Human Capital Initiatives

Promoting Human Resource Measures for Further Global Growth

The Seven & i Group, guided by the spirit of trust and sincerity as stated in our corporate creed, has consistently viewed the ever-changing needs of society and our customers as new opportunities for growth. By continuously taking on challenges together with our stakeholders, including business partners and franchise owners, we have fostered innovation. Whether it is in store development, merchandise development, new service provision, or the logistics and systems that support these efforts, we have embraced numerous transformations. The key to this has been our talent—individuals who confront change head-on and are committed to exceeding customer expectations. The belief that such driven talent is the source of the Group's growth remains steadfast. As we move forward in a highly uncertain world, it is vital that we further focus on the growth of our talent, which will be essential for the Group's evolution into a world-class retail group.

In the Group, talent development has fundamentally centered around acquiring the basics of business through practical experience in stores, including sales and manufacturing. We believe that by encouraging each employee to independently form a hypothesis and verify the results in stores, they gain invaluable learning experiences, which in turn foster a sense of fulfillment in their work. This approach also helps in providing new, value-added experiences that exceed customer expectations. Additionally, we have made significant efforts to enhance various systems and training programs that foster the growth of employees and franchisees, along with supporting self-development initiatives.

Moving forward, it is crucial to further promote initiatives that help employees feel a sense of personal growth and accelerate the creation of a work environment where every employee, regardless of age, gender, gender identity, or nationality, can feel secure and comfortable working. We have been focused on fostering a workplace culture where diverse employees can experience both job satisfaction and ease of working, while also improving employee engagement and promoting diversity, equity, and inclusion (DEI). Aligned with the Group's growth strategy, we will further accelerate the development of systems that cultivate talent capable of thriving on a global scale.

Within the Group, we define our talent as individuals who embody the spirit of our corporate creed while working together with stakeholders to provide new experience and value from the customer's point of view, thereby contributing to local communities both in Japan and overseas. In other words, they are human resources who co-create value. As a Group, we will actively promote human resource measures to develop these individuals so they can excel in all workplaces, including at stores in Japan and overseas.

Human Resource Measures Linked to the Business Strategy

Direction of Human Resource Measures

In line with our future growth strategy, we have organized the key priorities for our human resource measures and decided to focus on three main areas: fostering a culture of continuous challenge and innovation, enhancing job satisfaction and ease of work, and developing and recruiting talent to realize our strategic goals. In particular, when it comes to developing and recruiting talent to realize our strategic goals, we will work with a sense of urgency to leverage the strengths of the Group for global business growth.

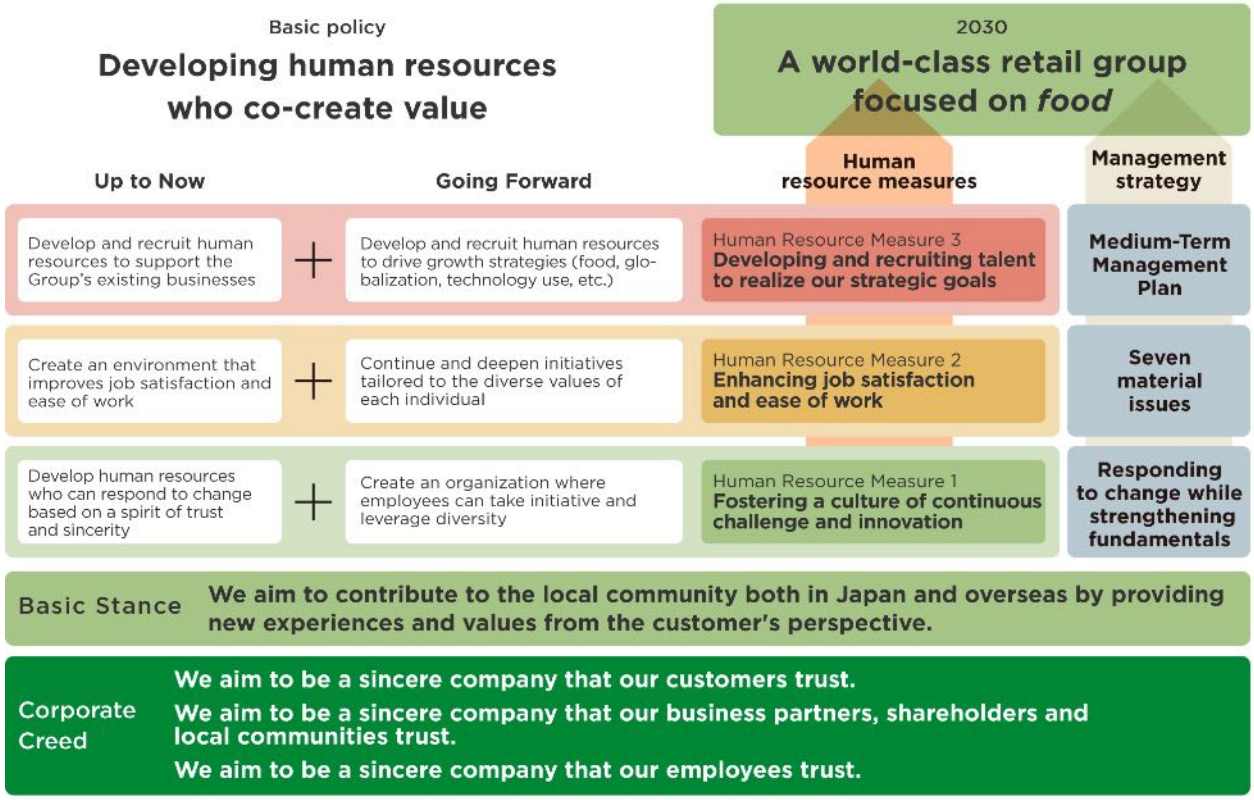
Basic Approach to Human Resource Measures

Since our founding, the Group has nurtured talent that co-creates new value through continuous challenge and innovation, rooted in the spirit of trust and sincerity. We believe this approach to talent development remains fundamental.

In addition, in an era of rapid and unpredictable change, it is more important than ever for each employee to take initiative and continue challenging themselves to meet customer needs. At the same time, companies must create an organizational structure that supports this effort. Therefore, while maintaining the founding spirit, we will foster a culture of boldly embracing change in order to strengthen and develop the core talent that drives the Group's growth (Human Resource Measure 1).

Next, we aim to create an environment where employees can fully exercise their autonomy and feel a sense of fulfillment and ease in their work. Achieving our growth strategy requires the active participation of diverse employees, which in turn necessitates tailored support and the expansion of systems that accommodate individual values and work-life balance (Human Resource Measure 2).

Furthermore, the growth of our Group has been supported by numerous employees who co-create value with our stakeholders. To become a world-class retail group, it is essential to foster a shift in employee mindset and promote the integration of talent with specialized knowledge and experience. As we expand globally, we will strengthen the development and recruitment of the talent that will lead the Group forward (Human Resource Measure 3).



Effect Measurement Mechanism

Key Metrics and Major Initiatives for Human Resource Progress

To continuously promote human resource measures and make the outcomes visible, we have established indicators to measure the degree of progress for each measure. Additionally, we have broken down the key elements necessary for advancing each measure into achievement factors and organized the major initiatives for each factor while formulating plans for 2030.

Moving forward, we will set specific goals for each initiative and regularly monitor progress to ensure they are carried out effectively.

Human resource measures	KGI	Achievement factors	Initiatives
Human Resource Measure 1 **Fostering a culture of continuous challenge and innovation**	Culture score from the Culture & Engagement Survey	• Instilling and implementing a culture of continuous challenge and innovation • Strengthening a culture of challenge through the active participation of diverse human resources	• Instilling values through philosophy training, on-site practice, and follow-up • Expanding opportunities for diverse human resources
Human Resource Measure 2 **Enhancing job satisfaction and ease of work**	Engagement score from the Culture & Engagement Survey	• Understanding and penetration of management strategy • Supporting self-growth and contributing to stakeholders • Supporting employees' independent career development • Creating an environment that allows for diverse work styles • Improving employee health	• Dialogue with management • Establishing a training system • Career development support • Health management • Personnel system and support to increase options
Human Resource Measure 3 **Developing and recruiting talent to realize our strategic goals**	Fulfillment of talent portfolio in key areas	• Formation and management of talent portfolio • Recruitment and training to fulfill talent portfolio	• Defining human resource requirements and skills • Follow-up after external recruitment to ensure diversity of knowledge and experience • Developing global human resources

Initiatives for Human Capital

- Culture & Engagement Survey
- Diversity, Equity, and Inclusion (DEI)
- Support for Enhancing the Abilities of Employees
- Achieving Work-Life Balance
- Consideration for Employee Health and Occupational Safety and Health
- Assuring Fair Assessment and Treatment of Employees
- Sound Labor-Management Relations
- Response to Customer Harassment