Seven & i Group Material Issues

Seven & i Holdings has conducted dialogue with various stakeholders and in 2014 determined material issues that should be addressed so that the entire Group can respond to the expectations and demands of stakeholders. Over the seven years since the Group identified the material issues, social issues related to our business activities and society's demands have become more diverse. To address these issues appropriately, the Group has revised those material issues in March 2022 through dialogue with various stakeholders. (Approved by the Board of Directors of Seven & i Holdings on March 30, 2022). We introduce the revision process here.

Purpose of Material Issues Revision

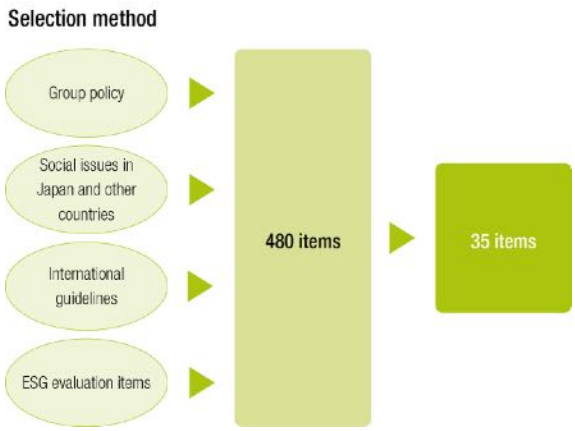
- Concentrate on material issues that Seven & i Group should address in particular, and respond appropriately as the scope of its business expands and related social issues and social demands become more diverse.
- Maximize group synergy by clearly defining the direction for the creation of social and economic value for the entire group.
- Promote sustainability management and information disclosure in line with global standards.

Steps for Revising Material Issues (for the revision in March 2022)

STEP 1

Selection of social issues

As part of our review of material issues, we selected social issues to be considered. In addition to summarizing and consolidating the social issues in the previous identification of material issues, we added related items including the SDGs, the Global Risks Report, the SASB Standards and other international frameworks, issues raised in U.S.-Japan governmental and other discussions, the consideration of the external environment in the Medium-Term Management Plan, and evaluation items used by ESG rating agencies.



STEP 2

Survey of more than 5,000 stakeholders

After selecting 35 items from the possible 480 social issues, we carried out a survey of stakeholders on the issues the Group should address. The survey was expanded from the time the material issues were initially identified in 2014 to cover nine companies*, including the overseas operating companies and SEVEN-ELEVEN JAPAN franchise store owners. More than 5,000 surveys were completed and returned, and these included more than 1,000 comments.

* Seven-Eleven Japan, 7-Eleven, Inc., Ito-Yokado, York-Benimaru, York, Sogo & Seibu, Seven & i Food Systems, Seven Bank, Seven & i Holdings

Stakeholders	Scope
Customers	Customers of operating companies
Business partners	Operating companies' business partners
Shareholders and investors	Shareholders, investors, and sell-side securities analysts covering Seven & i Holdings
Franchisees	SEVEN-ELEVEN JAPAN franchise store owners
Employees	Employees of Seven & i Holdings and operating companies

STEP 3

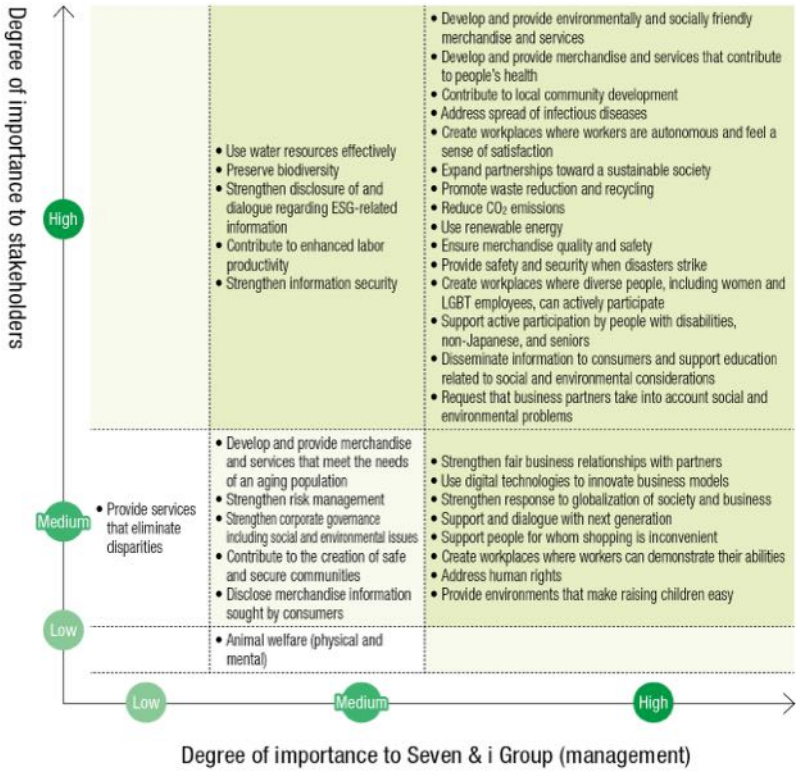
Dialogue with experts

The Group's three flagship operating companies (SEVENELEVEN JAPAN, Ito-Yokado, and Sogo & Seibu) and Seven & i Holdings engaged in dialogue with knowledgeable experts as representatives of stakeholders. From the survey results, we identified their unreserved opinions about the Group's role in society and the social issues that the Group should address. (The photo shows the dialogue at Seven & i Holdings: positions as of the end of December 2023)

STEP 4

Identification of new material issues, taking into account opinions of stakeholders and the Group management

Using the stakeholder survey results, we created a matrix for each of the nine companies, using the degree of importance to stakeholders as the vertical axis and the degree of importance to the companies as the horizontal axis. We then consolidated these into a Group matrix and identified seven material issues, taking into account the survey comments, dialogues with experts, and interviews with management of other operating companies. We have adopted the new material issues using wording that makes it easy to understand their correlation with concrete initiatives, so that Group employees can pursue them “on their own.”



STEP 5

Risks and opportunities related to material issues

As we identified the material issues, we also consolidated the related risks and opportunities based on opinions including the survey of stakeholders and dialogue with experts. In addition to creating new initiatives to address the material issues, we are striving to reduce risks with the aims of achieving a sustainable society and sustainable corporate growth.

STEP 6

Incorporation into action plans

To place the newly identified material issues as a basis of management and ensure their effectiveness, the Group is formulating concrete initiatives to address the material issues through each operating company's business. Using a process similar to that of the SDG Compass*, we are integrating the new material issues into management by formulating action plans to achieve our targets and working to realize those issues through our businesses.

*SDG Compass: A guide for how companies can work toward achieving the SDGs prepared jointly by the Global Reporting Initiative, the United Nations Global Compact, and the World Business Council for Sustainable Development

Seven & i Group Material Issues

Material Issue 1 >

Create a livable society with local communities through various customer touchpoints

Material Issue 2 >

Provide safe, reliable, and healthier merchandise and services

Material Issue 3 >

Realize decarbonization, circular economy, and society in harmony with nature, through environmental efforts

Material Issue 4 >

Achieve a society in which diverse people can actively participate

Material Issue 5 >

Improve work engagement and environment for people working in Group businesses

Material Issue 6 >

Create an ethical society through dialogue and collaboration with customers

Material Issue 7 >

Achieve a sustainable society through partnerships