

# Material Issue 1 Create a livable society with local communities through various customer touchpoints

## Approach to the Material Issue

The Seven & i Group operates approximately 22,800 stores nationwide and has other diverse touchpoints with customers, including home delivery and outside sales. We believe it is important to leverage the strengths of the Group to provide a livable society together with local communities and neighborhoods through all customer touchpoints, including our stores. Resolving issues such as aging and shrinking populations is an important social role that we are constantly called upon to play, as well as a business opportunity in the form of new customer needs. We continue to make efforts to be close to each and every one of our customers as their most familiar company.

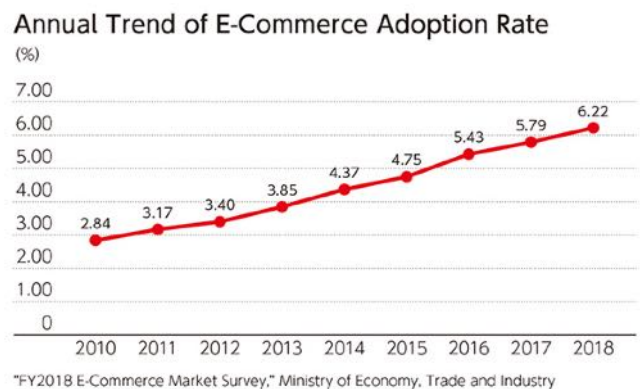
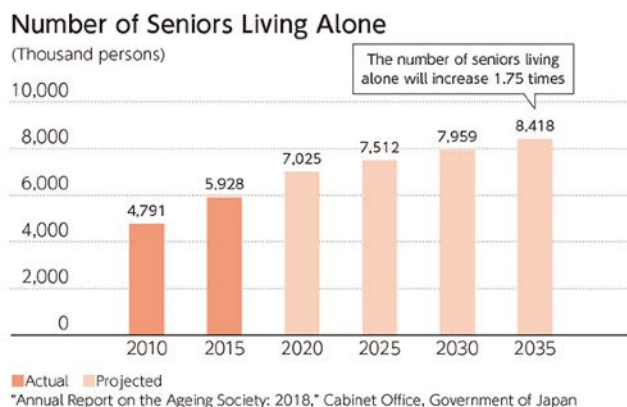
## Background to the Material Issue

### 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. The number of seniors living alone who have a disadvantage in shopping due to a lack of walkable access to fresh food stores increases year by year.

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



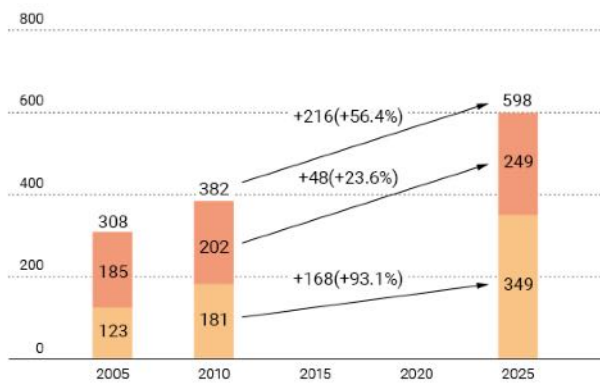
**Estimated future population of those without automobiles living 500 meters or more from a store (aged 65 years or over)**

Urban areas Agricultural areas

**Stores selling fresh foods**

(10,000 persons)

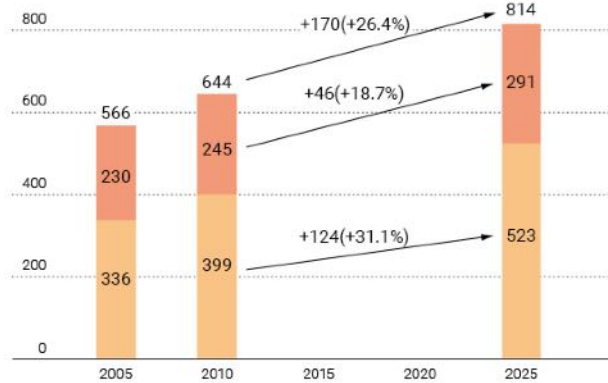
1,000



**Food supermarkets, etc.**

(10,000 persons)

1,000



Source: Policy Research Institute, Ministry of Agriculture, Forestry and Fisheries

## Contribution to SDGs

By addressing this material issue, 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 and 11.



## Seven & i Group's Initiatives

**Shopping Support >**

**Reducing Housework >**

**Providing Services to a Wide Range of Customers >**

**Implementing Crime Prevention Measures for Local Communities >**

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## Shopping Support

Seven & i Group 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.

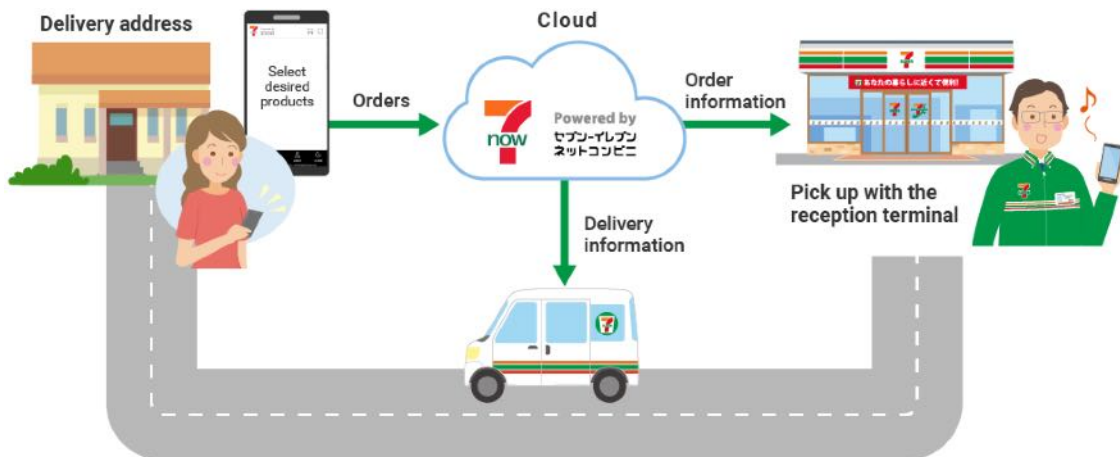


## Store Product Delivery Service

Seven & i Group provides a service in which products ordered online or by telephone are delivered to specified locations as well as in-store sales to help local residents do their everyday shopping more comfortably.

### "7NOW" Seven-Eleven Online Convenience Stores

Aiming to realize "Anytime, Anyplace, Right Away," Seven-Eleven Japan provides 7NOW, the Seven-Eleven online convenience stores service in which orders made by customers on their smartphones for any desired products from about 2,800 products sold in stores are delivered to specified locations in as little as 30 minutes. Demonstration testing has been conducted at about 5,000 stores in certain areas in Hokkaido, Tokyo, Saitama, Chiba, Kanagawa, and Hiroshima Prefectures as of the end of June 2023, and it aims to expand this service to 12,000 stores by the end of February 2024.



## 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 28, 2023, the service operates a fleet of some 482 "COMS" ultra-small electric vehicles.



Seven RakuRaku Delivery

## Online Supermarkets

For food and household goods, Ito-Yokado has launched an online supermarket at 105 stores (as of the end of May 2023), by which products that are ordered on PCs or smartphones are delivered from nearby stores within specified time slots. In December 2014, Ito-Yokado started offering a service to support parents raising children. Parents who present their maternity notebook issued within the last four years and register for the online supermarket can use a discounted delivery fee for four years from the registration date. Furthermore, in order to improve the efficiency of deliveries as well as meet the diversifying needs of our customers for pick-up options, Ito-Yokado also enhanced its non-contact delivery and drop-off services. As the first such service in Japan, 7&i Locker Pick-Up was launched in March 2020 with the temperature ranges of refrigeration, freezing, and room temperature. This is a service in which products ordered through the online supermarket are stored in specified lockers separated into room, refrigeration, and freezing temperatures. As of the end of May 2023, the 7&i Lockers have been installed in a total of 10 locations in 7-Eleven, Ito-Yokado, and other stores.



Filling an online supermarket order



A 7&i Locker installed in front of a store

## Quick Commerce with OniGO

In collaboration with OniGO, which operates supermarkets that specialize in home delivery, York launched a service that delivers products ordered online to the homes of customers who find it inconvenient to go shopping because of distance or time constraints. Service started in March 2022 at the Comfort Market Nishimagome store. Service was expanded to three additional stores in March 2023, and it plans to expand further in the future.

## Mobile Store Service

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In recent years, as the birthrate falls, society ages, and nuclear families become more prevalent, retail stores and elsewhere that sell such things as fresh food have decreased, and this has led to a growing number of people who feel that everyday shopping is inconvenient. Seven & i Group has launched a mobile store service in order to solve these kinds of social issues.

### Seven Anshin Delivery

As of the end of February 2023, Seven-Eleven Japan operates 117 vehicles in 41 prefectures for its Seven Anshin Delivery mobile store service. Moving mainly through areas that are inconvenient for everyday shopping or have a large number of seniors who find it difficult to use transportation, these uniquely developed light trucks equipped with store facilities carry about 300 items that include food and household goods and range from frozen products to those at room temperature. Plans call for this service to be expanded further in the future to fulfill the needs of customers.

### Ito-Yokado Tokushimaru

In collaboration with TOKUSHIMARU inc., Ito-Yokado started operating vehicle No. 1 of the mobile store named Ito-Yokado Tokushimaru from the Minami Osawa store in April 2020. As of the end of February 2023, it operates 103 trucks in 58 municipalities. Ito-Yokado is supporting customers who feel inconvenience by shopping through its mobile supermarket initiative, in which about 400 products totaling 1,200 items are loaded into mobile store vehicles and sold near the residences of customers. Ito-Yokado is also proceeding with enterprises related to neighborhood watch activities in collaboration with local communities.



Seven Anshin Delivery



Ito-Yokado Tokushimaru

## Store Pick-Up Service

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Seven-Eleven Pick-Up Service is a service in which products ordered online can be picked up at the 7-Eleven store of your choice. Whether it is near your residence or workplace, at a business trip destination or elsewhere, late at night or early morning, pick-ups can be made whenever you like at 7-Eleven stores nationwide (some stores do not provide this service).

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. Allowing ordered products to be picked up at nearby 7-Eleven stores also contributes to the reduction of redeliveries and the CO2 emitted through these deliveries.

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### Reducing Housework

In order to respond to customer demand for saving shopping time and reducing the hassle of housework, Seven & i Group 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.



### Developing Products and Services that Make Meal Preparation Easy

Ito-Yokado sells the Chef's RECIPE series, which can be easily prepared using a frying pan or microwave, at the fresh meat and fish sales sections. 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. For frozen foods, EASE UP series are offered as authentic individual-sized meals that can be enjoyed just by microwaving.

※The menu changes according to the seasons.



EASE UP "Kalbi Gukbap"

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## Providing Services to a Wide Range of Customers

Seven & i Group 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

Seven & i Group supports the creation, localities where it has opened stores, 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 24 Group companies as of the end of February 2023, is 55,986 in total.

In March 2022, Ito-Yokado was the only retailer to announce the “Declaration of Dementia Barrier-free by the Japan Public-Private Council on Dementia” indicating policies and guidelines for promoting dementia barrier-free. The purpose of this declaration is to provide a store environment where persons with dementia and their families can use products and services with peace of mind when they visit our stores, and to foster momentum for a dementia barrier-free society by promoting joint initiatives with corporations and organizations. In addition, in the declaration for dementia barrier-free, Ito-Yokado has set the goal of increasing the percentage of “dementia supporters” among all employees to “50% by FY2022, 75% by FY2023, and 100% by FY2024.” Ito-Yokado had 14,571 supporters in fiscal year ended February 28, 2023 and the percentage among all employees stood at 55.9%.

We will continue to strengthen our efforts to develop “dementia supporters.”

### Number of Dementia Supporter Training Course Takers

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023 (Target)
Cumulative participants	34,110	37,550	38,383	41,284	55,986	58,000



Dementia supporter training

## Dementia Meetings by People with Early Dementia

Seven & i Food Systems has been pouring its energies into training dementia supporters. In July 2019, dementia supporters were posted to nearly all Denny's locations, where they have been engaged primarily in providing help to customers who suffer from cognitive impairments and their families.

Against this backdrop, in September 2020, after Tokyo's Chiyoda City consulted with us about the possibility of holding "Dementia Meetings by People with Early Dementia"\* at one of our locations, the first such meeting took place at the Denny's Nibancho restaurant in the city. Having the meeting in the at-home atmosphere of a family restaurant while being able to enjoy Denny's desserts and other offerings allowed for the lively exchange of ideas and the meeting has won great reviews. Since then, Seven & i has been working in parallel to expand the number of locations where these meetings are held, such as by cooperating with Shinagawa and Ota-ku in Tokyo, Sakai City in Osaka Prefecture, Tsurugashima City in Saitama Prefecture, and Chiba and Ichihara Cities in Chiba Prefecture to hold meetings at Denny's locations opening those respective regions.

Seven & i Food Systems will continue to expand the areas in which these Dementia Meetings by People with Early Dementia are held and contribute to those local communities.

\* Dementia Meetings by People with Early Dementia: These meetings are an initiative being undertaken by many local governments. By providing the opportunity for information exchange to people who have been diagnosed with a cognitive impairment as well as those with concerns about impairments, they serve as a venue for helping to convey their thoughts and for studying what services are needed and community development based on a range of viewpoints.

## Marketing Products that Support Senior Lifestyles

According to the Statistics Bureau, Ministry of Internal Affairs and Communications, as of September 15, 2023, the share of the total population of persons aged 65 years old and over (elderly ratio) was estimated 36.23 million, accounting for 29.1% percent of Japan's population. In addition, it is forecast that this percentage will reach 36.3% by 2045. In this context, Seven & i Group is promoting the development and retail of products, and proposing lifestyle solutions, aimed at the elderly.

### Development of "Anshin Support Shop"

Ito-Yokado is developing the Anshin Support Shop at 91 stores, which carries an extensive selection of apparel, daily essentials, and foods, including products that support the health and lifestyles of seniors and care products (as of the end of February 2023). In addition to explanations of products features by sales staff with specialized knowledge on caring including counselors specialized in welfare equipment, these staff are also able to deal with consultations regarding nursing care and welfare issues in general (about 250 counselors as of the end of February 2023).

In addition, Ito-Yokado is working to develop products in response to customer opinions and comments. Products such as the "Petite Size Pajamas" with specifications tailored to the height of the elderly, and the "Triangular-fit Walking Stick" which prevents finger pain with its triangular grip customized to fit the palm and its original-design curved arm, have been well-received by customers.

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



Anshin Support Shop



## Financial Services for Foreign Residents

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The financial services that Seven Bank provides incorporate multilingual guidance in a variety of setting to make more accessible to foreign customers.

For example, when foreign residents with Seven Bank accounts make deposits or withdrawals or use its overseas remittance service, they are supported by ATM screens that handle nine languages. Furthermore, when they make inquiries about their Seven Bank account, it has the contact center staff to handle 10 languages. Also, foreign nationals visiting Japan on vacation or other reasons who wish to obtain Japanese yen can use cash cards and credit cards issued overseas at its ATMs. The ATM screen in these instances is available in 12 languages. Furthermore, to help foreign residents live comfortable in Japan, Seven Global Remit, a subsidiary of Seven Bank offers an overseas remittance service via the "Sendy"\* smartphone application to make it possible to send money easily, conveniently, and with affordable fees.

\* By charging (depositing) the "Sendy" account with cash from one of the more than 26,000 Seven Bank ATMs throughout Japan, a customer can easily remit money to Vietnam, Indonesia, and the Philippines from the application.

## Development of ATMs Easy to Use Even for Customers with Disabilities

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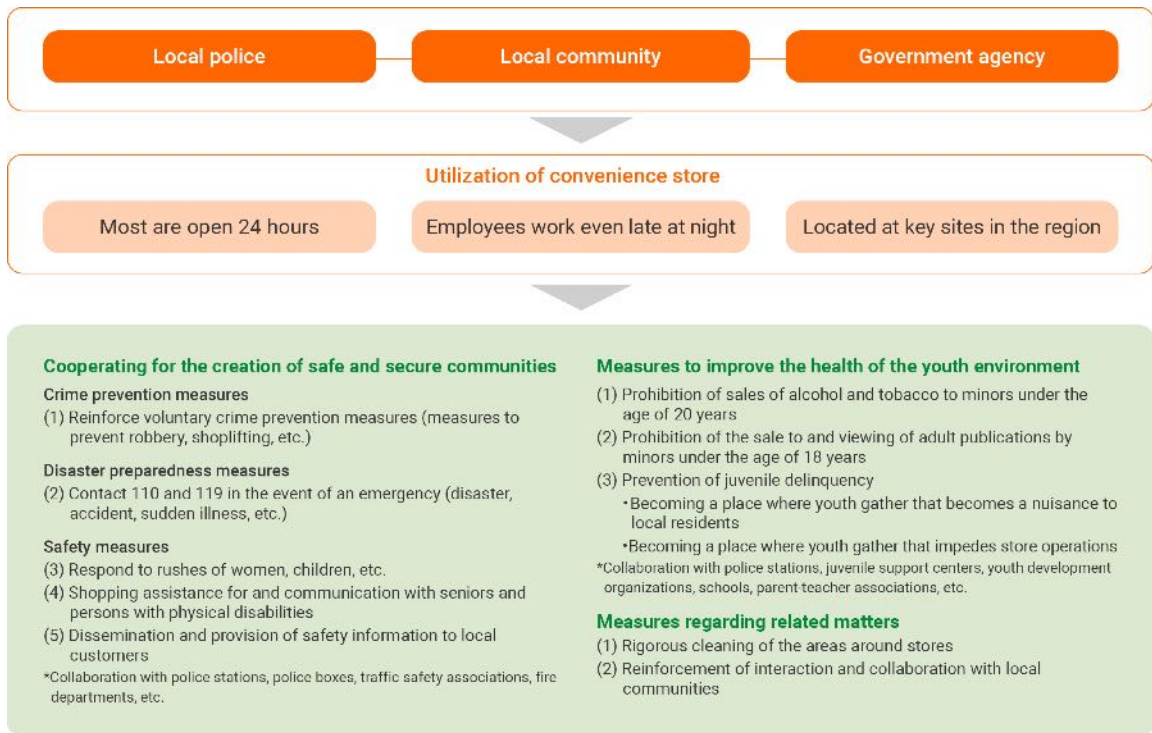
Seven Bank is making daily progress on the ATM functions and services so that all customers can use them with confidence. With its voice guidance service, which is mainly for customers with visual disabilities, users can make a transaction by following voice instructions delivered through an intercom phone installed on the ATM to operate the buttons on the phone. Currently, customers with the cash cards of over 500 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.

Given how the living environment for people has changed greatly in the 15 years since it was developed, in the fiscal year ended February 28, 2022, it conducted a needs assessment of people with visual impairments through interviews and questionnaires. In order to achieve the SDGs goal of "Leave No One Behind," Seve Bank is working to improve its ATM services based on the opinions it has received and develop them further.



Voice guidance service





> [The "SS Space" on the Japan Franchise Association \(JFA\) website \(in Japanese\)](#)