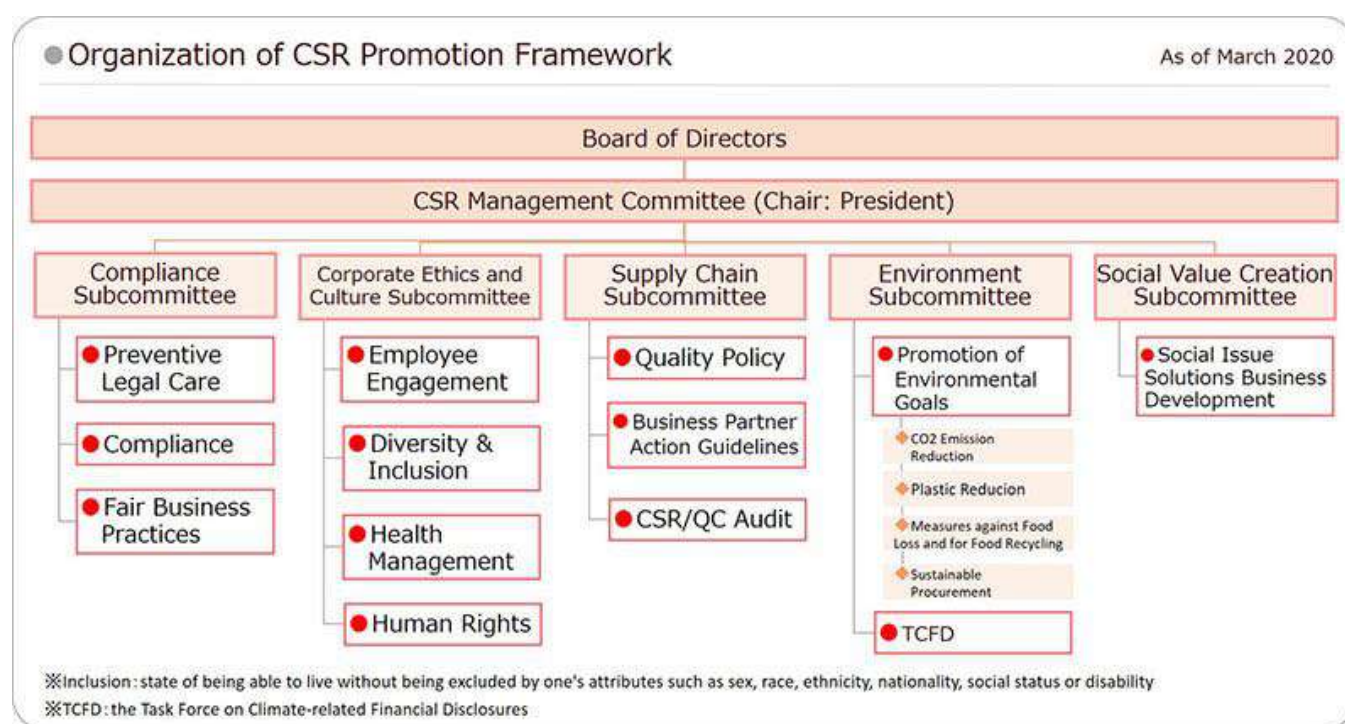


Sustainability Management

Seven & i Holdings works toward solving social issues in its core operations through promotion and development of businesses such as products and services. At the same time, we aim for sustainable development that creates value for both companies and society.

Sustainability Promotion Framework

Seven & i Holdings seeks to promote Group-wide sustainability activities that are effective and efficient. To this end, we hold regular, twice-yearly meetings of the CSR Management Committee, which is chaired by the President and Representative Director. At these meetings, we offer guidance and make improvements based on reports received from the five subcommittees. The meetings also help to strengthen the framework of collaboration between the holding company and operating companies.



Compliance Subcommittee

The Group employees complying with laws, regulations and social norms and practicing compliance including fair trade with customers and business partners is absolutely essential to realizing the Group's Corporate Creed "Trust and Sincerity." In addition to reinforcing thorough compliance at each Group company level, Seven & i Holdings newly establishes the Compliance Subcommittee in order for Seven & i Holdings, being the shareholding company, to support each Group company strengthen its compliance systems, as well as ensure effective supervision thereby.

Corporate Ethics and Culture Subcommittee

The Group employees understanding the Group's Corporate Creed and rigorous implementation of the Corporate Action Guidelines are an essential and important foundation to realize the Group's Corporate Creed "Trust and Sincerity." The Corporate Ethics and Culture Subcommittee conducts initiatives based on rigorous implementation of the Corporate Action Guidelines, such as to improve Group employee awareness through education by making everyone aware of the Corporate Creed and the Corporate Action Guidelines. In addition to these initiatives, to create fulfilling workplaces, Seven & i Holdings have been conducting an Employee Engagement Survey. We are also working to improve work environments, such as by rectifying long working hours, making progress on promoting active roles for diverse human resources including women and people with disabilities, and helping employees balance work and family care responsibilities. Further, Seven & i Holdings is working to create an environment where all employees can work at ease, such as by encouraging employees to take days off on holidays and acquire leave.

[For details about the Seven & i Group Corporate Action Guidelines >](#)

Supply Chain Subcommittee

It is one of the important corporate social responsibilities for companies and also a strong demand by stakeholders to promptly respond to the United Nations' "Guiding Principles on Business and Human Rights" and "Sustainable Development Goals (SDGs)," and to build a sound supply chain with human rights and the environment in mind. To improve product quality and ensure safety at each Group company, Seven & i Holdings aims to establish and strengthen the quality levels and control systems of each Group company based on the Group's Quality Policy. Furthermore, to ensure that Seven & i Holdings meets its social responsibilities regarding products and services across the entire supply chain, Seven & i Holdings asks business partners to understand and implement the Business Partner Sustainable Action Guidelines. Seven & i Holdings regularly verifies and shares their compliance through CSR audits to promote education, enlightenment and correction.

[For details about the Quality Policy >](#)

[For details about the Seven & i Group Business Partner Sustainable Action Guidelines >](#)

Environment Subcommittee

The Group uses products, raw materials and energy efficiently to combat challenges such as climate change and resource depletion, and the Group is working with customers and business partners to reduce the environmental impact throughout the supply chain. Seven & i Holdings believes this is an important factor that contributes to the sustainable development of society and will result in the sustainable growth of the Group. Therefore, based on the GREEN CHALLENGE 2050 announced in May 2019, the Environment Subcommittee is working to promote initiatives to develop a decarbonized society, a circular economy, and a society in harmony with nature. Based on recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), it is analyzing the risks and opportunities of climate change and deepening the Group's initiatives.

Social Value Creation Subcommittee

Based on an awareness that efforts to solve social issues will lead to new business opportunities as the Group expands its business domains and related social problems become increasingly varied, the Social Value Creation Subcommittee takes action to create business that generates social and economic value (creating shared value; CSV). Aiming to realize a sustainable society, the Seven & i Group has identified five material issues that it must address through engagement with various stakeholders. In response, the Social Value Creation Subcommittee is working to plan and execute new businesses originating from social issues to be addressed through core businesses by leveraging business characteristics and management resources, including the Group's business infrastructure and expertise cultivated to date. Apart from this, the subcommittee will strive to deepen initiatives with a view to fostering external collaboration with business partners, social entrepreneurs, NPOs, and other partners.

Targets and Progress by Each Subcommittee

○: Achieved, △: Almost achieved, ×: Far from achieved

Major FY2020 Targets	Results for FY2020	Evaluation	Main Plans for FY2021
Compliance Subcommittee			
(1) Establishing fair business practices			
<ul style="list-style-type: none"> Confirm the status of compliance with the Antimonopoly Act, the Subcontract Act, the Act against Unjustifiable Premiums, the Act Concerning Special Measures for Correcting Practices Impeding Consumption Tax Pass-on, etc., and take remedial measures FT training (e-learning) April: General labeling training(including food labels), 4,000 people July: Premium regulations,3,000 people November: Subcontracting Act, abuse of superior bargaining position 9,000 people (in total) Group education First half: 10 times, 450 people Second half: 20 times, 900 people 	<ul style="list-style-type: none"> Information sharing twice a year at FT project conferences First half: 59 participants from 25 Group companies Second half : 64 participants from 27 Group companies FT training (e-learning) April: General labeling training (including food labels), 4,230 people August: Premium regulations, 3,417 people November: Subcontracting Act, abuse of superior bargaining position, 11,372 people (in total) Group education (including online) First half: 4 times, 162 people Second half: 13 times, 579 people Conducting business partner questionnaires Approximately 8,300 responses 	○	<ul style="list-style-type: none"> Confirm the status of compliance with the Antimonopoly Act, the Subcontract Act, the Act against Unjustifiable Premiums, the Act Concerning Special Measures for Correcting Practices Impeding Consumption Tax Passon, etc., and take remedial measures (FT project conferences held twice a year) FT training (e-learning) May: General labeling training (including food labels), 5,000 people November: Fair trade (Subcontracting Act, abuse of superior bargaining position), 9,000 people (in total) Group education (including online) First half: 10 times, 400 people Second half: 15 times, 600 people Conducting business partner questionnaires
(2) Enforcement of compliance			
<ul style="list-style-type: none"> Implement compliance function questionnaires and interviews (November - December) Compliance e-learning 	<ul style="list-style-type: none"> Implement compliance function questionnaires and interviews (26 companies) Creating compliance e-learning content 	△	<ul style="list-style-type: none"> Conducting interviews on compliance issues and response status (26 companies) Compliance e-learning (September–October)
(3) Enhancement of preventive legal functions			
<ul style="list-style-type: none"> Implement compliance function questionnaires and interviews (November–December) 	<ul style="list-style-type: none"> Implement compliance function questionnaires and interviews (26 companies) 	○	<ul style="list-style-type: none"> Implement compliance function questionnaires and interviews (26 companies)

Major FY2020 Targets	Results for FY2020	Evaluation	Main Plans for FY2021
(4) Strengthen the internal reporting system			
<ul style="list-style-type: none"> Conduct training using an outside instructor for Group company Help Line staff (at least once a year) Implementaion of registration renewal of the Employee Help Line in the Consumer Affairs Agency's Whistleblower Compliance Management System 	<ul style="list-style-type: none"> Conduct training using an outside instructor for Group company Help Line staff (August 2020, 80 people) Renew the registration of the Employee Help Line in the Consumer Affairs Agency's Whistleblower Compliance Management System (August 2020) 	○	<ul style="list-style-type: none"> Establish a system as necessary in accordance with the amended Whistleblower Protection Act Conduct training using an outside instructor for Group company Help Line staff (at least once a year) Implementation of regiatration renewal of the Employee Help Line in the Consumer Affairs Agency's Whistleblower Compliance Management System
Corporate Ethics and Culture Subcommittee			
(1) Thoroughly ensure compliance with Corporate Action Guidelines			
<ul style="list-style-type: none"> Focus on awareness of the Corporate Creed and Corporate Action Guidelines when educating employees and help them take root In the autumn Employee Engagement Survey, ascertain compliance with the Corporate Action Guidelines 	<ul style="list-style-type: none"> Confirm status of compliance with the Corporate Creed and Corporate Action Guidelines when conducting Employee Engagement Surveys Compliance with the Corporate Action Guidelines: 90% 	○	<ul style="list-style-type: none"> Focus on awareness of the Corporate Creed and Corporate Action Guidelines when educating employees and help them take root In the Employee Engagement Survey, regularly monitor status of compliance with the Corporate Action Guidelines
(2) Create fulfilling workplaces			
<ul style="list-style-type: none"> Monitor planning and implementation of improvement measures, share examples of improvement cases Conducting Employee Engagement Surveys Manage issues based on the survey results, and plan / do improvement measures 	<ul style="list-style-type: none"> Conducting Engagement Surveys (November) Target: 30 Group companies, about 82,000 people Provide feedback on survey results 	△	<ul style="list-style-type: none"> Establishment of an Engagement Improvement Committee at each Group company In response to the survey results, consider and plan improvement measures through dialog with employees Conducting Employee Engagement Surveys
<ul style="list-style-type: none"> In response to law revisions, promote employment of people with disabilities and encourage normalization 	<ul style="list-style-type: none"> In order to improve the actual employment rate, strengthen the acceptance of trainees from special-needs schools, mainly at Ito-Yokado. Conducted training of a total of 18 students from 15 schools 	○	<ul style="list-style-type: none"> Promoting employment of people with disabilities Promote support for recruitment activities and retention for operating companies that have not achieved statutory employment rate
<ul style="list-style-type: none"> Maintain and improve the statutory employment rate for people with disabilities at the five applicable Group companies 	<ul style="list-style-type: none"> Maintain a 2.96% actual employment rate for people with disabilities at the five applicable Group companies 	○	<ul style="list-style-type: none"> Maintain and improve the statutory employment rate Maintain and improve the statutory employment rate for people with disabilities at the five applicable Group companies

Major FY2020 Targets	Results for FY2020	Evaluation	Main Plans for FY2021
<ul style="list-style-type: none"> ● Revise and utilize the normalization support guide to promote the employment and retention of people with disabilities 	<ul style="list-style-type: none"> ● Revise the normalization support guide and distribute it to each operating company 	△	<ul style="list-style-type: none"> ● Strengthen awareness-raising activities for Group companies Share laws and system revisions related to human rights issues such as the employment of people with disabilities, as well as discriminatory cases and incidents that actually occurred and provide reminders
(3) Diversity & Inclusion Promotion Project			
<ul style="list-style-type: none"> ● Set KPI to increase the percentage of female managers to 30% by 2020 and review progress each fiscal half, formulate and implement measures ● Continue to strengthen training of female candidates for management positions ● Conduct training to change a way of thinking 	<ul style="list-style-type: none"> ● Percentage of female managers (end of February 2021) Section Managers: 22.1% Team Leaders: 32.4% ● Meeting of the Diversity and Inclusion Promotion Committee 	△	<ul style="list-style-type: none"> ● Strengthen the dissemination of information both internally and externally on promoting diversity and inclusion ● Implement training of female candidates for management positions (women encouragement seminars)
<ul style="list-style-type: none"> ● Continue to conduct awareness raising activities targeting the executives and managers of Group companies ● Encourage men to participate more in housework and childcare ● Promote use of childcare leave among male employees 	<ul style="list-style-type: none"> ● Implement unconscious bias training for HR and education executives at Group companies 	△	<ul style="list-style-type: none"> ● Continue to conduct awareness raising activities targeting the executives and managers of Group companies ● Promote use of childcare leave among male employees
<ul style="list-style-type: none"> ● Disseminate basic knowledge on balancing work and family care responsibilities 	<ul style="list-style-type: none"> ● Held online seminar on balancing work and family care responsibilities, 156 participants from 20 companies 	○	<ul style="list-style-type: none"> ● Disseminate basic knowledge on balancing work and family care responsibilities
<ul style="list-style-type: none"> ● Promote diversity and inclusion and continue internal publicity relating to work-life synergies ● Promote LGBT understanding ● Active external communication 	<ul style="list-style-type: none"> ● Continue educational activities at Group companies in spite of reduced awareness raising opportunities due to the impact of COVID-19 	△	<ul style="list-style-type: none"> ● Continue awareness raising activities related to diversity and inclusion within the Group ● Promote LGBT understanding
(4) Promoting health management			
<ul style="list-style-type: none"> ● Plan and implement measures based on Health Declaration NEXT ● Implement initiatives for maintaining health, preventing illnesses, and returning to health ● Raising employee health awareness 	<ul style="list-style-type: none"> ● Conducted walking events, 2,638 participants from 28 companies ● Conducted health awareness raising seminars, 193 participants from 16 companies 	○	<ul style="list-style-type: none"> ● Plan and implement measures based on Health Declaration NEXT ● Implement initiatives for maintaining health, preventing illnesses, and returning to health ● Raising employee health awareness

Major FY2020 Targets	Results for FY2020	Evaluation	Main Plans for FY2021
<ul style="list-style-type: none">● Comfortable working conditions where people can work with healthy minds and bodies● Establishment of healthy and comfortable working environments	<ul style="list-style-type: none">● Implementing line care training and self-care training● Implementing no-smoking during working hours (from July)	○	<ul style="list-style-type: none">● Comfortable working conditions where people can work with healthy minds and bodies● Establishment of healthy and comfortable working environments
<ul style="list-style-type: none">● Conduct training based on harassment prevention measures	<ul style="list-style-type: none">● Implemented harassment training (15 companies)● The November 2020 issue of the Group magazine was a special issue on prevention of workplace harassment, carrying a message from the president Distribution target: About 70,000 people	○	
Supply Chain Subcommittee			
(1) Improving product quality and ensuring safety			
<ul style="list-style-type: none">● Develop foundations and further reinforce organization and personnel at each Group company	<ul style="list-style-type: none">● Implement revision of clothing and housing quality standards● Hold regular meetings for the purpose of sharing issues within the Group	○	<ul style="list-style-type: none">● Conduct monthly meetings of the working group for revising quality standards
<ul style="list-style-type: none">● Implement process audits by an external auditing organization at PB product (clothing/household goods) factories	<ul style="list-style-type: none">● Process audits not conducted due to COVID-19 *Factory surveys conducted by each operating company	△	<ul style="list-style-type: none">● Implement measures based on self-checks and contracts in case of PB factories which are difficult to audit● Data base compilation using the supply chain management system
<ul style="list-style-type: none">● Conduct MD training (textiles, sundries, Pharmaceuticals and Medical Devices Act, etc.)● Required training attended by 100% of trainees	<ul style="list-style-type: none">● Conduct online training tailored to customer needs (such as cleanliness) and implement online display training in accordance with legal revisions● Number of participants (in total) Food: 995 people Clothing and housing: 935 people	○	<ul style="list-style-type: none">● Construct an education program subdivided by category to improve the expertise of personnel in charge of purchasing● Expand training tailored to the times, such as training on sustainable materials
<ul style="list-style-type: none">● Promote acquisition of certification pursuant to international standards by factories that manufacture original products to support HACCP systemization (Acquire at 100% of target factories)	<ul style="list-style-type: none">● Obtained JFS standard certification in 2020 for 165 factories covered by the Nihon Delica Foods Cooperative Association which shares products with Seven-Eleven Japan● Regarding Seven Premium, 94% of the manufacturing consignment factories are HACCP certified	△	<ul style="list-style-type: none">● Efforts to obtain certification by the end of FY2021 are underway at the Seven Premium manufacturing consignment factories as well
<ul style="list-style-type: none">● Check the operational status of HACCP in stores Target stores (SEJ, IY, YB, York, SHELL GARDEN, and Sogo & Seibu) Implementation of e-learning for employees (planned attendees: approx. 1,500)	<ul style="list-style-type: none">● Operations are started once operation manuals conforming to “Hygiene Management in accordance with HACCP,” which came into effect in June, are distributed to each store	○	<ul style="list-style-type: none">● Confirmation of manual operations by the store patrol Sharing information on the operational status of each company

Major FY2020 Targets	Results for FY2020	Evaluation	Main Plans for FY2021
<ul style="list-style-type: none"> Implement labeling for original products of operating companies that have not labeled dietary fiber and sugars(available carbohydrates) 	<ul style="list-style-type: none"> System innovations have not progressed and not been implemented for some in-store manufactured products of operating companies. Implementation completed for other products 	△	<ul style="list-style-type: none"> Promote environmental improvement, including system renovation
(2) Thorough implementation of Business Partner Action Guidelines			
<ul style="list-style-type: none"> Hold briefing sessions to explain Seven & i Holdings Business Partner Sustainable Action Guidelines (revised in December 2019) *Held online due to COVID-19 For domestic (June)) For China/Southeast Asia (August) Study sessions for in-house product development and procurement staff (May, June, July) 	<ul style="list-style-type: none"> Results of briefings to explain Seven & i Holdings Business Partner Sustainable Action Guidelines For domestic (June): 274 people from 178 companies For China and Southeast Asia (August): 79 people from 66 companies *For online sessions, the data is the number of accesses during the briefing period 	△	<ul style="list-style-type: none"> Online briefings to explain Seven & i Holdings Business Partner Sustainable Action Guidelines 2021 For Seven Premium domestic (February) For domestic business partners on consignment of PB overseas manufacturing (February) Multilingual briefings for China and Southeast Asia (March) Briefings and training for in-house purchasing personnel (April, July, October, January)
<ul style="list-style-type: none"> Compliance seminar *Held online due to COVID-19 For domestic (August) For China and Southeast Asia (September) 	<ul style="list-style-type: none"> Compliance seminar results For China (January): 304 people from 215 companies For domestic (February) 213 people from 145 companies *For online sessions, the data is the number of accesses during the seminar period 	○	<ul style="list-style-type: none"> Compliance seminar For domestic (May, August, November) For overseas factories (June, September, December)
<ul style="list-style-type: none"> CSR audit plan Overseas: 600 factories in China and Southeast Asia Domestic: 500 factories that produce Seven Premium *May shrink due to the effects of COVID-19 	<ul style="list-style-type: none"> CSR audit results Overseas: 413 factories in China and Southeast Asia Domestic: 271 factories that produce Seven Premium *Postponed support at 47 PB product manufacturing factories due to the spread of COVID-19 	○	<ul style="list-style-type: none"> CSR audit plan Overseas: 500 factories in China and Southeast Asia Domestic: 500 factories that produce Seven Premium *May shrink due to the effects of COVID-19 *Remote auditing using online are also introduced
Environmental Subcommittee			
(1) Initiatives for achieving a decarbonized society			
<ul style="list-style-type: none"> Continue conducting third-party verifications at 12 Group companies to correctly evaluate and investigate initiatives for reducing CO2 emissions Expand installation of renewable energy equipment such as solar panels 	<ul style="list-style-type: none"> Conducted third-party verifications at 12 Group companies Solar power generation panels installed in 8,681 Group stores In particular, a mega-solar power generation system, one of the largest systems in commercial facilities of Japan, was introduced at the Ito-Yokado Ario Ichihara store 	○	<ul style="list-style-type: none"> Expand the number of third-party verification companies to 15 in order to properly evaluate and verify initiatives to reduce CO2 emissions Expand installation of renewable energy equipment such as solar panels, as well as renewable energy procurement

Major FY2020 Targets	Results for FY2020	Evaluation	Main Plans for FY2021
(2) Initiatives for achieving a circular economy			
<ul style="list-style-type: none"> ● Introduce environmentally friendly materials to Seven-Eleven boxed lunches and delicatessen item containers ● Reduce plastic usage by improving Seven Premium beverage containers 	<ul style="list-style-type: none"> ● Reduce about 800 tons of plastic by using paper for chilled boxed lunch containers ● Reduce plastic by about 25% compared to conventional products by making lids of the delicatessen items "Cup Deli" line into top seals ● Reduce plastic by about 10% compared to conventional products by adopting new containers that do not require plastic films for the Seven Premium Café Latte series 	○	<ul style="list-style-type: none"> ● Introduce environmentally friendly materials to Seven-Eleven rice balls and sandwiches ● Expand products using recycled PET bottles for Seven Premium beverages
<ul style="list-style-type: none"> ● Expand 100% recycled bottle products in the Hajime Ryokucha series ● Develop 100% recycled PET bottle products with new business partners 	<ul style="list-style-type: none"> ● Expand 100% recycled PET bottle for the three products in the Hajime Ryokucha series ● Launched "Seven Premium Lifestyle Body Cooler" using recycled yarn made from PET bottles collected by the Group ● Agreed to establish a joint venture with Veolia Japan K.K. and Mitsui & Co., Ltd. to establish a PET bottle recycling factories to achieve a recycling-oriented society ● Capital participation in R Plus Japan Ltd., an initiative for recycling used plastics 	○	<ul style="list-style-type: none"> ● Promoting recycling of resources together with customers by expanding the installation of PET bottle collection machines ● Participation in platforms and initiatives with new business partners in the recycling of plastic resources
<ul style="list-style-type: none"> ● Expand "Ethical Project" aimed at controlling the generation of food waste all across the nation (an initiative that awards nanaco points for purchasing daily food whose sell-by date is approaching) 	Seven-Eleven Japan has already introduced the "Ethical Project" at its stores nationwide with the aim of controlling the generation of food waste (An initiative that awards nanaco points when purchasing a target product whose sellby date is approaching)	○	<ul style="list-style-type: none"> ● Develop the new awareness-raising activity, the "Temaedori Project", aimed at reducing food waste at all 7-Eleven stores (cooperation among ministries, agencies, and JFA)
(3) Initiatives for developing a society in harmony with nature			
<ul style="list-style-type: none"> ● Expanded varieties of certified products 	<ul style="list-style-type: none"> ● Acquired the Marine Eco-Label Japan (MEL) certification at Ito-Yokado in April. Started sales after marking four kinds of fish of our original product "Fresh Fish with Traceability" 	○	<ul style="list-style-type: none"> ● Development and introduction of new certified products
(4) Raising employee environmental awareness			
<ul style="list-style-type: none"> ● Have 650 employees pass the Certification Test for Environmental Specialists (for a cumulative total of about 10,230) <p>* As a measure to prevent the spread of COVID-19, the number of tests and the number of people who can take the test have decreased</p>	<ul style="list-style-type: none"> ● Have 462 employees pass the Certification Test for Environmental Specialists (for a cumulative total of 10,041) 	△	<ul style="list-style-type: none"> ● Have 500 employees pass the Certification Test for Environmental Specialists (for a cumulative total of about 10,500) <p>*The number of people who can take the test is decreasing with the transition to the internet examination method</p>

Major FY2020 Targets	Results for FY2020	Evaluation	Main Plans for FY2021
Social Value Creation Subcommittee			
(1) Promote understanding of social issues			
<ul style="list-style-type: none"> Conduct in-house education on new CSV development to develop human resources who will be responsible for investigating and creating new businesses with an eye toward the future 	<ul style="list-style-type: none"> Lectures by social entrepreneurs and sharing of CSV activities of operating companies (31 initiatives of 17 operating companies) 	○	<ul style="list-style-type: none"> In addition to the sharing of CSV use among operating companies, we plan to hold the second business development program for solving social Issues
(2) Create new CSV businesses			
<ul style="list-style-type: none"> Continue to operate programs that allow the acquisition of know-how for creating social businesses 	<ul style="list-style-type: none"> Continue to operate social business programs implemented in FY2019 	○	<ul style="list-style-type: none"> Verify whether a business proposal emerging from a social business program can be established as a business

CSR Training for Employees

Seven & i Holdings provides employees with CSR training via group training when they join the company or are appointed to a new position through promotion or advancement in rank, in addition to using such means as company newsletters and the Sustainability Data Book.

Study groups, seminars, and the like are held regularly for specialized fields including compliance, diversity and inclusion, and the environment, and information about volunteering is communicated to employees through the internal portal site.

Also, we have been conducting CSR training via e-learning for all employees at domestic Group companies. In the fiscal year ending February 28, 2021 as well, we implemented e-learning on the Antimonopoly Act (abuse of superior bargaining position), the Subcontracting Act, product labeling, and other topics for all employees who are associated with business partners. An e-learning about the Group's environmental declaration "GREEN CHALLENGE 2050" was also conducted.

