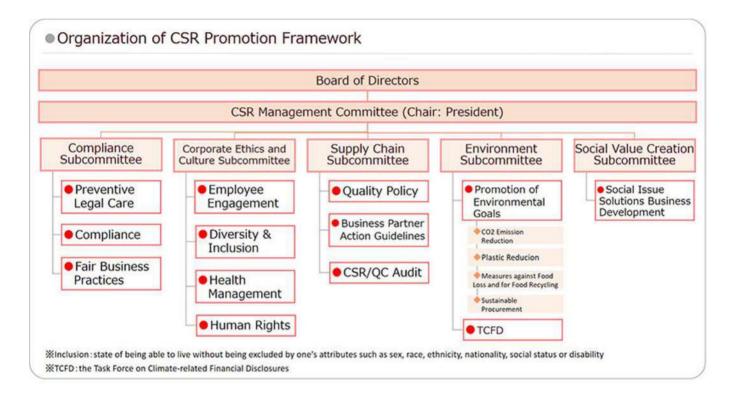
Sustainability Management

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 established 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. The Compliance Subcommittee is chaired by the head of the Corporate General Administration & Legal Division of Seven & i Holdings. The division in charge of legal affairs at the Company manages the subcommittee to promote specific measures.

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. The Corporate Ethics and Culture Subcommittee is chaired by the head of the Corporate Personnel Planning Division of Seven & i Holdings. The division in charge of human resources at the Company manages the subcommittee to promote specific measures.

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. The Supply Chain Subcommittee is chaired by the Managing Executive Officer and head of the Seven & i Holdings Group Merchandise Strategy & Planning Division, and is managed by the division in charge of product strategies at the Group to promote specific measures.

For details about the Seven & i Group Sustainable Sourcing Principles and Policies >

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 approved by the Board of Directors in April 2019 and 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. The Environment Subcommittee is chaired by the Executive Officer and head of the Sustainability Development Department of the Corporate Development Division of Seven & i Holdings, and is managed by the department in charge of environmental measures of the Group to promote specific measures.

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 seven 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. The Social Value Creation Subcommittee is chaired by the Director, Managing Executive Officer, and head of the Corporate Development Division of Seven & i Holdings, and is managed by the division in charge of management planning to promote specific measures.

Targets and Progress by Each Subcommittee

 \bigcirc : Achieved, \triangle : Almost achieved, \times : Far from achieved

Major Plans for FY2021	Results for FY2021	Evalu ation	Major Plans for FY2022
Compliance Subcommittee			
(1) Establishing fair business practices			
 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 as necessary FT project conference: held twice a year Conduct FT training (e-learning) May: General labeling training (including food labels), 5,000 people underwent training November: Fair trade (abuse of superior bargaining position, Subcontracting Act,), 9,000 people in total underwent training Conduct Group education (including online) First half: 10 times, 400 people underwent training Conduct business partner Conduct business partner 	 Information sharing at FT project conferences First half (May): 54 participants from 25 Group companies Second half (November): 63 participants from 24 Group companies FT training (e-learning) June: General labeling training (including food labels), 6,310 people in total underwent training November: Fair trade (abuse of superior bargaining position, Subcontracting Act), 11,576 people in total Group education (including online) First half: 12 times, 449 people in total underwent training Second half: 17 times, 613 people in total underwent training Business partner questionnaires Approximately 8,800 responses 		 Confirm the status of compliance with the Antimonopoly Act, the Subcontract Act, the Act against Unjustifiable Premiums, and take remedial measures as necessary FT project conference: held twice a year Conduct FT training (e-learning) June: General labeling training (including food labels), 7,000 people underwent training November: Fair trade (abuse of superior bargaining position, Subcontracting Act), 11,000 people in total underwent training Group education (including online) First half: 15 times, 500 people underwent training Second half: 15 times, 600 people underwent training Conduct business partner questionnaires
 Conduct business partner questionnaires 			

Major Plans for FY2021	Results for FY2021	Evalu ation	Major Plans for FY2022
(2) Enforcement of compliance			
 Interview operating companies on compliance issues and response status Conduct compliance e-learning (September-October) 	 Interviews of operating companies on compliance issues and response status: 25 companies Compliance e-learning Number of course takers: 2,818 Number of courses: 10 Total number of course takers: 11,743 	0	 Interview operating companies on compliance issues and response status: 25 companies Conduct compliance e-learning
(3) Enhancement of preventive legal function	S		
Implement compliance function questionnaires and interviews targeting operating companies	 Interviews of operating companies on compliance issues and response status: 25 companies 	0	 Interview operating companies on compliance issues and response status: 25 companies
(4) Strengthen the internal reporting system			
Establish a system as necessary in accordance with the amended Whistleblower Protection Act Conduct training using an outside instructor for Group company internal reporting system staff (at least once a year)	 Establish a system as necessary in accordance with the amended Whistleblower Protection Act: Meetings held 10 times Conduct training using an outside instructor for Group company internal reporting system staff October: 80 people underwent 	0	 Establish a system as necessar in accordance with the amended Whistleblower Protection Act Conduct training using an outside instructor for Group company internal reporting system staff (at least once a year)
Implementation of registration renewal of the internal reporting system (for employees) in the Consumer Affairs Agency's Whistleblower Compliance Management System	training, November: 60 people underwent training Implementation of registration renewal of the internal reporting system (for employees) in the Consumer Affairs Agency's Whistleblower Compliance Management System (August)		

Major Plans for FY2021	Results for FY2021	Evalu ation	Major Plans for FY2022		
Corporate Ethics and Culture Subcon	Corporate Ethics and Culture Subcommittee				
(1) Thoroughly ensure compliance with Corpo	orate Action Guidelines				
 Focus on awareness and permeation 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 	 Confirm status of compliance with the Corporate Creed and Corporate Action Guidelines when conducting Employee Engagement Surveys Compliance with the Corporate Action Guidelines: 93% (Full- time employees) 	0	 Focus on awareness and permeation 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					
 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 	 Establishment of an Engagement Improvement Committee at each Group company and reinforcement of improvement activities Establishment of opportunities for dialogue with employees at many Group companies and proposal and implementation of improvement measures Conducting Employee Engagement Surveys (November) Target: 34 Group companies, about 73,000 people 	Δ	 Reinforce activities to enhance engagement at Group companies and share information on case studies In response to the survey results, consider improvement measures through dialog with employees and continuously implement plans Conducting Employee Engagement Surveys 		
 Promoting employment of people with disabilities Promote support for recruitment activities and retention for operating companies that have not achieved statutory employment rate 	 Reinforce acceptance of workplace trainees from special support schools with a focus on operating companies that have not met the statutory employment rate (Sogo & Seibu, York, and others) and Ito-Yokado: 17 persons hired 	0	 Promoting employment of people with disabilities Promote support for recruitment activities and retention for operating companies that have not achieved statutory employment rate (support for individual interviews and consultations) 		

Major Plans for FY2021	Results for FY2021	Evalu ation	Major Plans for FY2022
 Maintain and improve the statutory employment rate Maintain and improve the statutory employment rate for people with disabilities at the five applicable Group companies 	 Maintain a 2.95% actual employment rate at the five applicable Group companies* *Seven & i Holdings, Seven- Eleven Japan, Ito-Yokado, Seven & i Food Systems, Terube 	0	 Maintain and improve the statutory employment rate Maintain and improve the statutory employment rate for people with disabilities at the five applicable Group companies
• 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	 Prepare Human Rights Reports to disseminate information to Group companies (issued seven times annually) Promote hiring of persons with disabilities and normalization while sharing information on various human rights issues with employees and conducting educational activities 	Δ	 Reinforce educational activities for Group companies and implement rank-based human rights training, hands-on normalization training, follow-up training for vocational life counselors for employees with disabilities, and other measures
(3) Diversity & Inclusion Promotion Project			
 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) 	 Set target for ratio of female executive officers 30% by February 28, 2026 (at the six core Group companies) Join the 30% Club Japan Conduct newly the women encouragement seminars 60 participants from 19 Group companies Percentage of female managers (end of February 2022) Team leaders: 30.4% Section managers: 23.3% 	Δ	 Manage KPI and progress and implement measures at Group Companies each half to achieve the targets for the ratio of female managers Conduct female employee empowerment measures throughout the Group (training for female employees, etc.)

Major Plans for FY2021	Results for FY2021	Evalu ation	Major Plans for FY2022
 Continue to conduct awareness raising activities targeting the executives and managers of Group companies Promote use of childcare leave among male employees 	 Implement unconscious bias training 277 participants Conduct training for officers of Group companies: 191 participants Distribute Akachan Honpo discount coupons to eligible employees to encourage male employees to take childcare leave 	Δ	 Continue to conduct awareness raising activities targeting the executives and managers of Group companies Promote use of childcare leave among male employees Disseminate basic knowledge on balancing work and family care responsibilities Promote LGBT understanding
 Disseminate basic knowledge on balancing work and family care responsibilities 	 Hold seminars on nursing care and distribute archives of seminar content: 185 participants 	0	
 Continue awareness raising activities related to diversity and inclusion within the Group Promote LGBT understanding 	Hold LGBT seminar and distribute archives of seminar content: 180 participants	0	Disseminate information related to diversity and inclusion internally and externally
(4) Promoting health management			
 Plan and implement measures based on Health Declaration NEXT Implement initiatives for maintaining health, preventing illnesses, and returning to health Raising employee health awareness 	 Conduct walking events 7,941 participants from 25 companies Conduct health awareness raising seminars 900 participants from 18 companies Conduct breast cancer screening and cervical cancer risk testing (for employees who wish) 	Δ	 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 Plans for FY2021	Results for FY2021	Evalu ation	Major Plans for FY2022
 Establishment of comfortable working environments where people can work with healthy minds and bodies 	 Implement harassment training 17 companies participated Implement mental health training 19 companies participated 	0	Establishment of comfortable working environments where people can work with healthy minds and bodies
Supply Chain Subcommittee			
(1) Improving product quality and ensuring sa	afety		
 Conduct monthly meetings of the working group for revising quality standards 	 Revise quality standards for each operating companies and shar them with Group companies 	0	 Identify and share information on issues to reinforce quality control systems at operating companies
 Request implementation of self-checks and submission of pledges in cases of PB factories which are difficult to audit Data base compilation using the supply chain management system 	 Request implementation of self- checks by business partners and collect pledges. While on-site audits are difficult, conduct on- site audits at 35 factories and remote audits at three factories 	Δ	 Conduct ongoing audits Use remote audit methods because of the COVID-19 pandemic and continue monitoring factories that manufacture PB products
 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 	 Conduct training to acquire highly specialized knowledge on apparel, household goods, and sustainable materials A wide range of Group employees participate in online training, with a total of 1,287 employees undergoing training 	0	 Conduct new training not just for purchasing personnel but also personnel in quality control departments so that they can acquire specialized skills and knowledge on quality control and product safety Conduct training on specific products so that personnel can acquire additional specialized knowledge
 Support acquisition of quality certification by the end of FY2021 at the Seven Premium manufacturing consignment factories 	98.9% of manufacturing consignment factories acquire quality certification	Δ	Continue measures in cooperation with business partners for all factories to obtain quality certification

Major Plans for FY2021	Results for FY2021	Evalu ation	Major Plans for FY2022
 Confirmation of the status of compliance with manual through of HACCP by store patrols Sharing information on the operational status of each company 	 Continue affirming the status of compliance with HACCP operations manuals at each store Employ hazard factor analysis to prevent accidents 	0	 Continue compliance with HACCP operations manuals Conduct training to acquire fundamental knowledge concerning sanitation management
 Promote environmental improvement, including system renovation 	 Encourage introduction of automated identification systems at PB manufacturing consignment factories 	Δ	Collect the latest industry information, etc.
(2) Thorough implementation of Business Par	tner Action Guidelines		
 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 inhouse purchasing personnel (April, July, October, January) 	 For Seven Premium domestic manufacturing contractors: Viewed by 306 companies and 414 persons For domestic business partners on consignment of PB overseas manufacturing: Viewed by 145 companies and 213 persons Multilingual briefings for China and southeast Asia (in English, Chinese, Thai, and Vietnamese): Viewed by 66 companies and 444 persons Briefings and training for inhouse purchasing personnel: 13 companies in a total of 2,030 persons participated in training including e-learning 	0	 Live broadcast and on-demand distribution of Business Partner Action Guidelines and CSR audit briefings (for Japan and overseas) Live broadcast (March) On-demand distribution (March-November) Conduct briefings on the Business Partner Action Guidelines and CSR audits for in-house purchasing personnel (June, October, and January)
 Conduct compliance seminar For domestic (May, August, November) For overseas factories (June, September, December) 	 Compliance seminars for domestic business partners: Implement eight times with a total of 1,982 viewers Compliance seminars for overseas factories: Implement 11 times in Chinese, Thai, and Vietnamese with a total of 669 viewers 	0	Divide compliance seminars into 10 courses and provide on- demand distribution of more practical content including specific case studies

Major Plans for FY2021	Results for FY2021	Evalu ation	Major Plans for FY2022
 Conduct CSR audit 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 	 CSR audits of overseas factories: 357 factories (322 factories audited on-site and 35 factories audited remotely) CSR audits of domestic factories: 371 factories (321 factories audited on-site and 50 factories audited remotely) * There is substantial impact from the COVID-19 	0	Conduct CSR audit Overseas: 350 factories in China and Southeast Asia Domestic: 500 factories that produce Seven Premium *May shrink due to the effects of COVID-19
Environment Subcommittee			
(1) Initiatives for achieving a decarbonized so	ociety		
 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 	 Expand the scope of third-party verification to 15 Group companies by adding Seven Bank, Barneys Japan, Seven & i Holdings (the target companies account for approximately 98% of total Group sales revenue) Install solar power generation panels in 8,821 Group stores Starting in April 2021, introduce the green electric power including off-site PPA at some stores 	0	 Apply for SBT certification Conduct third-party verifications of CO2 emissions at 15 companies Install solar power generation panels at more than 9,000 Group stores Expand procurement of renewable energy through offsite PPA
(2) Initiatives for achieving a circular econom	у		
 Introduce environmentally friendly materials to Seven-Eleven rice balls and sandwiches Expand the use of recycled PET bottles for Seven Premium beverages 	 Make the film used to wrap Seven-Eleven hand-rolled rice balls thinner to reduce plastic usage by 20% compared to previously Combine the film used for some Seven-Eleven sandwich products with paper materials to reduce plastic usage by 40% compared to previously Change containers used with 4 Seven Premium tea products to 100% recycled PET plastic 	0	 Implement environmental responses at SEVEN CAFÉ Implement environmental responses for Seven-Eleven dairy products

Major Plans for FY2021	Results for FY2021	Evalu ation	Major Plans for FY2022
 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 	 Number of PET bottle collection machines installed: 2,098 machines (an increase of 1,097 machines from the previous year); total volume collected: 10,800 t (an increase of 2,100 t from the previous year) Make an equity investment in R Plus Japan, Ltd., a new company, to recycle used plastic Make an equity investment in Kyoei J&T Recycling Corporation, one of Japan's largest PET bottle recycled resin manufacturing companies 	0	 Encourage resource recycling with customers by expanding installation of PET bottle collection machines Implement demonstration tests of new in-store collection methods to conduct plastic resource recycling
 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) 	Implement the "Temaedori Project" at 7-Eleven stores in collaboration with government ministries and agencies and JFA	0	Continue the "Temaedori Project" at 7-Eleven stores and expand into the Group's food supermarket sector
 Implement mottECO at Denny's restaurants with the aim of reducing food loss arising from customer leftovers 	 Implement mottECO at Denny's restaurants in Tokyo and encourage customers to bring leftovers home 	0	Expand mottECO implementing restaurants nationwide

Major Plans for FY2021	Results for FY2021	Evalu ation	Major Plans for FY2022
(3) Initiatives for developing a society in harm	nony with nature		
Development and introduction of new certified products	 Expand MEL-certified fish species handled by Ito-Yokado to include farm-raised yellowtail, amberjack, red sea bream, flatfish, and silver salmon as well as wild-caught bonito Begin handling MEL-certified products at Group companies York Benimaru and York 	0	Following acquisition of MEL certification, acquire ASC CoC certification at all superstore business stores
			 Conduct basic JGAP instructor training for employees involved in product procurement and increase the number of employees with JGAP instructor qualifications
(4) Raising employee environmental awarene	SS		
 Number of employees who pass the Certification Test for Environmental Specialists: 500 (for a cumulative total of about 10,500) *The number of people who can take the test is decreasing with the transition to the internet examination method 	 Number of employees who pass the Certification Test for Environmental Specialists: about 900 (for a cumulative total of about 10,900) 	0	
Social Value Creation Subcommittee			
(1) Promote understanding of social issues			
 Hold the second business development program for solving social issues, in addition to the sharing of CSV use among operating companies 	 Design the second business development program for solving social issues, in addition to the sharing of CSV use among operating companies 	0	 Hold the second business development program for solving social issues, in addition to the sharing of CSV use among operating companies,

Major Plans for FY2021	Results for FY2021	Evalu ation	Major Plans for FY2022
(2) Create new CSV businesses			
 Verify whether a business proposal emerging from a social business program can be established as a business 	 Conduct verification of whether a business proposal emerging from a social business program can be established as a business 	0	 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. We have been conducting CSR training via e-learning for all employees at domestic Group companies. In the fiscal year ending February 28, 2022 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.



