

Material Issue 1 Providing Social Infrastructure in this era with an Aging Society and Declining Population

Approach to Material Issues

Seven & i Holdings is responding to changes in society—the increase in the employment rates of women and the elderly due to the reduction in working population arising from a declining birthrate and aging society, diversification of purchasing methods due to the advancement of a digital society, and the reduction of social bases following a declining population—and working to enhance the convenience of shopping while leveraging the unique aspects of the Group's business as a social infrastructure with a network of approximately 22,500 stores nationwide in Japan. We recognize that fulfilling these diverse needs of our customers is one of our most significant and unwavering roles in society and we will continue to satisfy the customer's needs.

Background to Material Issues

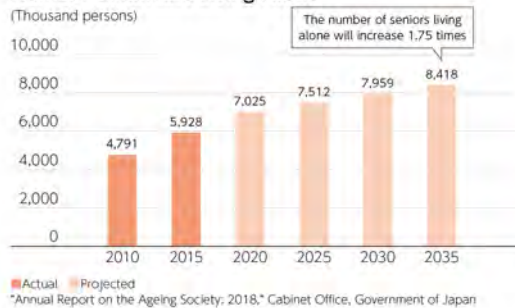
Changes in Shopping and Other Services Due to the Hollowing Out of Social Bases Following Aging Society, Declining Population, and the Advancement of the Digital Society

Japan is experiencing an aging society and declining population trends. By the year 2060, the national 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 1.75 times from the level in 2010 by 2035. The hollowing out of social infrastructures to support daily life following the declining population also stands as one of the 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 2030.

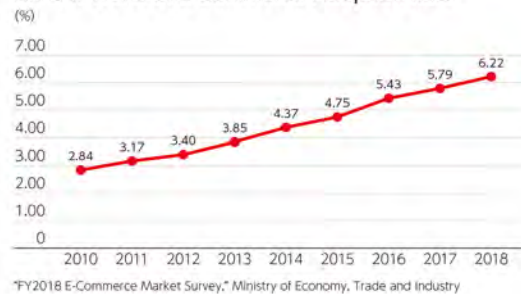
At the same time, due to the spread of digital devices and the establishment of communication infrastructure, customers' shopping habits and required services are also changing, such as in the methods for placing orders, payment, and picking up orders.

* Source: "Population Projections for Japan (2017)," National Institute of Population and Social Security Research

Number of Seniors Living Alone



Annual Trend of E-Commerce Adoption Rate



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 Director and Managing Executive Officer Head of the Corporate Development Division, Seven and i Holdings.

Contribution to SDGs

By addressing these material issues, the Seven & i Group is providing social infrastructure such as public services to a variety of people, including seniors, and contributing to the achievement of Sustainable Development Goals 9, 11 and 16.



Seven & i Holdings' Initiatives

Shopping Support

We are working to create new "shopping support" services to assist customers with limited access to shopping facilities.

[> More](#)

Reducing Housework

We are developing and selling cooked meal products for those who find it a burden to prepare meals. They are based on the concept of individual servings, small portions, and easy-to-preparing.

[> More](#)

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 infrastructures.

[> More](#)

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 feel safe and secure.

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Shopping Support

Seven & i Holdings is working to support people who feel inconvenience when shopping by utilizing the infrastructure it has developed, such as store networks and logistics and information systems, to create new services for shopping support.



Online Supermarkets

Ito-Yokado operates online supermarkets (Net Super) at 122 stores (as of February 29, 2020) to provide scheduled deliveries of products ordered by customers using PCs or smartphones. The online supermarkets deliver food and household goods from nearby stores. In December 2014, Ito-Yokado started offering a service to help parents raising children. With this service, parents who present their maternity notebook issued within the last four years and register for the Net Super can receive deliveries at a fee of only ¥102 (including tax) for four years from the registration date. Furthermore, to meet the diversifying pick-up needs of customers as well as improve customer convenience and delivery efficiency, it is also enhancing its non-contact delivery and drop-off services. Starting from March 2020, it has installed lockers—the first in Japan—that are capable of temperature ranges for refrigeration, freezing, and room temperature at two 7-Eleven stores in Tokyo. Using these lockers, it has launched the 7&i Locker Pick-up service for customers to pick up their orders.



Net Super

Online Convenience Stores

Seven-Eleven Japan offers a service that allows customers to place orders online using a PC or smartphone for some 2,800 products such as rice balls and boxed lunches handled by its stores and have them delivered to their homes or other designated location in as little as two hours. As of February 2020, trials are being conducted at approximately 270 stores in cities such as Sapporo, Otaru, and Hiroshima. Going forward, there are plans to further expand this service.



Home Delivery Services of Seven RakuRaku Delivery

Seven-Eleven Japan 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. As of February 29, 2020, the service operates a fleet of some 757 "COMS" ultra-small electric vehicles and Seven-Eleven Japan is also moving forward with the introduction of around 1,180 power assisted bicycles.



Seven RakuRaku Delivery

Mobile Store Services "Seven Anshin Delivery" and "Ito-Yokado Anshin Delivery"

As of February 29, 2020, Seven-Eleven Japan operates the Seven Anshin Delivery mobile store service at 102 stores in 37 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.

As of February 29, 2020, Ito-Yokado also uses its own specially developed trucks equipped with store facilities to provide the Ito-Yokado Anshin Delivery mobile store service at four stores in five regions: Nagano Prefecture's Ueda region, Tama City, Hachioji City, Hanamaki City, and Iwaki City. In addition, from April 30, 2020, the operation of Ito-Yokado Tokushimaru Vehicle Number 1 in collaboration with TOKUSHIMARU inc. was started at Ito-Yokado Minami Osawa store. TOKUSHIMARU supports customers who feel inconvenience when shopping through its mobile supermarket initiative, and at the same time, undertakes businesses related to neighborhood watch activities for the elderly while collaborating with local communities.



Seven Anshin Delivery



Ito-Yokado Anshin Delivery



Ito-Yokado Tokushimaru

Omni7

Seven & i Holdings is working to realize an Omni7 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.

In addition, with the expansion of the electronic commerce market and other factors, there is an increasing trend in the volume of parcel deliveries, and at the same time, labor shortage in the transport industry is growing more severe. Seven Net Shopping offers the store pick-up service allowing ordered products to be picked up at nearby 7-Eleven stores. This contributes toward reducing the number of redeliveries and CO2 emitted during deliveries.



Store Pick-up Service at 7-Eleven

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Reducing Housework

In order to respond to customer demand for saving time and reducing the hassle of housework, Seven & i Holdings is developing and selling cooked meal products for those who feel it a burden to prepare meals. These products are based on the concept of individual servings, small portions, and easy-to-preparing.



Seven-Meal Delivery Service

Seven-Eleven Japan provides a service for customers who feel inconvenienced by daily meal preparation and those who want to eat nutritionally balanced meals. Meals are ordered online or by telephone, and customers can choose to pick up the meals at a 7-Eleven store, or have them delivered to the customer's home or other specified location.

[> For more details about the Seven-Meal service](#)

Developing Products and Services that Make Meal Preparation Easy

One of the services offered by Seven-Eleven Japan as a part of Seven-Meal is "Meal Kits," cooking kits for set menus that include a main dish and side dish along with recipes that can be fully prepared in about 20 minutes. Customers can order the kits starting from one meal for one person. The Meal Kits do not contain any preservatives or artificial colors in the main ingredients or condiments, and since the ingredients come pre-cut, cooking times are short.

Besides, Ito-Yokado sells the Chef's RECIPE series, which can be easily prepared using a frying pan or microwave oven, at the fresh meat and fish sales sections (Tokyo Metropolitan area, northern Kanto area, and Shizuoka prefecture). The selection for cooking with a frying pan* offers meat and fish that have been cut and seasoned. These meals can be easily cooked with a frying pan in a short time. Customers can also cook them in considering nutritional balance, such as frying them with different vegetables of one's preference. The frozen delicatessen series Frozen Deli, which is convenient for customers when they are busy, is also available at the delicatessen sales section.

* The menu changes according to the seasons.



A Meal Kit from Seven-Meal



Omelet Rice from Frozen Deli

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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 “watch over agreements” with local governments to look out for elderly people and so on 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 Dementia 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 Comprehensive Alliance Agreements with Local Governments for Each Company

	As of February 28, 2018	As of February 28, 2019	As of February 29, 2020
Seven-Eleven Japan	91	140	184
Ito-Yokado	42	63	66
York-Benimaru	8	13	13
York Mart	2	4	4
Sogo & Seibu	9	13	13
Seven & i Food Systems	1	1	3
Total	153	234	283

> [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. Seven-Eleven Japan recognizes the importance of local flavors and food cultures by developing products that use local ingredients. Ito-Yokado, Sogo & Seibu, York- Benimaru, and other Group companies propose menus using local products and ingredients, helping to support regional revitalization by promoting the appeal of the local area.

In addition, at stores in Chiba Prefecture's Yachiyo City, York Mart participated in the Yachipan Project—an event for producing and selling bread based on ideas from local high school students carried out as part of the initiatives with local governments—and sold three types of bread.



"1/2 Day of Vegetables! Joshu Flour Okkirikomi"
sold at 7-Eleven stores in the Nagano region



"Flavors Presented by Students of Aomori Chuo Junior College! Jomon Prehistoric Sites Registration Support Bento"
sold at Ito-Yokado stores in Aomori Prefecture



"Fukui Specialty Food Fair"
held at the Seibu Fukui Store



Participated in "Yachipan Project" with two York Mart stores
in Chiba Prefecture's Yachiyo City

Government Services (Issuance of Various Certificates)

Seven-Eleven Japan's stores offer a service for issuing copies of residence certificates and seal registration certificates using in-store multifunctional copier machines. Agreements for this service are in place with 717 municipalities (as of February 29, 2020). This service is currently being expanded, as family register certificates can now be issued for 494 municipalities and tax certificates for 503. (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.

Insurance Enrollment and Premium Payment Service

Seven-Eleven Japan's 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 motor vehicle inspection.)

"1 DAY Insurance" providing automotive insurance coverage in one-day increments has been available at all 7-Eleven stores since September 2015, and "1 DAY Leisure Insurance" that provides necessary accident coverage when needed has been available since April 2018. Starting from June 2020, cancer insurance is being sold at all 7-Eleven stores.



Multifunctional copier machines can copy print, issue various types of certificates, and even issue insurance policies.

Bicycle Sharing

Seven-Eleven Japan has started using bicycle parking spaces on store grounds as sites for renting and returning shared bicycles. The areas will be expanded in stages, and Seven-Eleven Japan has placed some 3,700 bicycles at 630 stores in the Tokyo Metropolitan region and regional cities during FY2019. This program was launched at Ito-Yokado in June 2018, and Denny's restaurants in September 2018.

Bicycle sharing allows for bicycles to be rented from any of multiple stations within a certain region. After use, a bicycle need not be returned to the original location and can be returned to the station closest to the user's destination. Bicycle sharing is expected to supplement public transportation in areas that lack adequate transportation and can play an important role as infrastructure.



A store with a bicycle sharing site

Establishment of Polling Stations in Stores

Ito-Yokado 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, 2019, polling booths were set up in 25 Ito-Yokado stores and 4 Sogo & Seibu stores, and election promotion activities were conducted in the stores, such as displaying posters, in-store announcements and printing the election date on receipts.



A polling booth set up in an Ito-Yokado 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 foreign residents whose numbers are increasing yearly.



Training Dementia Supporters

The Seven & i Group supports the creation of neighborhoods where residents who suffer from cognitive impairment and their families can live with security. To this end, we are encouraging our employees to attend training courses for “dementia supporters.”

Each Group company holds training courses, and the number of the supporters across the 26 Group companies* as of February 29, 2020, is 37,550 in total. We will continue to strengthen our efforts to develop “dementia supporters.”

* 26 Group companies are working on this initiative (accounting for 98% of Group sales in Japan).

Number of Dementia Supporter Training Course Takers

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020 (Target)
Cumulative participants	16,554	24,029	29,623	34,110	37,550	40,000



Dementia supporter training

Marketing Products That Support Senior Lifestyles

Ito-Yokado is developing the Anshin Support Shop at 104 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 February 29, 2020). Sales are conducted by sales staff with specialized qualifications as counselors specialized in welfare equipment who are also able to deal with consultations regarding nursing care and welfare issues in general (305 counselors as of February 2020). In addition, Ito-Yokado is working to develop products in response to customer opinions and comments, such as a pushcart for seniors known as the “Silver Car” that can easily be pushed over uneven surfaces and a reliable walking stick with its shaft that is approximately 1.3 times thicker than usual to give a sense of stability. They have been well received by customers.

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



The Silver Car pushcart for seniors that can be pushed over uneven surfaces



Reliable walking stick

[> For more details about Anshin Support Shop \(in Japanese\)](#) 

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, it started concluding agreements such as 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 to help customers live safely and conveniently in Japan. As of March 31, 2020, we have concluded agreements with 13 local government organizations.

ATMs 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 its voice guidance service, which is mainly for customers with visual disabilities, users can make a transaction by following voice instructions delivered through an intercom phone installed on the ATM to operate the buttons on the phone. Customers with the cash cards of around 540 affiliated partner financial institutions* can use this service. The system of voice guidance was developed after soliciting feedback from people with visual disabilities and testing its operability. Furthermore, ATMs in 7-Eleven stores are installed with 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 finance institutions except for the above, such as insurance companies and credit card companies, even if they are a partner of Seven Bank.



Voice guidance service



ATM with cane and drink holder installed