a network of female managers and further refine managerial abilities. The community held a total of 19 seminars through to the end of February 29, 2016 and invited speakers from inside and outside the Company and held seminars on management knowledge and skills needed to advance to a higher position. In June 2017, the Company started holding the new "Nadeshiko Academy" for developing future managers. The program was conducted a total of eight times through February 28, 2019, with approximately 1,200 employees participating from Group companies.

At Ito-Yokado, training was held for young female staff to cultivate management knowledge and foster career awareness. In fiscal 2018, 20 female employees participated. At Seven & i Food Systems, a career design seminar was held for young female employees in their 20s, with 15 women participating in fiscal 2018.



Nadeshiko Academy

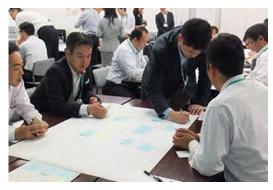
## Promotion of Participation in Housework and Child-Raising by Men

At Seven & i Holdings, the Ikumen (child-raising men) Promotion Program has been implemented as a group-wide initiative since 2013. Under this program, outside lecturers are invited to speak, supporting changes in awareness among men and promoting review and revision of existing work styles.

From 2018, we have been holding cooking courses for men with the aim of encouraging even greater participation in housework.

Seven-Eleven Japan has also prepared a Working Father's Guidebook introducing an outline of systems available for childcare leave and methods of utilizing such systems. By enabling employees to view this guidebook at any time, the Company is aiming to promote the participation of men in childraising.

# See here for details on the promotion of the use of childcare leave among male employees 🗹



Ikumen Promotion Program



A cooking course for men

### Training and Awareness-raising for Management

At Seven & i Holdings, the Diversity Management Seminars have been held since 2014 as an initiative for the Seven & i Group as a whole to emphasize the importance of diversity and inclusion and to change the awareness of managers on the management of diverse human resources. The seminars have been held 15 times as of February 28 2018, and approximately 4,600 people from all Group companies have participated. Led by outside lecturers, the seminars cover such issues as management of diverse staff members, reforming work formats, and leadership. They provide the opportunity for managers to think about diversity from a number of different perspectives. In June 2017, to mark the fifth year since the launch of the Diversity Promotion Project, lecturers were invited from leading companies to "Seven & i Diversity Day 2017." The event was attended by around 400 CEOs and management team members from 21 Group company.

The Diversity Management Handbook is also distributed to managers at all Group companies to promote communication with staff members working to balance work and childcare or family care responsibilities in order to further train managers to make good use of their diverse human resources to

Seven-Eleven Japan has published Diversity Tsushin each month since 2017. The aim of this initiative is to share information with all employees including management level employees, and to foster awareness regarding diversity including the significance of diversity management, knowledge on LGBT and understanding of systems for supporting balance. In its hierarchy-based executive training, Ito-Yokado is implementing sessions on understanding systems for supporting balance between child-raising and family support with work, as well as methods of using such systems and the management of diverse subordinates. Three such sessions were held in fiscal 2018, with 187 executives attending.



A Diversity Management Seminar

#### Addressing LGBT Issues

Seven & i Holdings revised the Corporate Action Guidelines in 2016 and began implementing measures referred to as "Forbidding Discrimination Due to Sexual Orientation or Sexual Identity". In 2017 and 2018, we conducted a seminar for promoting understanding of LGBT led by an outside speaker, and a total of 302 employees from 17 Group companies attended. In 2018, e-learning was conducted for domestic group employees, with approximately 17,000 employees studying the course. The Group newsletter distributed to group employees is being used to continuously raise awareness, including a special feature with basic information on LGBT.

SEJ had a booth for the first time at Tokyo Rainbow Pride held in May 2018, the largest-scale LGBT awareness-raising event in Japan. We emphasized our status as an LGBT-friendly company by issuing and selling "Ally nanaco" cards and were highly evaluated, receiving many opinions and impressions. In October, in evaluation of our initiatives up to this point, Seven-Eleven Japan was recognized with the highest "Gold" rank on the PRIDE Index, the only indicator for corporate LGBT initiatives within Japan. We are also proactively participating in external events as an LGBT-friendly company. We are also expanding our activities in regional communities, holding a display at Kyushu Rainbow Pride in November. In April 2019, we held a display for the second time at Tokyo Rainbow Pride 2019. With many volunteers from within the company also participating, free and open-hearted communication enabled guests to experience the convenience of original Seven-Eleven products.



SEJ's booth at Tokyo Rainbow Pride 2019



PRIDE Index: Gold 2018

## **Recognition by Outside Parties**

Seven & i Holdings has established specific targets for promoting the active role of women, and the entire Group has worked together to make progress on the targets. The Group's initiatives and the proactive appointment of female managers have received high recognition by outside parties.

Major recognition by outside parties

- 2014 Empowerment Award (Japan Productivity Center)
- 2015 Prime Minister's Award at the Leading Companies Where Women Shine Awards (Cabinet Office)
- 2015 Corporate Activity Award (Tokyo Stock Exchange Inc.)
- 2017 Chosen as the "2017 Nadeshiko Brand" by the Ministry of Economy, Trade and Industry and Tokyo Stock Exchange, Inc.
- 2019 Chosen as "Runner Up Nadeshiko 2019" by the Ministry of Economy, Trade and Industry and Tokyo Stock Exchange, Inc.



Runner Up Nadeshiko 2019

Moreover, Seven & i Holdings acquired third rank - the highest - in the "L-Boshi" Designation for gender-advanced companies based on the Act on the Promotion of Women's Participation and Advancement in the Workplace. We achieved the designation standard in all five evaluation categories: recruitment, career continuation, work style factors such as working hours, management ratio, and diversity of career paths. Similarly, IY, Sogo & Seibu, Seven Bank, Seven Card Services, Seven Financial Service, Nissen, and Nissen Life have also obtained third rank, and Seven & i Food Systems has obtained second rank. (As of February 28, 2019)



Third rank



Second rank

"L-boshi" certification mark

## Promoting Employment of People with Disabilities

Seven & i Holdings is assisting people with disabilities to demonstrate their abilities at their workplaces based on its commitment to providing an environment where everyone can play an active role. To this end, all operating companies consult with employees with disabilities to determine the workplaces, jobs and working hours that are suitable in consideration of the level and details of their disability and their own preferences. In this way, people with disabilities work in various divisions.

In recruitment, we coordinate with special-needs schools to provide onsite training in stores and participate in job interviews organized by local employment agencies and partner with vocational schools. Furthermore, all Group companies are provided with the Seven & i Holdings Normalization Support Guide, which contains basic knowledge and practical recruitment methods when employing people with disabilities, to ensure that all people who are responsible for recruitment and education at Group companies are aware of considerations regarding disabilities and that they implement them

Furthermore, Terube, Ltd.\*1, which is a special subsidiary established to foster the employment of people with severe disabilities, employs 20 people with disabilities as of June 1, 2019, making the Group's employment rate of people with disabilities\*2, including those employed by Terube, 2.84%. The goal for the fiscal year ended February 29, 2020 is 2.75%.

In the 23 years since its establishment, Terube has sought to create work environments amenable to people with disabilities and has been recognized for its efforts to practice normalization. It is noteworthy that Terube became the first company to be certified as an Employer of Persons with Disabilities in 2017, the first year that certifications were issued.

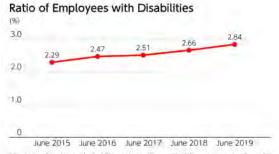
- \*1 Established in 1994 through joint investments from Seven & i Holdings, SEJ, IY, YB, Seven & i Food Systems, and the City of Kitami in Hokkaido Prefecture. The company offers secure, long-term employment for people with disabilities and carries out activities to raise awareness about the concept of normalization.
- \*2 The Group's employment rate of people with disabilities covers the five companies of Seven & i Holdings, Terube, SEJ, IY, and Seven & i Food Systems.







The first company certified as an Employer of Persons with Disabilities



<sup>\*</sup> The ratio of workers with disabilities is for the five qualified Group companies: Seven & ings, Terre Verte (special subsidiary for severe disabilities), Seven-Eleven Japan, Ito-Yokado, and Seven & Food Systems.

Implementation of Employment Support Training in Collaboration with Administrative Authorities to Promote the Employment of People with Disabilities

Seven-Eleven Japan is implementing employment support training involving "Seven-Eleven Work Experience" for teachers and students at specialneeds schools as part of its support for the employment of people with disabilities in collaboration with administrative authorities throughout Japan. Currently, it has implemented such training in Hokkaido, Osaka, Kyoto and Fukuoka, with plans for expansion into more areas going forward.



Employment support training involving "Seven-Eleven Work Experience"

#### Initiatives for "Universal Manners" on how to interact with a diverse range of people

Seven-Eleven Japan holds seminars for acquiring "Universal Manners Test Grade 3" as an opportunity to learn about basic interaction with a diverse range of people including elderly people, people with disabilities and non-Japanese employees. The seminars deepen employees' understanding through lectures and group work on topics such as what universal manners are and how employees can show consideration for people who are different to them and act based on appropriate understanding. This initiative was started in July 2018. By the end of February 2019, 159 employees had achieved grade 3 certification. Going forward, we will promote the creation of environments in which it is easy for each individual employee to work.

## Aiming to be Company Empowering Individuals

Seven-Eleven Japan has been qualified by the Ministry of Health, Labour and Welfare for providing measures to support employment stability for employees with disabilities in accordance with the Act on Employment Promotion etc. of Persons with Disabilities . Various initiatives have been promoted, with 88 employees certified as "Employment Counselor for People with Disabilities" and 10 employees certified as "Job Coaches (in-house workplace adjustment supporters)" as of the end of February 2019,

## Support for Participation of Seniors and Non-Japanese Employees

Seven & i Group companies have a system for rehiring employees after mandatory retirement, providing an opportunity for veteran employees to use their skills and abilities. At IY, for example, a re-employment system that allows people to continue working until age 65 was introduced in 1995 in response to employees who said they wanted to continue working after the mandatory retirement age. Employees can select from three options of working days and hours to suit their wishes, enabling them to work in diverse ways. From April 2006, the Senior Partner System was implemented to allow part-time employees to work until age 65 as well. As of the end of February 2019, 6,653 senior partners are active in the company. The system was also expanded in May 2017 to enable people to continue working up to the age of 70.

With the birthrate declining, society aging, and the working-age population decreasing, SEJ is creating employment opportunities for seniors who want to work. The Company actively participates in joint company presentations on senior employment held by municipalities and promotes the hiring of seniors. For people concerned about working at a convenience store, SEJ strives to provide detailed information and maintain conditions that are conducive to working with confidence.

The ratio of employees with non-Japanese nationality working at stores is also increasing, with the national average reaching approximately 8.9% as of the end of February 2019, accounting for approximately 34,000 employees.

The Company provides support not only for seniors but also for foreign students and non-Japanese employees by means of training.



A briefing for senior employees

# Independent Support System for People Hoping to Migrate

Seven-Eleven Japan has started an Independent Support System for People Hoping to Migrate that supports people thinking about moving back to their hometown to start a business or wanting to move to an area for reasons such as seeking a better child-raising or living environment. By supporting the migration of people who want to start a Seven-Eleven business in a local area or similar through, for example, providing moving costs or the costs of accommodation and transport when going to confirm properties, we are contributing to reviving local communities through the creation of shopping spots and employment opportunities.

# **Achieving Work-Life Balance**

Seven & i Holdings is promoting the concept of "work-life synergy," which aims to create synergies by utilizing the perspective of a consumer in work while simultaneously leveraging the lessons of work in life. We have a range of assistance systems that exceed minimum legal requirements to enable diverse employees work with peace of mind. To make it even easier for employees to work, we are also taking steps to correct long working hours and encourage the use of paid leave.







# **Enhancing Systems for Diverse Workstyles**

The Seven & i Group has implemented various systems that go beyond legal minimums to enable employees, including part timers, to continue working with peace of mind while engaging in childcare or nursing care.

For example, at Ito-Yokado, which has some 40,000 employees, the most among the Group's operating companies, there is a childbirth and childcare program and a family care program that can be utilized by employees, both men and women, who have worked at the company for at least a year; the programs are also available to part-time employees. The programs may be freely selected for use by individual employees, and combining a leave program with a reduced work hours plan is also possible.

### Ito-Yokado's Childcare and Family Care Assistance Systems

	Childcare Assistance System	Family Care Assistance System
Reduced work hours	Employees can work reduced hours until April 15 of the year their child starts junior high school.  *Can be combined with other leave programs.	Employees can work reduced hours for up to three years following the initial reason.  *Can be combined with other leave programs.
Work until 7:00 p.m.	Full-time employees can end their workday at 7:00 p.m. until April 15 of the year their child starts junior high school	None
Leave	Employees can return to work after taking leave for up to two years.  *Up to three years depending on the circumstances (Can be combined with short working hours).	Employees can take up to a one year of leave following the initial reason.  The leave can also be split up and taken at different times.  *Can be combined with short working hours.
Reemployment	Employees resigning to focus on childcare are given priority in hiring for three years.	Employees resigning to focus on family care are given priority in hiring for three years.
Limitations on/exemption from overtime work Exemption from late night work	Exemption from/limitation on overtime work and exemption from late night work until April 15 of the year in which the employee's child reaches 1st year junior high school allowed	When providing nursing care for a family member, employees may have limitations on or be exempted from overtime work. They may be exempt from late night work
Child nursing care/nursing care leave	When giving nursing care to a child of pre-school age, employees may take up to five days off per year for one child or 10 days off (paid) for two children or more in half day units	When providing nursing care for a family member, employees may take up to five days off per year for one family member or 10 days off (paid) for two family members or more in half day units
Childcare leave	If an employee has a pre-school aged child, they may take up to five days off per year (paid) for childcare	_

### Support for child-rearing by employees

SEJ began the "Spot Day Care" initiative in October 2016 to support the careers of employees with small children.

At SEJ, the franchise chain headquarters, holidays and the New Year vacation period, which are peak times for stores, are basically working days. However, for employees raising small children, it can be difficult to find day care on holidays, over New Year, and during other extended vacation periods, so this initiative establishes temporary day care facilities in company meeting rooms and at facilities near the Company's business offices. It was started on a trial basis at four business offices, and starting in May 2017 it was put into full operation and extended to 27 offices, with the aim going forward for expansion nationwide. As of the end of the fiscal year ended February 28, 2019, a total of 1,016 employees had utilized the system, with a total of 1,301 children having been cared for at these facilities.

Spot Day Care was expanded to 14 Seven & i Group companies starting in May 2017, creating environments where employees can pursue their careers throughout the Group.

In October 2017, two Seven Nanairo Nursery Schools were opened in Ota-ku, Tokyo, and Hiroshima City. These facilities are available for use by Seven- Eleven store operators and employees as well as local residents and SEJ employees. An additional school was opened in Sendai City in July 2018, and in Machida City, Tokyo and Kyoto City in June 2019, with plans to open additional schools in stages.

Ito-Yokado has introduced eight daycare facilities comprising authorized daycare centers and corporate-led nurseries as tenants in its shopping centers in Tokyo and four other prefectures. These facilities are used by employees and local residents.



At a Spot Day Care facility



The exterior of a Seven Nanairo Nursery School

# Promotion of Childcare Leave-taking by Men

To promote greater participation by men in childcare, a childcare leave program has been introduced at Seven & i Group companies since 2014. The program provides five special vacation days per year that can be used in one-day increments to employees with pre-school aged children. Since the program was started, it has been used by many employees for various reasons involving their children, such as when their spouse gives birth, or to attend kindergarten entrance and graduation ceremonies or participate in field day events. In the fiscal year ended February 28, 2019, 45 male employees took childcare leave at Seven & i Holdings, along with 592 at SEJ, and 467 at Ito-Yokado.

The Seven & i Group is also taking measures to encourage male employees to take childcare leave including producing and displaying posters targeting male managers and leave-takers.



A poster encouraging male employees to take childcare leave

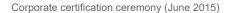


A poster targeting managers

### Recognition by Outside Parties of Support for Childcare

Ito-Yokado has become the first company in the Tokyo Metropolitan Area to receive "Platinum Kurumin" Mark certification from the Ministry of Health, Labour and Welfare, following a revision of the Act on Advancement of Measures to Support Raising Next-Generation Children in June 2015. "Platinum Kurumin" is awarded to companies that have already received "Kurumin" certification and have advanced use of systems to support balancing work with childcare to a significant degree while implementing measures at a high level. The system was established in 2015 to promote continued initiatives. Ito-Yokado has received the "Kurumin" certification twice, and has actively utilized its Re-Challenge Plan, a personnel system for supporting childcare to help workers balance work and childcare. Other initiatives include introducing childcare leave systems and holding opinion exchange events with employees who are involved in childcare, diversity seminars at store manager meetings, and promoting the taking of annual paid leave by employees, especially part-time workers. These activities were highly rated.

Seven & i Holdings, Seven-Eleven Japan, Sogo & Seibu, YorkBenimaru, Seven & i Food Systems and Seven Bank have received the "Kurumin" certification.







## Support for Balancing Jobs with Family Care Responsibilities

The Seven & i Group also works to help employees balance their jobs with family care responsibilities. A survey of family care responsibilities being provided by employees revealed that in the near future, approximately 70% of employees might have to balance work with nursing care, making this likely to become a major issue for the future. From 2015, we have been regularly holding Family Care Responsibility Seminars with external experts as prior preparation for handling such responsibilities, In 2016, we produced the Handbook for Helping Employees to Balance Work and Family Care Responsibilities, with a view to using it in training etc. at all Group operating companies to support the creation of working environments that make it easy to balance these commitments. Tools for conveying information on family care and preventing job separation as a result of family care for use at meetings and so on were distributed to Group companies in 2017, increasing opportunities for more employees to deepen their understanding regarding family care.

In addition, we are endeavoring to create environments that make it easy for employees to balance their job with family care responsibilities through efforts including actively informing employees about a consultation desk and writing about case examples of balancing such responsibilities with work in the company newsletter.

### System to Allow Telework

Seven Bank and Nissen Holdings group companies established a telework system that allows employees to continue to perform their jobs if they have difficulty commuting due to pregnancy, childcare or family care responsibilities, an injury or other reason.

# **Restricting Long Working Hours**

Seven & i Group conducts various initiatives to restrict long working hours. The internal newsletter distributed to the Group's approximately 70,000 employees contains a monthly column on working styles to raise awareness, and in our Diversity Management Seminars conducted since 2014, there are lectures by specialists and presentations on progressive initiatives at other companies related to work styles. Around 5,400 employees from Group companies have attended 19 seminars as of the end of February 2019. Many of the seminar participants work to increase communication with their subordinates and take further action to improve working styles.

### Implementation of Sliding Work Hours

Seven & i Holdings and SEJ have implemented a system for staggered commuting times and sliding work hours from spring 2018 enabling employees to select their work times based on private reasons. Employees are eligible to select 8 a.m., 9 a.m., or 10 a.m. as their work start times. The aim of this is to allow employees to select their own work start time, thereby promoting active and efficient work styles. SEJ has achieved utilization results of over 80% for the staff department in particular, and this effort is leading to enhanced private time for staff as well as reduced commuting burdens.

#### Implementation of Sliding Work Hours

In July 2017, Seven & i Holdings and SEJ collaborated with Tokyo-based Jisa Biz to conduct a trial of staggered commuting times. Employees at the Head Office and offices in the Tokyo region were eligible to select 8 a.m., 9 a.m., or 10 a.m. as their morning work start times. The result was a decrease in overtime throughout the company. SEJ received the Jisa Biz Promotion Award in the Promotion Category from the Tokyo Metropolitan Government for this initiative.

After verifying the results of the trial introduction, Seven & i Holdings and SEJ established formal programs and introduced them on a full scale in March and April 2018 respectively. In November 2016, SEJ established a program to encourage employees to take time off (six days per year) in addition to special holidays designated by the company.

## Implementation of Volunteer Leave System

To support employee participation in local community activities for people with disabilities, family care support, environmental beautification, disaster reconstruction support, and other objectives, Seven & i Holdings, Seven-Eleven Japan, Ito-Yokado, York Mart, Seven & i Food Systems, and Seven Bank have instituted a volunteer leave system under which employees can take five days off per year for volunteer work. In the fiscal year ended February 28, 2019, 16 Group employees took volunteer leave.

# **Support for Fostering More Capable Employees**

Seven & i Holdings conducts human resources development with training systems refined by Group companies to match their respective business characteristics and supports the skill development of each individual employee.







## **Establishment and Refinement of Training Systems**

The Seven & i Group engages in human resources development through training systems refined by Group companies to match their respective business characteristics. The Group focuses particularly on the essential task of improving the skills of store employees who interact with customers. To this end, we hold regular group training by position and also work to enhance the skills and develop the careers of individual employees, including parttime employees.

For example, at IY, new employee training is held for all employees, including part-time employees, to teach company policies, retail fundamentals, and skills and knowledge required for work. Further, training leading to OJT at stores is continuously held to provide basic knowledge of products handled by affiliated division and to improve skills related to customer service and fresh food preparation. In this way, the company assists employees in upgrading their skills. Additionally, training is also held for everyone from new hires to sales floor staff, sales floor managers, division managers, and store managers, to provide knowledge of sales floor management and management skills in stages and in line with their respective positions. Training is also carried out beforehand to improve their skills in preparation for their next positions.

YB uses target setting charts to clarify the individual employee's current skills and abilities as well as skills to be acquired and training targets between individual employees and their managers. The target setting charts include detailed items necessary for job performance, such as customer service, sales area management, ordering, and food preparation techniques, with the skills and abilities of the employee assessed on a six-step scale from 0 to 5. In the "skills version" for staff members and part-time employees, items are determined for each division depending on duties, job characteristics, and products handled for each analysis item. There is also a "management version" for store managers, assistant store managers, customer service managers and division managers that is intended to help raise and standardize management abilities. Based on the chart, employees confirm their skill levels with their supervisors and twice a year share the progress they have made with their supervisors and establish the next set of goals. This enables them to check their own growth, helping to boost motivation.



Employees in training

Position		Information sharing			
Part-time employee	Training for new employees	Corporate fundamentals, retail fundamentals	T		
	Fresh food preparation training	• Safety & reliability, learning of basic skills			
New employees	Training for new employees	Corporate fundamentals, retail fundamentals	Pe		
	Cash register & service training	• Fundamentals of cash register and service counter work	of cash register and service counter work		
	Item-by-item management training	tem . Concept of plan do check act		new employees	
	Divisional training	Basic knowledge and basic technologies by division	prine		
Floor staff	Fresh food preparation training	Training for acquisition of each skill	nt support		
	Step-up training	<ul> <li>Management fundamentals, learning of skills required as managers</li> </ul>	ort (co		
Floor managers	New manager training	Management skills necessary for sales area management, numerical analysis, personnel training	(correspondence	Floor manager	
	Fresh food preparation training	Confirmation and learning of key category skills		conferences	
	Step-up training	Division management, learning of skills required as division managers	courses		
Division managers	New manager training	• Knowledge necessary for store management, management	, Eco Test	Division manager conferences	
	Step-up training	<ul> <li>Division and store management, learning of skills required as store managers</li> </ul>	est etc.)		
Store managers	New manager training	Basic knowledge about the company, store operation from a management perspective	2		
	Store manager school	Problem solving + HR development		Store manager conferences	
	IY management school (Yoga juku)	• HR utilization + strengthening of organizational capabilities		- Salarenees	

# **Establishment of Training Facilities**

Seven & i Holdings established the Ito Training Center in Yokohama, Kanagawa Prefecture in March 2012 to support the acquisition of technical knowledge on sales, food preparation, and other areas to match business characteristics. Another function is to communicate the Group's founding spirit and nurture the next generation of human resources. The training center is equipped with meeting rooms as well as skills rooms for personnel that handle fresh fish, meat, and produce (including delicatessen items, fresh fish, sushi, fresh meat, and produce) cash register practice rooms, and display practice rooms with recreated sales areas. A historical materials room is provided to help communicate the founding spirit and corporate philosophy. There is also an accommodation facility within the training center with 65 rooms for overnight stays, including four universal design rooms that are wheelchair-accessible.



The Ito Training Center

> Further details about the Ito Training Center can be found here (in Japanese)

# **Open Recruitment System for Human Resources**

Seven & i Holdings implements an open recruitment system for human resources that encompasses all of its operating companies. The system is designed to respect the will of each individual employee and ensure the right person is placed in the right job to fully leverage their abilities and to invigorate the organization. Full-time employees at participating companies who have been performing their current duties and have been in their current positions for at least two years are eligible to apply. Group companies have also instituted internal recruitment systems. For example, at IY, employees who have worked at the company for at least one year can become candidates for managerial positions and jobs regardless of business experience or seniority. In the fiscal year ended February 28, 2019, 202 people applied through this system and 35 were appointed to their preferred positions or jobs.

Going forward, we intend to further enhance the conditions that raise motivation and allow employees to fully demonstrate their abilities.

# Assuring Fair Assessment and Treatment of Employees

Seven & i Holdings implements various assessment systems for employees to maximize their individual abilities and ensure fair assessments free of unreasonable discrimination due to social status, place of birth, race, creed, gender, and so on.



### **Ensuring Fairness through Self-Evaluations**

The Seven & i Group has instituted a self-check program to maximize individual employee abilities and help ensure fair evaluations. Twice a year at each Group company, employees first assess their own job performance, which is then evaluated by their supervisor. After that, the employee and supervisor meet to discuss the results. This direct dialogue helps the employee to identify their own achievements, strengths, and challenges while also ensuring the transparency and fairness of evaluations.

In addition, through individual meetings with supervisors, issues at the workplace related to management levels, knowledge, skills and the like are confirmed, and this leads to further career development. Since it is not a simple one-sided evaluation by the company, employees are more willing to accept the system and find it motivating. The system is helping to steadily improve operational levels.

#### Implementation of Management Checks

SEJ has been conducting management checks since November 2017 as a personnel measure where subordinates and supervisors work together to improve the Company and enhance internal communications. Subordinates check the status of management of employees by managers. Employees respond to a total of 20 questions (five questions in each of four categories: human abilities, thinking abilities, action abilities, and compliance) and also input comments in the free entry field. To prevent the identification of specific individuals, the scores of all subordinates are averaged and comments are combined. Results are not directly disclosed to supervisors; oral feedback is provided during interim interviews (conducted twice annually) by the supervisor who is two levels higher. Each individual actively uses the results to generate outputs that will contribute to their individual growth.

## **Employee Compensation System**

IY has an employee classification system that allows employees to choose which region to work in based on their individual life plans and values. Based on this system, employees are evaluated using a qualifications system, which ranks them by job performance ability and skill, and by job responsibilities, taking into account their current duties and job assignment. In addition, individual evaluations, which are determined based on job achievement, level of contribution and other factors, are directly incorporated into salary and bonus levels.

# Selection of Various Work Styles

Seven & i Holdings' operating companies also focus on establishing systems that allow employees to choose various work styles to increase their motivation for work. For example, IY has a program enabling part-timers to choose from diverse working styles. Under this system, part-timers may elect to step up a rank after acquiring a certain level of evaluation and sales skill. There is also a program in place where part-timers designated as highest level can be hired as a monthly salaried permanent employee or contract worker. To date (as of February 28, 2019), 164 part-timers have become monthly salaried permanent employees.

A large number of part-timers have also been hired on in managerial roles, such as sales floor managers. This initiative has received formal recognition as IY received the grand prize (Health, Labour and Welfare Minister's Award) at the Awards for Enterprises Promoting Part-time Workers to Play Active Roles at Work, which was established in the fiscal year ended February 29, 2016 by the Ministry of Health, Labour and Welfare.

#### IY Step Up Elective System





Award ceremony (January 2016)

# Consideration for Employee Health and Occupational Safety and Health

Seven & i Holdings conducts a variety of initiatives for the Group's sustainable growth and promoting the health of local communities, including formulating the Seven & i Health Declaration NEXT that states three goals, and convening safety and health committees for the purpose of maintaining comfortable working conditions.





#### Three Goals of the Seven & i Health Declaration NEXT

- We will understand our own health issues, and take action toward improvement
- We will realize working conditions where all employees can work with vitality
- We will continue to be a company that supports the everyday health of our customers through "health conscious" products and services

#### <Message from the President>

Seven & i Holdings thinks that promoting the health of employees will bring vitality to the entire Company, and in addition, contribute toward improving society's quality of life (QOL). We support each employee's proactive initiative to promote health. Therefore, in October 2014, we started the Seven & i Health Declaration 2018 that sought to improve employee health and QOL, and enhance our corporate vitality. Through conducting a variety of initiatives related to health, we have reaped certain results.

In view of this, we formulated the Seven & i Health Declaration NEXT which states three new goals that seeks to further strengthen our initiatives, and are starting on those initiatives.

This declaration sets themes related to individual employees, the Company, and society respectively, and aims to improve results through specific measures

Promoting the health of employees will be the foundation for improving individual QOL, widen opportunities for further participation by each person at work, and become the source of our Group's sustainable growth.

In addition, based on the basic principle of providing safe and reliable products, we will work to support the health of the customers who use our Group's stores and products on a regular basis, and also contribute toward promoting the health of local communities through measures such as product development that works on reducing additives while being particular about taste and quality; being thorough in the labelling of food ingredients which is of high concern to customers; development and provision of products supporting health; and support for healthy dietary habits and dietary education. Going forward, Seven & i Holdings will deepen our initiatives contributing to the healthy growth and development of people's lives and society from the viewpoint of being close to daily lives, and aim to be a Company that is trusted and needed by employees and society.

> October 2019 Ryuichi Isaka President and Representative Director

### Specific Initiatives of the Seven & i Health Declaration NEXT

[Initiatives for individuals]

Theme 1: Initiatives for maintaining health, preventing illnesses, and returning to health

Details : Understand health issues, and carry out initiatives toward improvement

- •Enhancement of regular health checks
- •Initiatives for preventing illnesses and early discovery of illnesses
- •Measures for the prevention of lifestyle diseases
- •Initiatives for reduction of smoking rate

Theme 2: Initiatives for promoting health that also utilizes IT

Details : Develop health awareness using IT (wearables and apps)

#### [Initiatives for workplaces]

Theme 1: Comfortable working conditions where people can work with healthy minds and bodies

Details : Promote work-life balance through putting in place appropriate labor environments

- •Improvement of working hours
- •Encouraging employees to take days off on holidays and acquire leave, and effectively utilizing them Initiatives for improving mental and physical health
- •Understanding organizational issues using surveys and initiatives toward improvement
- •Preventing mental illness through conduct of mental health training

Initiatives for promoting communication

- •Establishing workplace environment toward enlivening communication within the company
- Conducting events for employee interaction

Initiatives for establishing environments and support for balancing work and recuperation

#### Theme 2: Establishment of healthy and comfortable working environments

Details : Establish working environments toward prevention of passive smoking

- •Establishing environments that prohibit smoking/ separate smoking areas from non-smoking areas Installation of spaces for relaxation
- •Installing spaces for relaxation that anyone can easily use

Initiatives for establishing working environments and rescue toward prevention of workplace accidents

•Thoroughly preventing workplace accidents and deeply enrooting first aid knowledge

#### [Initiatives for society]

Theme 1: Initiatives to support health in society—contributing to SDGs

Details : Develop safe and reliable products

- •Reducing use of food additives
- •Labeling of nutritional components and allergy information

Development and provision of health support products

- •Expanding the "Good Health Starts with this Hand" series (Seven-Eleven)
- •Developing and deploying products under the Seven Premium health series

Support for healthy dietary habits through various ways

- •Providing information on healthy dietary habits through cooking support (Ito-Yokado)
- •Supporting dietary habits through meal kits and frozen foods

nitiatives to support health in collaboration with local governments

Conducting health events using event spaces of stores

# Initiatives for the Group's sustainable growth and Promoting the health of local communities

When employees are healthy both mentally and physically, it not only makes their own lives more fulfilling but is also a source of vitality for the Company, and makes management more efficient. Based on this understanding, Seven & i Holdings launched the "Seven & i Health Declaration 2018" in October 2014 in partnership with Seven & i Holdings Health Insurance Union. To further strengthen initiatives, the "Seven & i Health Declaration NEXT" was formulated in October 2019. Promotion of health and productivity management was incorporated into the Corporate Ethics and Culture Subcommittee under the CSR Management Committee chaired by the President and Representative Director of Seven & i Holdings, and various measures are being promoted in collaboration with human resources and labor relations supervisors at each Group company, led by the Seven & i Holdings Personnel Planning Dept., Health Management Center and Health Insurance Union.

The Seven & i Health Declaration NEXT establishes targets in such areas as reducing the risk of lifestyle diseases, reducing the smoking rate, improving the percentage of annual paid leave taken, and reducing long working hours. The MY HEALTH WEB Health Management System, a portal website, is being used as a support measure for these targets. We also hold mental health training and health-themed events, offer low-calorie, lowsodium menu items at the staff cafeteria, and provide health-related information through internal Group newsletters and other media, and help employees maintain and manage their own health to raise awareness about health.

The MY HEALTH WEB Health Management System in particular allows individuals to browse the past five years of their own health checkup data on the Internet, and serves as a tool for checking and goal-setting on health status, and for receiving advice on how to improve health. It also has an environment which allows use through a smartphone app.

Furthermore, Group companies have taken steps to implement appropriate health and productivity management based on the Industrial Safety and Health Act by ensuring that all employees receive regular health checks and follow up on the results, as well as making sure that stress checks are implemented for everyone.

#### Seven & i Health Declaration NEXT

Targets	Specific Targets to Be Achieved by March 31, 2023						
Control to achieve appropriate bodyweight	Ratio of People with a BMI over 25*1						
bodyweight		FY2016	FY2017	FY2018	March 31, 2023 Target		
	Male	34.6%	35.5%	37.6%	28% or less		
	Female	25.0%	25.6%	26.8%	18% or less		
2. Reduce smoking rate Overall Employee Smoking Rate*1							
		FY2016	FY2017	FY2018	March 31, 2023 Target		
	Overall	31.3% (Male employees: 42.8%, female employees: 23.0%)	30.3% (Male employees: 41.3%, female employees: 22.7%)	29.3% (Male employees: 39.7%, female employees: 21.8%)	28% or less		
Improve the percentage of annual paid leave taken	At least 70% for percentage of annual paid leave taken						
4. Reduce long working hours	Less than 5% for percentage of employees with long working hours (45 hours or more of overtime work in a month)						
5. Increase the number of health support products developed by the Company							
6. Increase the number of cooking support*2 with health as the theme							

- \*\*1 BMI and smoking data are totals for 23 Group companies participating in the Seven & i Holdings Health Insurance Society
- X2 Proposal of menu items at stores
- \*\*1 BMI and smoking data are totals for 23 Group companies participating in the Seven & i Holdings Health Insurance Society
- **%2** Proposal of menu items at stores

# **Prevention of Workplace Accidents**

Seven & i Holdings convenes safety and health committees at each Group company in accordance with laws and regulations and implements improvements to the workplace environment including working conditions, and also conducts measures to prevent workplace accidents. For example, at IY, training is conducted on the handling of knives and other implements for employees that work with fresh food products.

In addition, at Seven & i Food Systems, awareness-raising posters and other campaign materials are posted at stores three times a year to bring attention to the prevention of workplace accidents. At stores where workplace accidents have occurred, interviews are conducted and the causes of the accident and specific prevention measures are shared with other stores.

## Workplace Accident Data for Eight Group Companies for the Fiscal Year Ended February 28, 2019

	Seven & i Holdings.	SEJ	IY	Sogo & Seibu	YB	Seven & i Food Systems	Akachan Honpo	Seven Bank
Workplace accident frequency	0.00	0.53	1.65	0.33	3.33	0.85	0.34	0.00
Workplace accident severity	0.00	0.03	0.04	0.01	0.01	0.03	0.04	0.00

<sup>\*</sup> No workplace accidents resulted in deaths.

# **Employee Engagement Survey**

Seven & i Holdings conducts employee engagement surveys aimed at creating fulfilling workplaces.



## **Employee Engagement Survey**

The employee engagement survey is an indexing of employees' feelings about doing one's best and not giving up until delivering results above expectations, with the "feeling that each and every employee is always playing a leading role" as well as having "pride and passion in everyone's own

In the fiscal year ended February 28, 2019, the survey was administered to approximately 35,000 employees at 28 companies in Japan,.

#### Results of the Employee Engagement Survey (Example)

Percentage of employees with their own desire to contribute to the Company\*

Male	50%
Female	43%
Overall	47%

<sup>\*</sup>Results from the survey conducted in the fiscal year ended February 28, 2019. The degree of employees wanting to contribute to the Company on their own initiative is categorized into four levels, and the figures in the above table are the percentages of employees who "Have an extremely strong desire," "Have desire," and "Have some desire."

## **Promoting Improvement Activities**

The survey results are reported to upper management, and at the same time, each Group company carries out their analysis of the survey results and organization of the issues. Going forward, improvement measures will be proposed based on the issues identified and gradually executed. At the same time, the Company plans to carry out validation at the next employee engagement survey.

# Sound Labor-Management Relations

Seven & i Holdings respects workers' rights such as the freedom of association, the right to organize and collective bargaining. In the Seven & i Group Corporate Action Guidelines, we have established the following principle: "The Company respects workers' rights, such as the right to organize, based on international norms and efforts to further improve the work environment."



# Respect for Freedom of Association and Collective Bargaining

At Seven & i Holdings, the Group's 11\* labor unions form the Federation of Seven & i Group Labor Unions, which as of March 2019 has approximately 59,000 members in 11 unions and a participation rate of 76.5% (Ito-Yokado labor union). The federation carries out a variety of activities for union members based on the thinking that "no water can be drawn from a dry well." It also coordinates activities by holding discussions on organizational management, labor conditions, and other issues pertaining to union members.

The member unions autonomously create their own independent organizations, and then they coordinate and join together for common causes. They complement one another's strengths and also work to improve shared labor conditions on a unified basis, which further reinforces both the individual unions and the federation itself. This is the basic approach through which activities are conducted. Seven & i Holdings and the labor unions work through numerous active discussions between labor and management to improve issues related to labor conditions and employees' workplace environments.

For example, at Ito-Yokado, the compensation system and labor conditions for union members and employees are discussed, and consultations between management and labor are considered valuable for solving issues and improving productivity. Promotion of recent workstyle reform is an example of collaboration between management and labor, and Ito-Yokado is taking steps to ensure that work rules are understood by everyone, promote the use of holidays and paid leave, improve the labor environment, and achieve a good work-life balance.

\* The 11 companies are Ito-Yokado, York-Benimaru, York Mart, SHELL GARDEN, Marudai, Sanei, Sogo & Seibu, Seven & i Food Systems, Akachan Honpo, THE LOFT and Life Foods

# **Support for Childcare**

With the trend toward nuclear families, there are often fewer people parents can easily turn to with questions about raising their children. In light of this, Seven & i Holdings offers various types of support related to childcare through its stores.







# **Maternity and Childcare Counseling Service**

Ito-Yokado and Sogo & Seibu provide maternity and childcare consultation offices (at 113 stores as of February 28, 2019) and Pre-Mama Stations (at 5 stores as of February 28, 2019). Here, public health nurses and midwives give counseling free of charge to pregnant women on their health and to mothers on childcare. They also provide rest areas equipped with booths for breastfeeding, hot-water, and toilets for children.



Childcare consultation office

### Number of Ito-Yokado Childcare Consultations (Users)

FY2014	FY2015	FY2016	FY2017	FY2018
235,017	237,336	246,060	245,988	239,934

# **Childcare Support Events**

Ito-Yokado holds a range of events to provide childcare advice and encourage parents to interact and socialize. The company also actively takes part in events with universities, municipalities and several product manufacturers to maintain and promote the health of mothers, offer techniques for relaxation and rejuvenation and provide helpful childcare-related information. The overarching theme of the events is "enjoyment at home through public-privateacademic partnerships," and through these events, we are helping to expand community childcare support networks.



A childcare support event sponsored by public-private-academic partnership

## **Supporting Career Education**

To support career education at elementary, junior high, high schools, and universities, the Seven & i Group cooperates with requests from schools by sending out employees to each school, by providing workplace tours, and by holding workplace experience programs at its Group stores, where children have the chance to take part in conducting familiar retail store operations. For example, York Mart provides an opportunity to observe the food processing operations and to practice stocking the shelves in the store with products. Approximately 9,000 elementary and junior high school students participate each year. Ito-Yokado also conducts workplace experience programs at its stores where each year approximately 8,000 students can come up with and convey their own proposals by making coordination proposals and suggestions to customers through in-store sampling while experiencing firsthand the importance of complying with basic standards to ensure safety and confidence. Also, Seven & i Food Systems holds workplace experience programs where students can try working as the manager of a restaurant or learn about the importance of ingredients control and hospitality through actual experience. The program was attended by students from 106 schools in the fiscal year ended February 28, 2019. The Seven & i Group training facility, Ito Training Center, provides sales space creation and food processing experiences, as well as opportunities to provide service from various customer perspectives, such as helping customers in wheelchairs and so on. Through these experiences, the students can feel the value of working and the joy of interacting with customers.



Learning about cash registers through hands-on experience at Ito Training Center

Furthermore, SEJ has a store in Shinagawa Student City, which has been run jointly by Shinagawa Ward and Junior Achievement Japan since 2003. The concept of Shinagawa Student City is to create a virtual town inside an elementary school, with various companies setting up shops and providing experience of working and society. The children working in the 7-Eleven store experience customer service, sales space creation, and other operations to learn about the systems of society. In the fiscal year ended February 28, 2019, 2,484 elementary school students staffed our store and learned about the joys and challenges of working through customer service and retail sales.





Shinagawa Student City

## **Outreach Classes for Company-School Exchange**

SEJ holds outreach classes at an elementary school in Tokyo's Suginami Ward in March 2019 as a part of the Yomiuri Education Network, which seeks to increase interactions between companies and schools. The class involves group work in which 7-Eleven stores are established in fictitious towns on a map. Through the group work, the children come to understand in a fun way the roles that 7-Eleven plays in society. At the same time, they learn about how the products and services of 7-Eleven—which aims to build stores that are convenient and close to people—have changed (CRM strategy\* and response to SDGs) in accordance to the changes in society (changes in customers' needs). The class provides a good opportunity for children to think about their society from the everyday perspective of a convenience store.

#### \*CRM: Customer Relationship Management

This is a management strategy/method aimed at expanding sales and improving profitability through improving customer satisfaction and loyalty.





Outreach class in progress

## **Picture Book Storytelling Sessions**

Seven Bank supports the publication of "Bonolon, Warrior of the Forest" (approximately one million copies on even months), a picture book that parents can read to their children to foster communication. The bank also distributes picture books free of charge, and regularly holds storytelling sessions by employees at children's centers and other places for children. Storytelling sessions are also held at Denny's restaurants, which are managed by Seven & i Food Systems.



Storytelling session led by employee volunteers

## **Support for Dietary Education**

The Seven & i Group promotes dietary education activities for children to raise people who understand foods through various experiences and can practice sound and healthy dietary habits.

For example, Seven & i Food Systems distributes a booklet called "Bonolon and Food" at its chain of Denny's restaurants. The booklet contains important information about food manners and knowledge and teaches children about the correct eating habits using games and quizzes. In addition, dietary education classes for children were held a total of eight times at four Denny's restaurants in the fiscal year ended February 28, 2019. These are opportunities for children to learn about how to use chopsticks, how to use knives, forks, and spoons, and other basic table manners. They are also opportunities to learn about vegetables in an enjoyable way through explanations using ingredient-themed panels and quizzes.



©NSP 2005, © Together with Bonolon, 2007 Free dietary education booklet "Bonolon and Food"



Dietary education class

## Donating Shoes to Children in Zambia

Sogo & Seibu works with the Japanese Organization for International Cooperation in Family Planning (JOICFP)\* on a project for sending shoes to children in Zambia. The company has established areas to accept children's shoes donations in all of its stores. The shoes they receive from customers help to prevent tetanus and parasitic infections resulting from foot injuries to children with bare feet. They are sent through JOICFP to children in Zambia. As of February 28, 2019, Sogo & Seibu had sent about 860,000 pairs of shoes since 2009.

\* JOICFP is an international cooperation NGO that was started in Japan to protect the health and lives of women and children in the developing world.



# Cooperation with the White Ribbon Campaign

Akachan Honpo and Sogo & Seibu have been providing sponsorship for the White Ribbon Campaign launched by JOICFP to protect the health of pregnant women and babies throughout the world. The Group companies have been working in partnership with JOICFP on the Community Safe Motherhood Project (which involves the donation of funds to establish Maternity Waiting Houses in Zambia). Besides accepting donations on behalf of JOICFP through its stores and online, the two companies have also installed 61 White Ribbon Campaign Vending Machines at locations throughout Japan (Akachan Honpo 45 machines, Sogo & Seibu 16 machines) as of February 28, 2019. For every beverage purchased from one of these machines, the companies donate \2 to JOICFP (\1 from the beverage manufacturer and \1 from the store where the machine is installed). In addition, Sogo & Seibu has created a White Ribbon pin badge for sale, from which all proceeds are donated to the White Ribbon Campaign.



A White Ribbon beverage vending machine



A White Ribbon pin badge