Human Rights Initiatives

CSuO Message : Pursuit of a Society where Everyone Respects Human Rights

In the spirit of “Trust and Sincerity” as stated in our Corporate Creed, Seven & i Group believes that the human rights of all stakeholders including customers, business partners, shareholders, local communities, and employees, are of paramount importance. We respect the human rights of all activities and aim to realize a society where human rights are respected, without tolerating unjust discrimination or harassment based on social status, nationality, race, ethnicity, tenet, religion, age, gender, sexual orientation, gender identity, mental or physical disability, or any other reasons.

In order to understand the human rights of all people and fulfill our responsibility to respect human rights, we established the Seven & i Group Human Rights Policy on October 7th, 2021 based on international principles and standards on human rights*. This policy applies to all executives and employees, and we continuously encourage all of our business partners to support this policy and work together to respect human rights.

We establish a human rights due diligence mechanism in accordance with procedures set forth in the UN Guiding Principles on Business and Human Rights, and strive to prevent or mitigate any negative impact on human rights. In promoting this policy and implementing human rights due diligence, we establish a group-wide organization at Seven & i Holdings and promote initiatives to respect human rights under the supervision of its board of directors.

We operate grievance mechanisms appropriately, including an internal reporting system, to prevent human rights violations and to provide access to remedies for those who have been negatively impacted. We will not tolerate or tacitly condone human rights violations by the Group companies or business partners, and if we receive a report or allegation that human rights are not being respected, we will appropriately investigate the matter and take steps to correct it or encourage them to do so.

We continue to report publicly our efforts and activities to respect human rights to all our stakeholders as needed to ensure transparency and act responsibly to achieve a sustainable society where human rights are respected.

April 14th, 2023

Seven & i Holdings Co., Ltd.

Senior Managing Executive Officer

Representative Director

Chief Sustainability Officer

Junro Ito

* ・The International Bill of Human Rights　(consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights)

・The ILO Declaration on Fundamental Principles and Rights at Work

・The UN Guiding Principles on Business and Human Rights

・The OECD Guidelines for Multinational Enterprises

・The Ten Principles of the UN Global Compact

・The Children’s Rights and Business Principles

Seven & i Group Human Rights Policy

In the spirit of “Trust and Sincerity” as stated in our Corporate Creed*1, Seven & i Group*2 (hereinafter “we” or “us”) supported by all stakeholders including customers, business partners, shareholders, local communities, and employees, engages in business activities that contribute to the development of quality in the daily life and society. All our business activities rely on the people and society. To understand the human rights of all people and fulfill our responsibility to respect human rights, we set forth Seven & i Group Human Rights Policy in October, 2021.

This policy, along with our Corporate Creed, is the foundation for all business activities of the Seven & i Group. We also believe that respect for human rights is inseparable from the preservation of the global environment, which should be shared with future generations. Through the implementation of this policy, along with our environmental declaration, “GREEN CHALLENGE 2050,” we work with our stakeholders to create sustainable society where human rights are respected.

*1 “Seven & i Group” refers to Seven & i Holdings Co., Ltd. and its consolidated subsidiaries collectively.

*2 Corporate Creed :

We aim to be a sincere company that our customers trust.

We aim to be a sincere company that our business partners, shareholders and local communities trust.

We aim to be a sincere company that our employees trust.

Seven & i Group Human Rights Policy >

Promotion Framework

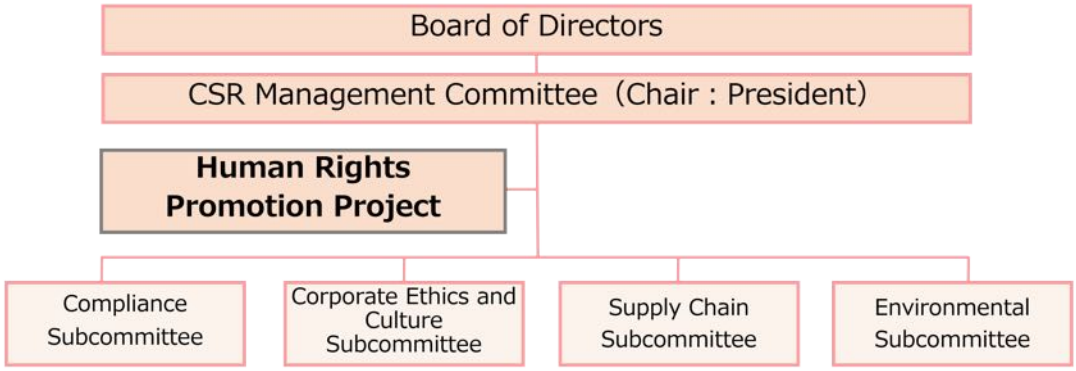
The Human Rights Promotion Project has been established as a cross-Group organisation to promote the Human Rights Policy in the Group, and ongoing efforts are being made to implement it. The project involves the chairpersons of each of the four subcommittees under the CSR Management Committee (the Corporate Ethics and Culture Subcommittee, the Supply Chain Subcommittee, the Compliance Subcommittee, and the Environmental Subcommittee), as well as the Human Rights Education Center. The project promotes human rights due diligence initiatives, including identification of business-specific human rights issues, corrective actions, regular monitoring, and information disclosure. Meetings of the Human Rights Promotion Project develop plans of human rights initiatives and review the progress.

The Corporate Ethics and Culture Subcommittee under the CSR Management Committee regularly shares the progress on efforts related to human rights education. It advances activities aimed at having all employees of Group companies correctly understand and recognize human rights, along with fostering a corporate culture free of discrimination or prejudice. The Supply Chain Subcommittee under the CSR Management Committee requests that suppliers understand the Seven & i Group's approach to human rights and implement ongoing initiatives. The Compliance Subcommittee promotes the practice of employees' words and actions that respect the human rights of our suppliers. The Environmental Subcommittee promotes procurement activities that respect human rights based on sustainable procurement principles and policies.

In addition, the Human Rights Education Center conducts various awareness-raising and educational activities in cooperation with the human resource departments and CSR promotion departments of each Group company.

These human rights initiatives are reported and shared at the biannual meetings of the CSR Management Committee.

Human Rights Promotion Project Organization Chart

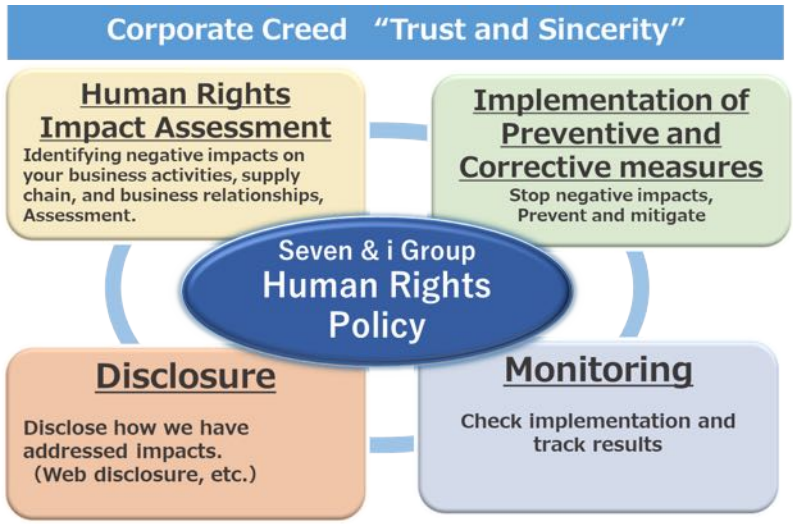


Human Rights Due Diligence

We have a human rights due diligence mechanism in accordance with procedures set forth in the UN Guiding Principles on Business and Human Rights and OECD Due Diligence Guidance for Responsible Business Conduct, and strive to prevent or mitigate any negative impact on human rights.

If it becomes clear that our business activities have caused or contributed to human rights abuse, we will work to correct and remedy the situation. Even if our business activities have not caused nor contributed to human rights abuse but if our products or services have been directly linked to the impacts through business relationships, we will encourage our business partners to correct and remedy the situation.

Human Rights Due Diligence Process



Human Rights Impact Assessment

We recognize that its business activities may have an impact on human rights. We are committed to identifying the causes of negative impacts on people and society, and to reduce and remedy the negative impacts we identify.

In 2022, we conducted an assessment of the potential negative human rights impacts of our operations and those of our business partners. We conducted interviews and surveys of our own company and supply chain to identify human rights issues. We evaluate human rights risks and mitigate the risks by calculating and mapping the severity and likelihood of occurrence of the identified human rights issues based on human rights risk indicators published by international organizations and others. The identification of such human rights issues is conducted with the support and advice of external experts.

Human Rights Risk Map (human rights issues identified in our corporate activities)

* For each human rights issue, " Possibility of Occurrence" and "Severity" were calculated and mapped.

* In calculating the possibility of the likelihood of human rights issues in each country, we used indicators published by international organizations such as BHRRC and ESG Data Model.

* For severity, scores were calculated based on scale, scope, and irremediability.

More detail of the Human Rights Risk Assessment can be found here >

Implementation of Preventive and Corrective measures

We identify human rights issues (and countries/regions) that we will focus on preventing and responding to. For those high-priority human rights issues identified we implement corrective measures within the group as well as education, training, and other activities aimed at prevention. For human rights issues in the supply chain, we continuously engage in dialogue and consultation with relevant stakeholders and disseminate guidelines to improve and enhance our efforts to respect human rights, and take corrective measures when risks become apparent.

Human Rights Awareness and Training

Seven & i Group offers a variety of educational activities and employee training with the aim of creating a corporate culture in which everyone respects the human rights of all customers, business partners, people in local communities, and colleagues, and in which people are aware of all types of discrimination and prejudices and do not discriminate against others or tolerate such behavior.

Since 1987, we have joined the Tokyo Human Rights Awareness Corporate Liaison Committee (name at the time of joining, “Tokyo Corporate Liaison Committee for the Dowa Issue”) which comprises of 122 companies (as of July 2024), mainly companies headquartered in Tokyo. Through participation in the monthly conferences, we are working to further enhance human rights education and our awareness-raising system while mutually studying with member companies. Additionally, we support *the Basic Guidelines for the Acceptance of Foreign Nationals* established by the Japan Federation of Consumer Organizations.

Further information about the activities of the Tokyo Human Rights Awareness Corporate Liaison Committee can be found here (Japanese) >

Provide Education and Training to Employees

Seven & i Group companies provide awareness training to employees, including managers and part-time employees, on a variety of human rights issues such as basic approaches to human rights and harassment prevention.

In the fiscal year ended February 29, 2024, we are conducting e-learning on human rights for all employees to raise awareness of respect for human rights within all stakeholders. In addition, Seven & i Holdings is working to promote employee understanding through the utilization of our human rights awareness handbook “Human Rights for Everyone —Let’s Start by Learning” and “Normalization Support Guide” to further support the education of Group companies.

* Human rights e-learning implemented in FY2023: approx. 40,000 participants

For example, Ito-Yokado conducts level-specific human rights awareness training when employees join the company or are assigned to a new store or local store, with training content matching job responsibilities. Employees come to recognize that human rights issues are easily happened in everyday life, and the training includes specific examples such as power harassment and sexual harassment as well as new developments and issues so that employees can apply what they learn to their daily activities. Seven-Eleven Japan and Seven & i Create Link also conduct basic human rights awareness training in a timely manner.

* Human rights awareness training conducted in FY2023: 5 companies, approx. 500 participants
* Harassment e-learning implemented in FY2022: 16 companies, approx. 11,000 participants

In addition, York educates all the employees on how to assist visually impaired persons and wheelchair users by using online video materials as they can access and learn at any convenient time.

We also conduct compliance training for suppliers and product development and procurement personnel of the Group companies to reduce and mitigate human rights issues in the supply chain. In the fiscal year ended February 29, 2024, we conducted online compliance training for suppliers and employees both internally and externally, with approximately 6,100 participants.

Further information about compliance training for suppliers can be found here ›

Further information about compliance training for the personnel in charge of product development and purchasing can be found here ›

Improvement of Workplace Environment and Systems

We have organized various working environments and implemented systems to reduce human rights risks within our group. We are proactively implementing initiatives for normalization, improvement of occupational health and safety, and diversity in order to create a pleasant and rewarding work environment for our employees.

Human Rights Slogan Contest

To create a corporate culture in which each employee's human rights are respected in accordance with the Corporate Action Guidelines, each year the Seven & i Group solicits human rights slogans from all employees, including part-time employees, and their family members. In the process of coming up with human rights slogans, opportunities are created for employees to think about human rights, which raises their awareness of human rights issues. The most excellent slogans selected from among those submitted are announced to the employees through the Group's internal newsletter and on the intranet website, and are awarded prizes. The contest was held for the 33th time in the fiscal year ended February 29, 2024, and 12,914 slogans were received, marking yet another year with a large number of submissions. The slogans emphasized reconsidering the importance of human rights, touching on everything from personal feelings in one's daily life to musings from a broader perspective.

Awareness-Raising Activities for Supply Chain

Seven & i Group places the highest priority on respecting and protecting human rights, and we ask our suppliers to understand and implement the Seven & i Group Business Partner Sustainability Action Guidelines. We hold briefing sessions on the Seven & i Group Business Partner Sustainable Action Guidelines and CSR audits in China and South East Asia, where CSR risks are considered to be high, only through live and on-demand distribution. In the fiscal year ended February 29, 2024, 618 participants from 416 companies took part in the live broadcast.

The Seven & i Group Business Partner Sustainable Action Guidelines can be found here ›

Monitoring

In order to identify negative human rights impacts of our corporate activities and to promote continuous improvement, we conduct monitoring both within the Group and the supply chain, as well as collect internal and external information.

Employee Engagement & Culture Surveys

Seven & i Group conducts an employee engagement survey targeting employees of the Seven & i Holdings as well as Group companies. The survey includes questions asking people if they respect diversity or have seen or heard about problematic employee behavior in the workplace, and checks whether the human rights are respected in line with the Corporate Action Guidelines. The survey conducted in the fiscal year ended February 29, 2024, targeted approximately 67,000 employees working at 26 Group companies in Japan.

More details of the Employee Engagement & Culture Survey can be found here >

Assessment of Suppliers by Self-Check Sheet

To ensure that suppliers understand the Seven & i Holdings Business Partner Action Guidelines, Seven & i Group administers a self-check sheet for suppliers that explains all of the specific requirements for compliance. The self-check sheet contains 61 questions, including human rights-related questions. For example, the questions ask whether or not factory employees have access to consulting desks and whether or not the company requests that its own suppliers comply with the Seven & i Holdings Business Partner Action Guidelines. Responses are entered into a database, and the data are used in the process for determining whether to continue doing business with the suppliers.

Further information about the self-check sheet for suppliers can be found here >

CSR Audits of Suppliers' Manufacturing Factories

In addition, Seven & i Group conducts CSR audits of end manufacturing factories of the suppliers who produce Seven Premium, group's private brand products, as well as Ito-Yokado's overseas direct import suppliers. The audits ascertain their level of compliance with the Seven & i Group Business Partner Sustainability Action Guidelines.

A third-party organization conducts the audits in line with Seven & i Holdings' original audit, which covers topics such as human rights and the work environment (16 categories and 117 check items). This was prepared by making reference to sources such as the ISO 26000 standard, the Japanese Business Federation's Charter of Corporate Behavior, and the OECD Guidelines for Multinational Enterprises. In the fiscal year ended February 29, 2024, CSR audits were conducted at 781 factories in 13 countries.

Further details about CSR audits of suppliers can be found here >

Questionnaire Survey for Suppliers

From the fiscal year ended February 28, 2017, the Seven & i Group has conducted questionnaire surveys of suppliers to confirm whether the speech and behavior of employees toward suppliers follow the Seven & i Holdings Corporate Action Guidelines. In these surveys, suppliers reply to questions anonymously. In the fiscal year ended February 29, 2024, a total of approximately 12,000 representatives of suppliers responded to questionnaire surveys issued by the Group companies.

More details of questionnaire survey for suppliers can be found here >

Disclosure of Information to our stakeholders

We regularly disclose our commitment to respect for human rights through our website, management reports, and other means of communication.

Further information about Seven & i Management Report (Integrated Report) can be found here >

Grievance Mechanism and Remedies

Seven & i Holdings has established the Groupwide Employee Helpline as an internal whistleblowing system for employees of our operating companies in Japan, their families, and retirees, to prevent conduct that could result in loss of public credibility and to ensure early detection, early remediation, and recurrence prevention. This is also a system that can be used in the event of human rights issues.

In addition, we have established a "Business Partner Helpline," as an internal whistleblowing system for consultation and reporting by directors, employees, and former employees of suppliers of domestic group companies. The helpline is operated by a third party with whom we have concluded an outsourcing agreement and a confidentiality agreement, thus the privacy of the person making the report or consultation is strictly protected. Upon receiving a report or consultation, we will confirm the facts and resolve the issue, if necessary, after obtaining the consent of the person consulting. In addition, the operation rules of the reporting desk stipulate that no disadvantageous treatment will be given to the person consulting or to those who cooperate in confirming the facts.

The Audit & Supervisory Board Hotline has been in operation since February 2019 for the purpose of receiving reports independent of management related to actions that could potentially result in the loss of social trust in which the directors, members of the Audit & Supervisory Board, executive officers, and other members of management for Group companies in Japan are suspected of being involved, and investigating them. When the Company receives a report, it quickly confirms the facts, and the members of the Seven &i Holdings Audit & Supervisory Board work together with the members of operating company Audit & Supervisory Boards to correct any violations that are found and strive to prevent a recurrence.

Further information about the Groupwide Helpline can be found here >

Further information about the Business Partner Helpline can be found here >

Further information about the Audit & Supervisory Board Member Hotline can be found here >

Human Rights Risk Assessment

Human Rights Risk Assessment Objectives

The Seven & i Group (hereinafter referred to as "we") respects the human rights of all people and engages in business activities that contribute to the development of society together with all stakeholders based on the spirit of "trust and integrity" set forth in our corporate motto. In order to respect the human rights of all people in our value chain, we established the "Group Human Rights Policy" in 2021 and are working to respect the human rights of all people through our core business activities. We support the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, the ILO International Labor Standards, the UN Guiding Principles on Business and Human Rights, and ISO 26000, and are a signatory to the UN Global Compact. We recognize that our business activities may impact human rights, and we are committed to establishing a system of human rights due diligence in accordance with procedures based on the UN Guiding Principles on Business and Human Rights, to resolve human rights issues, and to help realize a sustainable society. In resolving human rights issues, we have identified the human rights challenges of key stakeholders related to the Group's business activities.

› More details of the Seven & i Group Human Rights Policy can be found here

› More details of the Seven & i Group Human Rights Initiatives can be found here

Human Rights Risk Assessment Process

Step.1 Organize stakeholders in the value chain and human rights issues
While taking into account the Group's value chain and business activities, we identified human rights risks and organized human rights issues based on interviews with each of the Group's operating companies and the results of CSR audits.

Step.2 Human rights risk assessment within the Group and its supply chain
Human rights risk assessments were conducted for the businesses of major group companies (14 businesses) and business partners (122 businesses).

Step.3 Creating a Human Rights Risk Map
Based on the human rights risk assessment, a severity score and a likelihood of occurrence score were calculated for each human rights issue and mapped to each.

Step 4: Information Disclosure
The process and results of Steps 1-3 were made publicly available on the website.

■ External Review and Evaluation Criteria
Throughout the entire process, we exchanged views and obtained advice from experts in the field of human rights. In identifying and assessing negative impacts, we utilized the Business and Human Rights Resource Centre (BHRRC) database and conducted research on internationally identified human rights issues in the industry.

Method for Calculating Score of Severity and Likelihood

A list of human rights issues related to the Group's major businesses was compiled and each human rights issue was mapped on an axis of severity and likelihood of occurrence.

■ Severity

As described below, a severity score was calculated for each human rights issue by examining and scoring three factors: (1) size, (2) scope, and (3) difficulty in remedying the issue.

●Process 1

1.Scale: severity of negative impacts that may occur -Possibility of multiple fatalities or injuries per accident if risk materializes

2.Scope: Number of people who may be negatively affected (or percentage of target stakeholders who may be affected) -The potential impact on employees, customers, local residents, and civil society if the risk materializes, and the number and percentage of such employees, customers, local residents, and civil society if the risk materializes.

3.difficulty of remedy: constraints in restoring the negatively affected person to the pre-affected state or to a state equivalent to the pre-affected state - if the risk has materialized, whether it is difficult to recover in time or whether monetary remedy is available.

●Process 2 The three elements are rated on a 5-point scale from Very Low to Very High for each human rights issue.

●Process 3 The average score of the factors was used as the severity score for each human rights issue.

■Likelihood

The likelihood of occurrence was calculated for each human rights issue as follows

●Process 1: Potential human rights challenges in each country Scope of countries: Countries where the company and its group companies are based and where 7-Eleven stores under license agreements are located (21 countries) Research the likelihood of each human rights issue occurring in each country based on the following information

・ Human rights risk indicators by country published by international organizations, etc.

・ For human rights issues not covered by the above indicators, the number of incidents of human rights violations by country for each human rights issue, as published by the Business and Human Rights Resource Center (BHHRC).

・ The likelihood of occurrence is converted into a score on a scale of 0 to 10 (0 being low risk and 10 being high risk).

●Process 2: Country-specific weighting

・The number of issues that are likely to occur in each country is further adjusted to our company's actual situation.

・ Weighting adjustments were made to achieve values

・ Weighting is based on total number of employees Scores are calculated by weighting the 10 scores by the above weights.

●Process 3: Fine-tuning for each human rights issue

・Adjustment of the potential/apparent occurrence of each human rights issue in the Group, based on business characteristics and interview results.

●Process 4: Calculation of likelihood score

・Sum the country-specific likelihood scores for each human rights issue, which have been adjusted for weight in Process 2, and the likelihood scores for each human rights issue in the supply chain, which have been organized in Process 3 to calculate the country-specific likelihood score.

Step.1 Organize Stakeholders in the Value Chain and Human Rights Issues

The following human rights issues are plotted on the risk map by stakeholder.

Employees	Customers	Local Community
Forced Labor/Human Trafficking	Ethical	Health of the Surrounding Residents
Child Labor	Responsible Marketing	Land Issues
Discrimination	Children's Rights (other than child labor)	Large-scale Resettlement
Inhumane Treatment	Right to Privacy	Access to Water, Sanitation
Freedom of Association and the Right to Collective Bargaining	Product Safety and Quality	Indigenous Rights
Working Hours		Human Rights Violations by Security Personnel, etc.
Wages		Responsible Mineral Procurement
Occupational Safety and Health		Situations other than the above
Immigrant Worker		
Treatment of Foreign Workers		
Right to Privacy		

Step.2 Human Rights Risk Assessment within the Group and its Supply Chain

	Human Rights Issue	Severity ※1		Likelihood ※2	
		7&i Group	Supply Chain	7&i Group	Supply Chain
Employees	Forced Labor/Human Trafficking	3.67	4.33	6.04	6.05
	Child Labor	4.00	4.33	4.04	4.26
	Discrimination	3.00	3.00	4.14	6.87
	Inhumane Treatment	4.00	4.00	3.67	3.32
	Freedom of Association & the Right to Collective Bargaining	3.00	3.00	6.06	7.35
	Working Hours and Wages	3.33	3.50	4.83	6.73
	Occupational Safety and Health	4.00	4.67	5.33	6.73
	Human Rights of Migrant Workers	3.00	3.67	6.28	4.59
	Right to Privacy (employees)	2.33	2.33	2.74	4.36
Customers	Ethical/Responsible Marketing	2.67		2.29	
	Children's Rights (other than child labor)	3.33		2.29	
	Right to Privacy (consumer)	3.33		2.74	
	Product Safety and Quality	4.33		3.00	
Local Community	Health of the Surrounding Residents	3.00	4.33	2.35	3.21
	Land Issues	2.33	3.67	1.52	3.34
	Access to Water, Sanitation	3.33	4.67	2.04	5.40
	Indigenous Rights	3.00	4.33	2.02	4.91
	Human Rights Violations by Security Personnel, etc.		4.00		3.59
	Responsible Mineral Procurement		4.00		1.54
	Other High-Risk Situations	4.33	4.33	2.52	2.92

*1 The severity is converted into a score on a scale of 0 to 5 (0 being low risk and 5 being high risk)

*2 The likelihood is converted into a score on a scale of 0 to 10 (0 being low risk and 10 being high risk)

Step.3 Creating a Human Rights Risk Map

Each human rights issue was mapped for the company and its supply chain, with severity on the vertical axis and likelihood of occurrence on the horizontal axis.

For identified high-risk human rights issues, specific measures to reduce risk will be considered and implemented.