Overseas Initiatives

Business Operations in North America

Seven & i Holdings operates convenience stores in North America.

7-Eleven, Inc. >

Net sales: ¥10,200,414 million (Total store sales)
Number of stores: 13,122

SEVEN-ELEVEN HAWAII, INC. >

Net sales: ¥59,246 million
Number of stores: 67

* Exchange rate USD1 = ¥140.67

* Net sales and number of stores as of December 31, 2023

Initiatives in China

Seven & i Holdings operates convenience stores and superstores in China.

Convenience Store Business >

SEVEN-ELEVEN (BEIJING) Co., Ltd.

Net sales: ¥18,676 million
Number of stores: 331
Established: January 2004

SEVEN-ELEVEN (TIANJIN) Co., Ltd.

Net sales: ¥3,416 million
Number of stores: 217
Established: November 2012

SEVEN-ELEVEN (CHENGDU) Co., Ltd.

Net sales: ¥2,770 million
Number of stores: 77
Established: December 2010

Superstore Business >

Chengdu Ito-Yokado Co., Ltd.

Net sales: ¥23,368 million
Number of stores: 9
Established: December 1996

Hua Tang Yokado Commercial Co., Ltd.

Net sales: ¥2,343 million
Number of stores: 1
Established: September 1997

* Exchange rate of CNY1 = ¥19.82
* Net sales does not include value added tax
* Net sales and number of stores as of December 31, 2023

7-Eleven, Inc.

At 7-Eleven, Inc., we care deeply about the communities we live and work in. It's why we strive to be good neighbors in everything we do — neighbors who are accessible, supportive, reliable and welcoming. **"Good Made Easy"** is how we ensure that 7-Eleven, Inc. is a good neighbor to all — it's our strategic approach to building thriving communities, protecting the environment and promoting responsible consumption. It makes it easier for our customers, Franchise Owners, vendors, suppliers and employees to do good by contributing to a more sustainable and socially responsible future. The entire 7-Eleven family of brands has banded together to positively impact our neighbors and the planet we share.

We all have a role to play in creating a sustainable future for generations to come. We're proud to share how we're educating, inspiring and activating our commitment to three key areas of our business: **people, planet and products.** And by regularly measuring and reporting on these areas, we're able to see how far we've come and identify areas for continued improvement.

Innovating for a Sustainable Future

7-Eleven, Inc. continues to make progress toward reducing our environmental impact and to move ahead by strategically investing in alternative energy (wind and solar) and environmental initiatives that increase efficiency while reducing waste and resource consumption.

Reducing Environmental Impact

At 7-Eleven, Inc., we take our role in contributing to the Green Challenge 2050 seriously — pursuing its strategic pillars toward specific goals for 2030 and 2050, which are aligned with and help drive progress toward the United Nation's Sustainable Development Goals. In support of this, we seek to achieve a sustainable future through our targeted "Planet" priorities, including increased access to alternative fuels, an overall reduction in CO2e emissions, continued investment in renewable energy and the pursuit of sustainable packaging

【Environmental Goal】

Reduce CO_2 emissions from stores by 50% by 2030 (FY2013 baseline)

Collaboration with External Organizations

To enhance our role as a positive steward of the environment, 7-Eleven, Inc. is a member of the Retail Industry Leaders Association’s Retail Sustainability Initiative (RSI). RSI is an industrywide educational forum for the largest U.S. retailers. It brings its members together to share leading practices, identify future trends, benchmark with peers, and collaborate on common industry environmental social governance challenges.

Promoting Energy Conservation and Reducing CO_2e Emissions

As part of its Green Challenge 2050, 7-Eleven, Inc. set a goal to reduce carbon dioxide equivalent (CO2e) emissions from stores by 50 % by 2030, compared with FY2013 levels.

In FY2023, through its emission reduction measures, 7-Eleven, Inc. reduced its CO2e emissions from stores in the U.S. and Canada by 61,224 MTCO2e year over year from FY2022 and by 587,564 MTCO2e from FY2013. 7-Eleven, Inc. reduced CO2e emissions by 42.7% from FY2013 to FY2023. This is equivalent to greenhouse gas emissions from approximately 139,841 passenger vehicles for one year.

Along with efforts to continuously improve operational energy efficiency practices in stores, 7-Eleven, Inc. made important progress in equipment installations*, energy efficient store design elements* and renewable energy measures*.

* implemented in some 7-Eleven® store locations

LED Lighting

7-Eleven, Inc.'s LED lighting program is part of the company’s energy-efficient store design standard and is a contributor to the company’s CO2 reduction goal helping to reduce energy consumption in stores*.

* implemented in some 7-Eleven® store locations

Heating Ventilation and Air Conditioning(HVAC)

Heating and cooling efficiency is another effective measure 7-Eleven, Inc. implements to decrease its overall energy consumption helping stores* to achieve energy savings while maintaining a quality shopping environment.

* implemented in some 7-Eleven® store locations

Energy Management Systems (EMS)

7-Eleven, Inc. implements energy management systems (EMS) in stores* to monitor, control, and optimize performance of HVAC and refrigeration equipment. EMS installed — combined with the installation of energy-efficient HVAC units, helps contribute to achieving energy savings.

* implemented in some 7-Eleven® store locations

Energy Efficient Store Design Elements *

In addition to equipment installations, 7-Eleven, Inc. implements energy efficient store design elements to help reduce energy consumption in stores*.

・Low E Windows

・Occupancy Sensors

・Photocells/Daylight Harvesting

・Structural Insulated Panels（SIP）

* implemented in some 7-Eleven® store locations

Expanding Renewable Energy

Energy conservation projects are just one part of the bigger picture — we're also expanding our renewable energy initiative. About **29 percent** of all the electricity consumed by 7-Eleven, Inc. stores in both the U.S. and Canada during FY2023 came from renewable sources, including wind and solar.

・With more than 15,000 wind turbines in the state, Texas ranks first in the U.S. for both installed and under-construction wind capacity and is home to four of the largest wind farms in the nation. In 2017, 7-Eleven signed an agreement with TXU Energy to purchase wind energy for all 7-Eleven, Inc. Texas stores in competitive energy markets. In FY2023, 7-Eleven purchased over 333,000 MWh renewable energy from TXU Energy, providing power to more than 970 stores. This program accounted for an estimated 37 percent of all FY2023 renewable energy consumed by 7-Eleven® stores.

・Since FY2020, 7-Eleven has subscribed to a program to procure renewable energy for its Florida stores by using large-scale solar power generation facilities. This program accounted for of approximately 109,000 MWh, or 12 percent, of all FY2023 renewable energy consumed by 7-Eleven, Inc. In FY2021, the company began operating under agreements for over 60,000 MWh of off-site wind energy for its Illinois stores, and community solar projects in Oregon that are expected to provide an additional 2,500 MWh of renewable energy once fully operational. In FY2023, the Illinois and Oregon agreements contributed approximately 61,000 MWh and 970 MWh of renewable energy, respectively.

・In FY2022, 7-Eleven, Inc. announced a 20-year clean energy commitment in Michigan through Detroit-based DTE Energy's innovative MIGreenPower program. Once the projects are complete, the shared goal is to achieve 100 percent clean energy for all 160 southeast Michigan locations, in an effort to avoid more than 14,000 tons of CO2e emissions annually. That's equivalent to removing approximately 3,300 gas-powered cars from the road each year. This agreement is a great example of how 7-Eleven, Inc. is working with both the private and public sectors to reduce its carbon footprint.

In FY2022, the company subscribed to a program for over 37,000 MWh annually for off-site wind and solar energy in Nevada. This program delivered an estimated 42,000 MWh of renewable energy in FY2023.

Wind turbines in Texas

Large-sized solar power generation facility in Florida

Red Prairie Community Solar project in Oregon

What is Community Solar?

Utility sponsored community solar is different from on-site solar where solar panels are installed directly on houses/buildings to generate power. It refers to local solar facilities developed and owned by the utility which are shared by multiple community subscribers who receive credit on their electricity bills for their share of the power produced.

Increasing Access to Alternative Fuels

7-Eleven, Inc. has always focused on innovations to improve the customer experience, and that includes offering alternative fuel options — specifically, electric vehicle charging stations. Through 7Charge™, the company's electric vehicle fast charging network and app, 7-Eleven is focused on providing electric vehicle drivers access to a seamless charging and payment experience across the 7Charge network. By providing a reliable and fast charging* option for electric vehicles at stores along select highway corridors and in metropolitan areas, 7Charge is once again redefining convenience. In 2023, customers purchased **1.2 million kWh** through our network of electric vehicle fast charging stations. That equates to **3.6 million e-miles charged**.

Our network of EV charging stations is quickly growing. As of the end of 2023, we have EV installed at **38 stores** with **126 total ports** across 7 U.S. states

*At most locations

Electric-vehicle (EV) charging stations

Conserving a Natural Resource

7-Eleven, Inc. understands that efficient use of water helps reduce the demands on our water supply and preserve an essential natural resource. To reduce water consumption, 7-Eleven, Inc. utilizes low-flow aerator faucets as part of our energy-efficient design elements for stores*.

* implemented in some 7-Eleven® store locations

Environmental Data Associated with Store Operations

	FY2020	FY2021[*4]	FY2022[*4]	FY2023[*4]
Number of stores within scope[*1]	9,387	13,043	12,811	12,634
GHG emissions[*2] (market-based) (1,000 t-CO_{2e})	759	1,002	851	790
CO_2 emissions[*2,3](market-based) (1,000 t-CO_2)	755	997	848	790
Electricity consumption[*2](GWh)	2,306	3,213	3,186	3,125
Water usage[*2](1,000 m^3)	10,637	10,544	15,480	15,223

*1 Number of stores covered within scope of CO_2 verification (excluding stores operated by domestic licensees of 7-Eleven, Inc.)

*2 Calculations are based on estimated electricity consumption for stores where data was not available.

*3 Verified by a third party

*4 Includes Speedway stores

Third-Party Verification Report >

Sustainable Packaging

7-Eleven, Inc. continually looks for ways to improve product packaging by using packaging with sustainable attributes. Sustainable packaging refers to packaging materials and practices that minimize environmental impact through their lifecycle, from production and use to disposal.

7-Eleven and our family of brands is continually looking for ways to improve product packaging by using sustainable materials (for example: those composed wholly or in-part from postconsumer recycled content (PCR)), reducing resource consumption, waste generation and pollution associated with packaging, while keeping our offerings at the peak of quality.

7-Eleven, Inc.'s goal is to use packaging with sustainable attributes for 50 percent of proprietary products by 2030

【Packaging Goal】

Use packaging with sustainable attributes for 50 percent of proprietary products by 2030

FY2023 Key Initiatives

Increasing Post-Consumer Recycled Content

Sandwich Wedge

There's a lot of appeal to a freshly made deli sandwich, especially when it's wrapped with care to retain its goodness. To ensure our customers can feel good about their lunch, 7-Eleven, Inc. uses **PCR** for its sandwich wedge packaging. During 2023, through our "Recycled Content Inclusion" program, we redesigned the **sandwich wedge** to include 20 percent PCR, helping to avoid an estimated **71,500 pounds** of virgin plastic use on an annual basis — proof that convenience, fresh food and a cleaner environment are compatible goals.

Reducing Polystyrene Use

Nacho Kit

Nachos are one of the most crave-worthy culinary inventions. Keeping the ingredients fresh, delicious and ready-to-go, however, is a challenge. Polystyrene is traditionally used in packaging for its thermal insulation properties. But most single-use polystyrene food containers end up as landfill trash or litter as they are difficult to recycle. Among commercial plastics on the market today, polypropylene is considered one of the safest, and it is generally more recyclable compared to polystyrene. It's FDA approved for food contact, and its high heat tolerance makes it ideal for foods that can be heated in a microwave, like nachos. Our redesigned polypropylene-packaged Nacho Kit has removed more than **225,000 pounds** of polystyrene annually.

Reducing Food Waste

Too Good To Go

Food waste is an environmental concern. When perfectly good food is tossed away, so is all the energy and water it takes to grow, harvest, transport and package it. In Canada, for example, 35.5 million metric tons of food produced is lost or wasted every year and food waste accounts for 10 percent of greenhouse gas emissions in the world.*

Wasting food is also a humanitarian concern. An estimated 6.9 million Canadians, including 1.8 million children, live in households struggling to afford food.** 7-Eleven Canada felt strongly that they could make a difference and partnered with social impact company **Too Good To Go**. Their mission is to “Rescue unsold food at your favourite spots from an untimely fate.” In early 2023, 7-Eleven Canada leveraged Too Good To Go’s mobile app in pilot stores in Vancouver and Toronto, to offer customers daily discount-priced “Surprise Bags” that included products nearing their best-by dates. Response was immediate, enthusiastic and a clear signal that customers wanted more. As of December 2023, 445 stores across Canada offer the program and have helped save more than 130,000 meals. The program is also bringing in first-time customers - 31 percent of those picking up Surprise Bags have never been to a 7-Eleven. When they come in; 29 percent of them make additional purchases. Through the Too Good To Go program, 7-Eleven Canada is helping feed deserving families, protecting the environment and welcoming new customers.

*Research by Second Harvest and Value Chain Management International

**Li T, Fafard St-Germain AA, Tarasuk V. (2023) Household food insecurity in Canada, 2022.

Promoting Responsible Consumption

Our priority is to provide customers with the highest quality products while also delivering great value. That includes the types of products we offer, how they’re made and how they make it onto store shelves. As the industry leader in convenience, we have a responsibility to source responsibly — whether from our vendors or when developing our own awesome proprietary products.

Brands With Heart - Showcasing sustainability, innovation and opportunity

Designed to give emerging brands the chance to see their products on national store shelves, 7-Eleven’s “Brands with Heart™” program is winning hearts — and tastebuds — while making a meaningful impact on communities across America.

7-Eleven, Inc. believes our role as a leading retailer goes beyond providing innovative products to our customers — it’s about making a lasting difference in the communities we serve. This year, for the first time ever, every one of our ‘Brands with Heart’ participants demonstrates a purpose-driven element, bringing us one step closer to achieving this goal.

Take 2023 “Brands with Heart” participant, Equitea Co., for example. Founded in 2020 by Quentin Vennie and his wife, Erin, Equitea’s mission is to expand pathways to wellness by making better-for-you products more accessible and equitable for consumers.

7-Eleven is proud to be a platform for new and innovative brands to introduce their products to the world. Not only do these products taste great, they also have positive impacts and benefits with environmental and social principles.

Brands W/ ♥

Supporting Local Communities

Building Thriving Communities

Giving back and leading through service has always been a part of our company's core values. Through volunteer initiatives, charitable donations and in-store fundraising campaigns to support important causes, we're helping build thriving communities for years to come.

FY2023 Social Impact Highlights

Helping Children

Through a combination of customer donations and the **Annual Miracle Tournament and Celebration Dinner**, 7-Eleven, Inc. has raised nearly **$190 million** for Children's Miracle Network Hospitals since 1991. In 2023, the 7-Eleven family of brands raised more than **$18 million** through customer donations to support 106 member children's hospitals across America. Approximately 1,000 supporters, including 7-Eleven Franchise Owners, suppliers, vendors and employees, rallied together at the Annual Miracle Tournament and Celebration Dinner to raise funds and celebrate the children who directly benefit from Children's Miracle Network Hospitals. This year, 52 children and their families — each representing their local member hospital — were on hand to meet and interact with the participants, share their personal stories and, most importantly, have fun.

The new **Cleat Crew program** brought together nine athletes from top-ranked college football programs to raise funds for **Children's Miracle Network Hospitals®**. The athletes teamed up with renowned luxury designer Dominic Ciambrone, aka The Shoe Surgeon, to put their mark on individual pairs of custom cleats. Fans had the opportunity to win the cleats through auctions, with proceeds directly benefiting local member Children's Miracle Network Hospitals in each athlete's hometown. Between the auctions and donations from 7-Eleven, Inc.®, over **$100,000 was raised** for Children's Miracle Network Hospitals.

Children's Miracle Network Hospitals®

National Volunteer Month

During National Volunteer Month in April, we hosted our annual **7Cares Day** volunteer event through both the Enon and Irving Store Support Centers. This collective day of service allowed employees to choose a special volunteer opportunity at one of 19 local non-profit organizations and see firsthand the important work these charities do in our communities. **450+ volunteers dedicated 1,100+ hours** to support **19 organizations** across 7-Eleven, Inc.'s local North Texas and Central Ohio communities with a focus on health, safety and opportunity.

Total donation to local communities: $38,000

Fighting Hunger: 7Cares Thanks + Giving brightens holiday for hungry families

Thanks + Giving

In November, Store Support Center employees supported hunger relief efforts through **Second Harvest Food Bank and Dayton Foodbank** in Central Ohio and **Minnie's Food Pantry** and **North Texas Food Bank** in North Texas. In total, **300 volunteers** assembled more than **3,900 boxes** of food. When combined with a 7-Eleven Cares Foundation donation of $140,000 and the generosity of Store Support Center employees — who donated an additional 2,000 lbs. of food and more than $2,000 in online gifts — we provided close to **590,000 meals** for our neighbors in need at Thanksgiving.

Supporting Communities During Disaster Relief: Teaming up with the American Red Cross to help people at home and abroad

Teaming Up with the American Red Cross to Support Disaster Relief Efforts

In association with the American Red Cross, the 7-Eleven global family of brands (comprising more than 84,000 stores across 20 countries and regions), corporate and customer donations totaled nearly **$400,000 to help the people of Maui**. These donations provided critical support after deadly wildfires (the worst in U.S. history) raged across the historic landscape in August 2023. 7-Eleven, Inc. also demonstrated its commitment to the cause with a 7-Eleven Cares Foundation donation of $25,000 and employee donations of $7,250, all specifically allocated toward the American Red Cross Hawaii Wildlife Relief Fund. And 7-Eleven International LLC also made a corporate donation of $25,000 to the Hawai'i Community Foundation Maui Strong Fund. In addition, 7-Eleven Cares Foundation is a proud supporter of the American Red Cross Disaster Responder Program and donated **$25,000 to the American Red Cross Hurricane Idalia Disaster Relief Fund and nearly $5,300 in product donations,** to help provide food, shelter and comfort for people facing the heartbreaking devastation left behind by the historic storm.

Encouraging Positive Behavior and Foster Community Connections: Operation Chill®— Rewarding cool kids for being cool!

Building Thriving Communities One Slurpee® Drink at a Time

Founded in Philadelphia 28 years ago, 7-Eleven's Operation Chill program helps foster positive relationships between law enforcement agencies and the communities they serve. It's simple — when officers see young people doing good, like bike riding with a helmet or helping a neighbor, they reward kids with a free small Slurpee drink coupon. These small gestures go a long way toward creating meaningful connections. The **Operation Chill program** also provides opportunities for 7-Eleven® stores and their Asset Protection teams to support local law enforcement and the public. Over the summer, Southern California store operators participated in **National Night Out**, an annual campaign that helps build police-community partnerships and neighborhood camaraderie. Stores donated food, water and Operation Chill coupons and attended events in cities across Southern California. Collaborations like these demonstrate the potential for beneficial outcomes when businesses and law enforcement agencies come together to create safe, thriving communities. In 2023, **500,000 free Slurpee® drink coupons** were handed out and **1,300 law enforcement agencies** were involved.

Our Commitment to a Diversity and Inclusion (DE+I)

7-Eleven, Inc. has more than 13,000 stores across the U.S. and Canada and as such, is also an integral part of the incredibly diverse neighborhoods we serve. To ensure an inclusive customer experience and workplace, we encourage Franchise Owners and 7-Eleven employees across the family of brands to bring their unique perspectives, talents and contributions to work every day. We strive for equality and are committed to taking bold action when it comes to Diversity, Equity and Inclusion.

Our strategy focuses on three core pillars

Cultivate diverse talent	Positively impact the communities we serve	Foster an inclusive workplace culture

FY2023 DEI Highlights

Activate HER

In keeping with our commitment to support the development and advancement of women, we launched an all-new professional development series, ActivateHER, in 2023. As the name implies, the program is all about activating and empowering the next generation of women leaders — and their allies — across the 7-Eleven family of brands. ActivateHER provides participants with educational content and tools, inspiring interviews and engaging discussions, workshops, and other development opportunities — from internal leaders, outside experts and guest speakers.

Associate Business Resource Groups

Associate Business Resource Groups are voluntary, corporate employee-led groups designed to support associates in alignment with 7-Eleven, Inc.'s organizational mission, values, goals, business practices and objectives. The goal: Foster and support our diverse workforce, develop future leaders and engage our talented associates.

7-Eleven has six ABRG groups – 7NEW (Network of Executive Women), 7Veterans, 7Pride, 7Young Professionals, 7NPB (Network of Black Professionals) and 7Hola. In 2023, 7-Eleven's newest Associate Business Resource Group — **7Hola** — officially launched on Cinco de Mayo (May 5), to provide Hispanic and Latin professionals, and their allies, with opportunities to develop their careers and create a positive impact in our communities. The group's foundational pillars focus on professional development, community service and social and cultural education. Since its launch, the group has been working to deepen Hispanic and Latin engagement across the company and create a nurturing environment where all employees can thrive.

Black History Month

Throughout February, we celebrate Black History Month — our national observance of the historic journey and achievements of African Americans. By spotlighting important African American figures and movements, the commemoration helps our nation move closer to realizing the powerful vision upon which it was founded. Dr. Michael Sorrell, the longest-serving President in the history of Dallas' Paul Quinn College, shared his insights about how 7-Eleven and our family of brands can help further the important role of education in building representative leadership in the arts, sciences, government and industry.

Hispanic Heritage Month

Each September 15 through October 15, we celebrate Hispanic Heritage Month, our national observance of the diverse cultures and rich histories of the Hispanic and Latino American communities. Celebrated astronaut, physicist and engineer Dr. Franklin Chang-Díaz is NASA's first Hispanic astronaut and a real-life space pioneer who has logged seven spaceflights, more than 1,600 hours in space and three spacewalks. He was instrumental in the construction of the

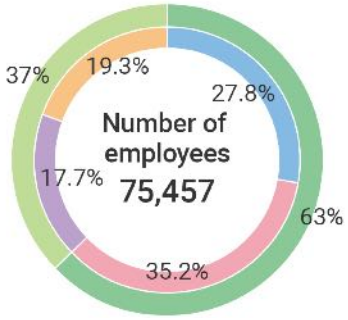
International Space Station and also served as director of the Advanced Space Propulsion Laboratory at the Johnson Space Center. In 2005, he retired from NASA to pursue other interests including the advancement of plasma rocket propulsion technology, environmental causes and mental health programs supporting Hispanic people.

Building Bridges

The 2023 National Association of Convenience Stores (NACS) show in Atlanta brought together Larry Hughes (7-Eleven, Inc. Vice President, Corporate Human Resources and DE&I) and Kent Montgomery (Senior Vice President, Industry Relations & Multicultural Development at PepsiCo) to discuss “Building a Culture of Diversity and Inclusion Among Customers and the Workforce.” Montgomery and Hughes engaged in a lively and enlightening exchange about the latest DE+I trends and data and what they mean for the convenience retail industry. The session also shed light on how PepsiCo and 7-Eleven continue to evolve their DE+I agendas and what the convenience industry can do to take its DE+I efforts to the next level.

NACS　2023

Personnel data in the U.S. and Canada (as of the end of December, 2023)



Full-time employees	47,513
Male	20,945
Female	26,568
Part-time staff	27,944
Male	13,334
Female	14,610
Percentage of women in management positions, excluding executive officers	32.5%

7-Eleven, Inc. Disclaimer

Forward-looking statements are generally identified through the inclusion of words such as “aim,” “anticipate,” “aspire,” “believe,” “commit,” “endeavor,” “estimate,” “expect,” “goal,” “intend,” “may,” “plan,” “seek,” “strive,” “target,” “will” and “work,” or similar statements or variations of such terms and other similar expressions. The forward-looking statements in this Report and the materials or websites cross-referenced concern 7-Eleven’s goals or expectations with respect to corporate responsibility, sustainability, employees, environmental matters, policy, procurement, philanthropy, data privacy and cybersecurity, and business risks and opportunities. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from those predicted in such statements. Forward-looking statements are not guarantees or promises that goals or targets will be met. 7-Eleven undertakes no obligation to update any forward-looking or other statements, whether as a result of new information, future events, or otherwise, and notwithstanding any historical practice of doing so. In addition, historical, current, and forward-looking sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future. The information included in, and any issues identified as material for purposes of, this document shall not be considered material for Securities and Exchange Commission (“SEC”) or other similar reporting purposes. In the context of this Report, the term “material” is distinct from, and should not be confused with, such term as defined for SEC reporting purposes.

SEVEN-ELEVEN HAWAII, INC.

In March 2016, SEVEN-ELEVEN HAWAII, INC. (SEH) added "Our Promise" to its set of company values in order to support its direction as a chain of "close-by, convenient stores," to shape its corporate culture, and to further solidify its values.

"Our Promise" is comprised of the following three specific values.

(1) Bring a smile to the faces of customers, vendor partners, and employees

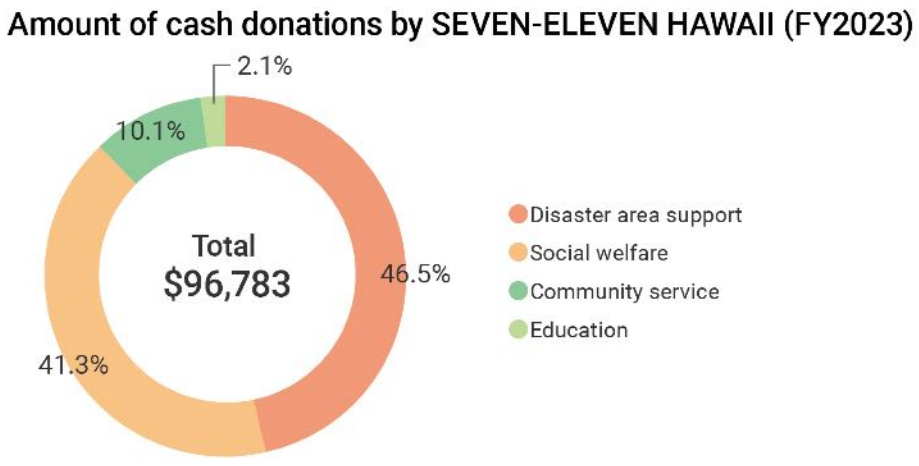
(2) Work together as a team to achieve goals

(3) Strive for greater heights

These values define SEH as a business for the community, for partners and for employees. The practice of Our Promise then becomes the cornerstone for the words and actions of employees. To promote "Our Promise," the company started a program for recognizing exceptional employees. First, all employees are encouraged to nominate people they think are practicing the three values. Then, the selected people are given a badge and a bonus and are announced on an employee-only Facebook page.

Thriving with Local Communities

As a good corporate citizen, SEH supports activities and NPOs involved with children, education, public welfare, and health. In FY 2023, the equivalent of approximately $96,783 in support was provided to 30 organizations through fundraising, material support, and volunteer activities on the part of SEH customers, stores, employees, and the company.



Supporting NPOs through Storefront Donations

SEH has been collecting storefront donations from customers to support various NPOs that contribute to the local community since it began operations. Each month, SEH researches Hawaii-based organizations that are active in fields such as health, safety, and education. In 2023, SEH committed to supporting its Your Neighborhood Store mission by selecting organizations from not only Oahu, but Kauai, Maui, and Hawaii Island. In FY2023, approximately $87,300 was donated.

Walking for a Cause

On April 22, SEH employees as well as other businesses and residents once again gathered at Kapiolani Park to participate in the Step Out Walk at Kapiolani Park. This event reaffirms SEH's dedication to supporting the American Diabetes Association's mission to prevent and cure diabetes and improve the lives of those affected by the disease. This year marked 32 years of being connected and walking for a cure. Funds raised will support lifesaving research, education and advocacy.

Individuals from both Store Support Center (SSC) and store teams were encouraged to invite their families to the event filled with walking, games, and food. This event provided an opportunity for SEH employees to actively contribute to the fight against diabetes and re-connect with their fellow colleagues.

Operations Manager, Trevor Park and his family crossing the finish line.

SEH participants gather for an annual group photo.

Celebrating Bike Month for a Healthier Hawaii

In May, SEH partnered with Oahu's largest bikeshare organization, Biki, to promote biking as a healthy and eco-friendly transportation alternative throughout Bike Month. Biki has over 1,300 bikes at over 130 conveniently located self-service "Biki Stops," enabling residents to utilize biking without having to own one.

On May 1, Biki kicked off the Bike Month festivities. The festivities included Biki hosting an "Energizer Station" every Tuesday along a bike path in Honolulu where Biki riders and bike commuters are invited to stop by for free snacks and refreshments provided by local businesses including SEH. This year, SEH donated granola bars, bananas and water. The Energizer Station was an opportunity to thank residents for cycling and encourage others to consider it for their commute.

On May 7, SEH celebrated National Ride a Bike Day by sponsoring FREE Rides with Biki. All day long, bikers could use code '711' at any Biki kiosk to redeem a free 30-minute ride. The event resulted in 2,163 rides and a combined total of 43,844 minutes ridden.

SEH sponsored Energizer Station on May 2.

Maui Strong

August 8, 2023 is a day that many will never forget. On that day, wildfires swept through Lahaina, Maui, the formal royal capital of Hawaii. Families were displaced and many lost loved ones. Lahaina is unrecognizable but the community is determined to rebuild it.

This tragedy sparked a global effort to raise money for the thousands of residents affected by the devastating wildfires. As part of the effort, the 7-Eleven ohana stepped in to help. SEH donated $20,000 to two separate organizations, American Red Cross and the Salvation Army. In collaboration with Warabeya, USA, SEH delivered SPAM Musubi and Somen Salad to the Maui Evacuation Center. SEH's customers collectively raised over $10,000 to the Hawaii Community Foundation Maui Strong through its storefront donations. Additionally, 7-Eleven Japan held its own storefront donation campaign for the same organization; and raised over $300,000. 7-Eleven Inc. donated $25,000 to the American Red Cross Hawaii Wildfire Relief Fund. And 7-Eleven International, LLC donated $25,000 to the Hawaii Community Maui Strong Fund.

Storefront donation box sign requesting customers to donate their change for the Maui wildfire victims.

Helping to Provide a Brighter Christmas to Hawaii's Families

SEH partnered with non-profit Keiki O Ka 'Aina in December 2023 to bring awareness to its Laulima Giving Program. The Program serves as a critical lifeline to the community and has served more than 230,000 needy individuals throughout the state. It depends exclusively on donations from residents and local businesses. Keiki O Ka 'Aina's overarching mission is to educate children, strengthen families, enrich communities, and perpetuate the Hawaiian culture by empowering Hawaii's families to undertake leadership roles in their communities.

Each holiday season, it hosts a major "adopt-a-family" campaign, where generous community members can anonymously gift necessities to a family in need. To support this campaign, SEH made a donation of $40,000. In

addition, SEH adopted a family on Oahu and a family on Kauai by donating basic necessities that totaled $2,000. Store Support Center members also participated; and adopted three Oahu families.

To help further Keiki O Ka Aina's mission, SEH sponsored its 6th annual "Gingerbread Ohana Fest" at Windward Shopping Center on December 2. In conjunction with its fundraising efforts, this free event served as a community gathering place to celebrate the season of giving.

SEH and its SSC members donated toys, supplies, and necessities to underprivileged families.

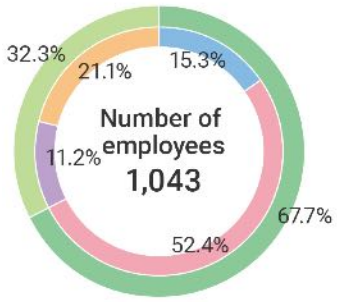
Gingerbread competition participants from local high school, Farrington High School at Keiki o Ka Aina's Gingerbread Ohana Fest on December 2.

SEH Awards $40,000 to Keiki o Ka Aina in December of 2023.

Diversity & Inclusion

Hawaii is a region which is especially diverse in language, culture, education, age, and other factors. People across several generations have continued to accept mutual differences, appreciate each other, and share their stories. As a result, the culture of the Hawaii state was born with many unique things such as food, language, and festivals. Diversity and inclusion are established in SEH's culture and lives in all relationships whether in public spaces or at the workplace.

Personnel data of SEVEN-ELEVEN HAWAII, INC.
(as of the end of December, 2023)



Full-time employees	706
Male	159
Female	547
Part-time staff	337
Male	117
Female	220
Percentage of employees with disabilities	0.19%
Percentage of women in management positions	55.9%

Reducing Environmental Impact

Plastic Countermeasures

Plastic reduction efforts remain at the forefront for SEH in 2023. The goal this year was to reduce plastic packaging for SEH's manapua and sandwiches by 52,000 pounds annually. Both manapua trays and sandwich inserts transitioned from plastic to paper. With the assistance of Warabeya USA, we completed these projects in January 2023 and June 2023 respectively. This initiative resulted in an annual reduction of approximately 71,500 CO2e (kg).

A paper tray for manapuas

A paper tray for sandwiches

【Examples of other Initiatives】

- Not including spoons, forks, and other utensils with boxed lunches, but handing them to those who need them at the cash register
- Eliminating disposable plastic bags
- Introduce shrink wrapping* and minimize the wrapping of fresh produce
- Implement a "Bring your own cup" program to encourage customers to bring their own cups
- Hot Beverage plastic lids replaced with polylactic acid (PLA) based lids
- Hot Beverage plastic stir sticks are now made of wood

* Airtight packaging that uses plastic packaging film that is shrunk by heat

** Reducing plastic packaging by 25% for its private brand snacks and candy.

Number of SEH Stores and Environmental Data Associated with Store Operations

	FY2020	FY2021	FY2022	FY2023	FY2023 target
Number of stores	65	65	65	67	69
Electricity consumption (MWh)	18,099	18,156	17,950	18,194	18,739
Water consumption (thousand m^3)	51	55	55	57	58

Major Awards and Recognition in FY2023

Recognition or Award Name	Award Sponsor	Reason
Best of Honolulu #1 for Convenience Store, #1 for Musubi	HONOLULU Magazine	As voted by readers of HONOLULU Magazine
Best of Hawaii #1 for Convenience Store, #1 for Musubi	KITV	As voted on by viewers of KITV4 and KIKU
Hawaii's Best #1 for Bento, #1 for SPAM Musubi	Star Advertiser	As voted on by readers of Star Advertiser

Chinese Convenience Store Business

Providing Safe and Reliable Products

In China, where concerns over food safety and reliability have been mounting, SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVEN-ELEVEN (CHENGDU) work to provide safe and reliable products by leveraging quality management and product development capacities cultivated in Japan.

Product Quality Management

For private brand products sold at SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVEN-ELEVEN (CHENGDU), strict criteria are applied in the selection of raw materials, and manufacturing plants are screened for items such as experience in exporting to Japan to select plants with high quality levels.

● Introduction of Quality Management System

Factories that manufacture only private brand products are strengthening quality control by adopting international systems for food safety management and measures taken at Japanese factories. SEVEN-ELEVEN (BEIJING) and SEVEN-ELEVEN (TIANJIN) manufacturing factories, Beijing Wang-Yang Foods and JEANAVICE Factories, obtained "SC" food production license for chilled food in January 2017, earlier than their peers. SC is a Chinese law regarding food production that must be obtained by October 2018, switching from the previous "QS" food quality and safety license. In addition, Beijing Wang-Yang Foods obtained HACCP*1 certification in March 2018. Beijing Want-Yang Foods began conducting ATP wipe inspections in November 2021, and is working to manufacture safer and more secure products. In October 2021, additional pillow wrapping machines were introduced, and burgers and rolls that were previously manufactured by hand are now being converted to pillow wrapping. Moreover, the JEANAVICE Factory acquired ISO 22000 (food safety management systems) in March 2022.

SEVEN-ELEVEN (CHENGDU) also asks its suppliers to comply with its own standards, which are stricter than domestic laws and regulations, and also holds regular quality control workshops for store employees to ensure safety and security.

● Automation of Production Processes

SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVEN-ELEVEN (CHENGDU) are automating their manufacturing processes to further stabilize the taste and quality of their products. For example, Chengdu Xinshuwei Food Limited Company, which supplies products to SEVEN-ELEVEN (CHENGDU), expanded the installation of rice ball molding and packaging machines in July 2018 and adopted noodle-making machines in 2019. In 2020, the company is expanding its cooking facilities and continuing to implement the offering of completely new and unique products in addition to improving quality. In addition, Beijing Want-Yang Foods has mechanized its cooked bread manufacturing plant, which began full-scale operations in March 2019, focusing on the bread-making process and product packaging.

Furthermore, SEVEN-ELEVEN (CHENGDU) is working on activities to help improve the temperature control level and safety of its products by enhancing its cooling facilities and in-place cooling system to ensure product safety. At the

same time, it holds monthly workshops to improve product quality and stability for the production management and other departments. SEVEN-ELEVEN (TIANJIN) has also been selling salads using the cold chain since July 2019.

*1 HACCP (Hazard Analysis and Critical Control Point) food sanitation management method

Giving Consideration to Health

Trans-fatty acids, which are said to increase the risk of heart disease, were successfully reduced to zero in the original room-temperature bread products of SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVEN-ELEVEN (CHENGDU). In addition, since January 2019, allergens have been displayed for rice balls and sushi, and this is gradually being expanded to boxed lunches, sandwiches, and other daily food products.

SEVEN-ELEVEN (BEIJING) began displaying calories on the surface of packages for some of its sandwich and salad products in the second half of the fiscal year ended February 28, 2022, and also began releasing room temperature bread from the Zero Sugar series in April 2022. Furthermore, SEVEN-ELEVEN (TIANJIN) launched lunchboxes such as cereal rice and salads rich in vegetables under the theme of health from the second half of the fiscal year ended February 28, 2021.

In addition, Beijing Wang-Yang Foods, which supplies products to the SEVEN-ELEVEN (BEIJING) and SEVEN-ELEVEN (TIANJIN) areas, introduced a sandwich slicer in 2023 as a labor-saving and anti-microbial measure and, in 2024, introduced a label analyzer to save labor in product name and thermal label management and to eliminate mistakes.

Improving Customer Satisfaction

SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVEN-ELEVEN (CHENGDU) are working to collect customer feedback in order to improve products and services from the standpoint of customers. Feedback obtained from customers is shared with departments and stores on a daily basis. In addition, in order to grasp changes in customer needs and reflect them in products, SEVEN-ELEVEN (BEIJING) and SEVEN-ELEVEN (CHENGDU) conduct periodic customer surveys. Further, SEVEN-ELEVEN (TIANJIN) held a product exhibition in September 2019. At the exhibition, food tasting of new products and questionnaire surveys on future needs and so on were conducted to use for product development.

In addition, SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVEN-ELEVEN (CHENGDU) have been conducting training to further improve the customer service provided by employees. In the fiscal year ended February 29, 2024, SEVEN-ELEVEN (CHENGDU) increased its number of new initiatives as follows to facilitate improvements in customer satisfaction.

1. Sharing of basic training information: Preparation and monthly distribution to stores of materials focusing on social information, in-store standards, food safety management, outstanding case studies from other stores, product information, and promotion plans

2. Employee customer service training: Video footage of employees serving customers is recorded and a trainer is deployed to respective stores. Trainers confirm the content of the video footage and provide comments and suggestions. 10 stores identified as having outstanding customer service were given awards at the end of the fiscal year ended February 29, 2024.

Furthermore, SEVEN-ELEVEN (BEIJING) created customer service awards to recognize employees who provide outstanding customer service. The awards are presented in a group ceremony every three months. We will strive to enhance motivation by presenting awards to recipients at meetings and other such forums in conjunction with striving

to increase case studies of best practices for employees to follow by making the award-winning activities widely known.

Customer service practice by employees

Thriving with Local Communities

SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVEN-ELEVEN (CHENGDU) each conducts social contribution activities as members of their local communities.

Environmental Preservation Measures through Storefront Donations

SEVEN-ELEVEN (BEIJING) installed donation boxes in stores and has been collecting money from customers since November 2006. The funds are donated to the Beijing Green Fund, an officially-recognized environmental preservation organization. The Fund uses donations from the public to plant trees as countermeasures against sandstorm damage and desertification, creating tree fences that prevent sand movement in and around Beijing. Starting in the fiscal year ended February 28, 2019, as an activity in which customers could easily get involved, it began an initiative in which part of the proceeds from customers' coffee purchases were donated to the Beijing Green Fund. In the fiscal year ended February 28, 2022, 51,231 yuan was donated.

In 2023, it continued to make donations to the Beijing Green Fund, with donation boxes placed at cashier counters and an automatic donation of 0.01 yuan for every cup of coffee purchased, as undertakings in which customers can easily get involved. As a result of these initiatives, total donations for the full year of 2023 amounted to 33,695.3 yuan. Of this, 28,856.49 yuan was raised from coffee sales, while 4,838.81 yuan was received as cash (in donation boxes) from customers. The company were also the recipient of words of praise from the Beijing Green Fund, who indicated that: “We will put these donations to use in continuously undertaking environmental improvements and preservation projects for old trees in Beijing.”

Donation amounts to Beijing Green Fund (Chinese Yuan)

FY2021	FY2022	FY2023
51,231	35,570	33,695

Support for People with Disabilities

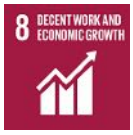
In 2023, SEVEN-ELEVEN (CHENGDU) donated household goods and other items to residents with disabilities in the Wuhou District of Chengdu. This initiative was well received, with the company receiving a letter of appreciation from the government in acknowledgement.

Value of Goods Donated to Persons with Disabilities by SEVEN-ELEVEN (CHENGDU) (Chinese Yuan)

FY2021	FY2022	FY2023
1,891	0	1,993

Creating Fulfilling Workplaces

In continuing to expand our network of stores in China, it is essential that we hire and train local employees. SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVEN-ELEVEN (CHENGDU) seek to raise the communication abilities of employees and develop them to be able to think and act by themselves. To this end, the three companies are working to provide various training seminars and create workplaces where employees are able to demonstrate their abilities to the fullest.



Employee-Related Data (FY2023)

	SEVEN-ELEVEN (BEIJING)	SEVEN-ELEVEN (TIANJIN)	SEVEN-ELEVEN (CHENGDU)
Full-time employees (Men/Women)	339 (170/169)	146 (49/97)	116 (37/79)
Part-time staff	257	85	41
Percentage of employees with disabilities	4.92%	2.74%	4.62%

Employee-Related Data (FY2022)

	SEVEN-ELEVEN (BEIJING)	SEVEN-ELEVEN (TIANJIN)	SEVEN-ELEVEN (CHENGDU)
Full-time employees (Men/Women)	338 (174/164)	143 (52/91)	121 (39/82)
Part-time staff	229 (91/138)	122 (58/64)	24 (7/17)
Percentage of employees with disabilities	4.92%	3.50%	2.07%

Employee-Related Data (FY2021)

	SEVEN-ELEVEN (BEIJING)	SEVEN-ELEVEN (TIANJIN)	SEVEN-ELEVEN (CHENGDU)
Full-time employees (Men/Women)	338 (178/160)	154 (58/96)	145 (47/98)
Part-time staff	359	75	65
Percentage of employees with disabilities	3.10%	3.05%	1.43%

Support for Enhancing the Abilities of Employees

Operations Field Consultants (OFC) play an important role in connecting the Head Office with franchise store owners. They serve as store management consultants that provide multifaceted advice to franchise stores on overall management, including ordering, product lineups, and employee training. OFC candidates first gain store experience at training stores and learn the fundamentals of store management, which include the Four Basic Principles; unit control; employing, training, assigning and evaluating of staff; and management indicators.

SEVEN-ELEVEN (BEIJING) has traditionally engaged in initiatives to facilitate the development of OFCs such as on-the-job training, online training, one-to-one mentoring, case studies and presentations, and simulations. In addition to these initiatives, from 2023, the company launched a new study format referred to as “monthly themed training,” for new and incumbent OFCs. This was linked to the company’s various duties contact desks and intended to provide more structured and specialized guidance on everything from the process of opening a store, to documentation, equipment maintenance, system checks, handling complaints, and dealing with government inspections, with the training serving to raise the OFC team's work abilities to an advanced level.

Additionally, for daily management, the company implements third-party quality control surveys to ascertain the status of store operations through third-party organization scores and rankings, subsequently offering feedback on the outcomes to OFCs. OFCs then use any problematic area thus identified as starting points for initiatives to improve store management and operational conditions.

Since the second half of the fiscal year ended February 28, 2021, SEVEN-ELEVEN (TIANJIN) has been furthering presentation of issues at store manager meetings. It is committed to improving the ability to analyze, solve, and verify aspects of a problem through presentations on the main theme of unit control. It is promoting education in advance to nurture reliable OFCs who can provide smooth explanations to franchise store owners. Since the fiscal year ended February 28, 2023, periodic testing of OFCs has been conducted at OFC Conferences. By checking knowledge concerning products, priority products in each product category, solutions for increasing sales, delivery, creation of in-store systems, and other topics, it is possible to determine the overall level of OFCs as well as individual abilities, and the company plan to reinforce education and training based on the test results. In addition, the company has started measures for conducting rigorous training for in-store support systems for OFCs (from methods of use to tips) and to prepare for and implement action plans and verify them in order to enhance the planning abilities of OFCs.

Furthermore, from 2023, it initiated project meetings for the improvement of delivery, fast food, and sales in residential locations, focused on the relevant departments. It shares case studies of best practices, discusses countermeasures and proposals for problematic areas, and formulates and verifies plans to facilitate improved future sales, while also allocating roles and undertaking initiatives on various challenges in unison towards a single goal. Employees are also motivated by being offered the opportunity to participate in projects, through which they can make suggestions and provide advice.

In the fiscal year ended February 29, 2024, SEVEN-ELEVEN (CHENGDU) organized monthly training for the enhancement of abilities of incumbent OFCs, designed to improve their counselling skills. A total of four major themes and 12 classroom lectures were provided, which will actively serve to improve the counselling abilities of OFCs.

OFC counselling abilities enhancement training

Programs to Raise Employee Motivation

SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVEN-ELEVEN (CHENGDU) implement various initiatives to raise employee motivation and resolve issues they may face in the workplace. SEVEN-ELEVEN (TIANJIN) and SEVEN-ELEVEN (CHENGDU) have, for example, instituted internal hiring programs that allow employees to apply for desired positions, with selection made through interviews between candidates and Head Office departments as well as the Human Resources Department.

In 2023, SEVEN-ELEVEN (BEIJING) reintroduced the Excellent Employee Award. This award is held once per quarter, with stages in the award process including divisional nomination, jury evaluation, president's decision, and the holding of an award ceremony. A total of 31 employees were awarded in the fiscal year ended February 29, 2024, with excellent employees representing all departments and all duties areas receiving awards. The awards were given in recognition of tangible contributions by sales personnel and innovations by administrative departments which facilitate “cost reductions and improved efficiency,” with the awards having served to stimulate employee morale and boost their competitive mindsets.

In the fiscal year ended February 28, 2023, SEVEN-ELEVEN (TIANJIN) started implementation of an “express plan” that enables new store employees to be promoted to AFC within one year to support selection and development of outstanding OFC candidates. This program doesn’t simply reduce the promotion period, but ensures that employees can make a 200% effort by having trainers take the time to follow up with employees starting from the initial stage so that employees can acquire business knowledge as well as in-store practical knowledge and experience, providing a high level of motivation to employees who successfully complete the express plan. In the fiscal year ended February 28, 2023, five employees applied and two passed, of which one is currently working as a store manager. In addition, six trainees also applied to the program, and the five who passed are currently assistant store managers.

In 2023, SEVEN-ELEVEN (TIANJIN) conducted an employee satisfaction survey and collected a variety of employee requests and aspirations regarding company benefits, attendance at workplaces, as well as internal training and store membership services. Based on this, in the fiscal year ended February 28, 2025, it plans to make a reality of as many of these as possible to the extent that they are feasible, to facilitate improved employee motivation. In addition, for store trainees, it has held regular get-togethers and chat meetings since the fiscal year ended February 29, 2024, to allow it to maintain relationships with their schools, to select outstanding individuals from among the trainees, and to develop them to become OFC candidates. Chat meetings are held to coincide both with traditional Chinese holidays such as Chinese New Year and the Mid-Autumn Festival and to mark the changeover from trainee to full-time employee, accompanied by the presentation of gifts to new full-time employees. It is thus facilitating improvements in their daily work duties by listening to employees verbally express their aspirations, issues, and requests for help. In addition, it holds a social gathering with trainees once a year to better understand the personalities and communicative capacities of all students, which it uses as a reference for developing human resources. Since 2023, SEVEN-ELEVEN (CHENGDU) has held monthly internal workshops and group birthday parties for employees, which have proven highly popular with employees and are leading to increased motivation.

Examples of programs for raising employee motivation

- Operate a contact desk so that employees can consult with the company on issues
- Interviews with employees by human resources departments
- Interviews with new employees by supervisors

- Organize employee meetings to promote closer interaction and socialization
- Conduct questionnaires on motivation
- Share role models by giving awards to excellent employees

Internal workshop

Employee group birthday party

Commemorative photograph of excellent employee award recipients

Fair Evaluation and Remuneration

SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVENELEVEN (CHENGDU) have adopted an employee evaluation system that combines monthly interview evaluations and yearly evaluations. Monthly interviews are conducted between employees and their direct supervisors to discuss the rate of progress toward their performance goals. In addition, once each year, after self-assessments are carried out by each employee, interviews and evaluations are then conducted by the direct supervisor and a secondary, higher-level supervisor. Monthly evaluations are based on company, divisional, and individual performance. For managers who conduct evaluation, education is carried out so that they can evaluate subordinates properly and develop human resources.

In 2023, SEVEN-ELEVEN (BEIJING) reviewed its rules for annual performance evaluations of employees and introduced KPI values for all positions. Use of the combined method of performance evaluation KGI (KPI+GS) and competencies evaluation KCI has successfully linked individual performance with divisional duties and company performance. At the same time, it sought to improve mutual communication between supervisors and subordinates and promoted inter-divisional cooperation by means including the General Director 360° evaluation and inter-divisional satisfaction evaluation.

SEVEN-ELEVEN (TIANJIN) reviewed the self-check system and evaluation items at headquarters and stores, and made improvements to ensure fair and equal evaluation standards. For example, in the evaluation of directly managed store managers, it has created a system that combines monthly rankings of management figures and basic evaluations to serve as criteria for promotion and demotion.

SEVEN-ELEVEN (CHENGDU) changed its company structure and evaluation system in the fiscal year ended February 29, 2020. Starting from the fiscal year ended February 28, 2021, managers are evaluated and interviewed every quarter, while non-managers are evaluated monthly. Also, the Employee Rules were revised in 2021 to clarify individual career paths and increase the granularity of the personnel evaluation system. In the fiscal year ended February 28, 2023, KPI and GS (conduct) were added to the individual performance indicators based on the existing performance evaluation system. An annual bonus evaluation system centered on performance was also created by linking company performance with individual performance. In 2023, the evaluation items and evaluation criteria for the competency evaluation were reviewed and granularity increased, on a trial basis with OFCs and MDs, with the aim of achieving more objective and impartial evaluation criteria.

Promoting the Advancement of Women

In China, the labor contract laws have been designed to provide male and female employees with generous leave related to childbirth and childcare. Moreover, men and women are treated equally, and it is common for women to continue working after marriage. This legal system and practice of appointing managers based on ability work together to promote the appointment of women to managerial positions. In 2012, the first Chinese woman director was appointed at SEVEN-ELEVEN (TIANJIN). As of December 31, 2021, women currently occupy approximately half of the nonexecutive managerial positions at SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN) and SEVENELEVEN (CHENGDU). In March 2018, SEVEN-ELEVEN (BEIJING) appointed women in the roles of vice president and director, and SEVEN-ELEVEN (TIANJIN) appointed a woman as director.

At the end of May 2023, the total number of managers at SEVEN-ELEVEN (BEIJING) was 26 (manager and above), of which 16 were women, to maintain a level of more than half of all managers, at 62%.

Internships

In 2023, SEVEN-ELEVEN (BEIJING) created the first “University Cooperative Information Map” by carefully surveying schools in Beijing and surrounding areas (mainly Jing-Jin-Ji) with specialized university status or above. 19 schools were selected for potential cooperation, with cooperation eventually established with three schools, following the contacting of 197 schools by phone to confirm the intentions of internees and school requirements. As a result, a total of 56 interns joined the company during the year. This guaranteed a supply of operational personnel and enabled the establishment of a reference model for forthcoming industry-university cooperation.

With the aim of hiring outstanding human resources, hiring local personnel, and promoting the education of youth, SEVEN-ELEVEN (TIANJIN) and SEVEN-ELEVEN (CHENGDU) conduct internships and have been recognized by the government as Youth Employment Intern Bases that promote the employment of young people who have graduated from high school. SEVEN-ELEVEN (TIANJIN) accepted 39 interns in the fiscal year ended February 28, 2022, 4 of whom were employed by SEVEN-ELEVEN (TIANJIN). In the fiscal year ended February 28, 2023, it accepted 33 interns, 6 of whom became full-time employees. Of the 4 interns who became full-time employees in the fiscal year ended February 28, 2021, 2 have already been promoted to OFC. SEVEN-ELEVEN (CHENGDU) accepted 14 interns in the fiscal year ended February 28, 2021, 4 of whom was employed by SEVEN-ELEVEN (CHENGDU) in July 2021. In the fiscal year ended February 29, 2024, it accepted 3 interns.

Reducing Environmental Impact

The Chinese government has been putting great emphasis on climate change issues. In Beijing, companies with annual CO2 emissions in excess of 5,000 tons are subject to upper limits on CO2 emissions in each industry as major emitters and must purchase emissions credits for the excess portions. In the fiscal year ended February 29, 2020, SEVEN-ELEVEN (BEIJING), which is subject to this program, saw overall CO2 emissions increased as a result of an increase in the number of stores and chilled cases, and consequently, it purchased emissions credits for approximately 14,000 tons. However, in the fiscal year ended February 28, 2021 and the fiscal year ended February 28, 2022, it did not purchase emission credits because it did not reach the CO2 emissions cap. SEVEN-ELEVEN (TIANJIN) and SEVEN-ELEVEN (CHENGDU) also reported higher electricity consumption due to an increase in the number of stores, new installations of refrigeration and freezer devices, and so on.

SEVEN-ELEVEN (BEIJING), which has attracted government attention as a company with major CO2 emissions in Beijing, reduced its CO2 emissions to a total of 11,706 tons in 2023. With the targets of “CO2 emissions peak-out”

and “carbon neutrality,” ever more emphasis is being placed on the energy conservation initiatives of corporations. The company is committed to continuing its engagement in increasingly proactive energy conservation activities.

Environment-related Data
SEVEN-ELEVEN (BEIJING)

	FY2019	FY2020	FY2021	FY2022	FY2023
Number of stores	275	283	304	317	331
Electricity consumption（MWh）	29,773	24,251	25,171	20,598	19,381
Water Consumption（1,000m³）	94	78	55	47	39

SEVEN-ELEVEN (TIANJIN)

	FY2019	FY2020	FY2021	FY2022	FY2023
Number of stores	178	179	200	209	217
Electricity consumption (MWh)	20,051	17,552	17,898	20,440	22,958
Water Consumption (1,000 m³)	57	49	50	44	56

SEVEN-ELEVEN (CHENGDU)

	FY2019	FY2020	FY2021	FY2022	FY2023
Number of stores	75	73	84	85	77
Electricity consumption (MWh)	9,720	7,631	8,491	8,748	7,220
Water Consumption (1,000 m³)	24	24	27	24	17

Energy Conservation Measures at Stores

SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVENELEVEN (CHENGDU) have installed LED illumination as interior lighting in all stores and are implementing other measures to reduce electricity consumption, such as installing curtains in walk-in refrigerators to prevent the outflow of cold air, and conducting education to raise employees' awareness. In addition, all three companies have changed their fast food warming cases and introduced fast food refrigerated cases to save energy while eliminating opportunity loss and reducing waste loss. SEVEN-ELEVEN (BEIJING) has completed the installation of fast food refrigerated cases in a total of 66 stores by the end of 2021, leading to energy savings of 1,485 kW per day. SEVEN-ELEVEN (CHENGDU) installed fast food refrigerated cases in 85 stores in the fiscal year ended February 28, 2023, achieving energy savings of approximately 320 kW per day, and starting in the second half of the fiscal year ended February 28, 2023, it has saved approximately 80 kW of energy per day by turning off one-third of lighting for about seven hours in the evening. In 2023, it adopted inverter air-conditioning systems, resulting in reductions of approximately 5,256 kW per store per year, calculated on a basis of eight-hours use per day.

SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVEN-ELEVEN (CHENGDU) re-announced the 12 power-saving articles signs to all stores in 2023 and posted them in store backrooms to raise employee awareness of power saving and ensure strict implementation. In addition, they are thoroughly turning off lights and air conditioners when they are not needed. Through meetings and product exhibitions for OFCs, SEVEN-ELEVEN (BEIJING) shares information about being thorough in saving energy with OFCs and franchise store owners.

In 2023, the company engaged with the task of optimizing electricity usage in H/C (hot/cold) cases and developed upright hybrid cooling/heating beverage cases in addition to the H/C cases currently in use, as an energy conservation measure. As a result of testing these in some (50) stores, electricity consumption per store was reduced by 10,620 kWH (theoretical value). It is continuing to consider the development of hot beverage fixtures in view of these results.

Environmental Measures at Food Manufacturing Factories

In order to avoid wasting resources, efforts are being made at Beijing Wang-Yang Foods, a food manufacturing factory of SEVEN-ELEVEN (BEIJING) and SEVEN-ELEVEN (TIANJIN), to utilize food loss generated by each factory as feedstock for a pig farm. Similarly, the JEANAVICE Factory has a contract with a fish farm to collect residual bread. Both factories use wastewater treatment facilities that clean water to the same or higher standard than government standards to ensure that polluted water is not discharged, collect waste oil, and conduct periodic investigations of smoke emissions from the perspective of preventing atmospheric pollution.
Furthermore, to save energy, JEANAVICE Factory works to reduce thermal loss from boilers and reduce the consumption of gas.

Chinese Superstore Business

Message from the Chairperson

Tsugumi Ko
Chairperson of Ito-Yokado (China) Investment Co., Ltd.
Hua Tang Yokado Commercial Co., Ltd.
Chengdu Ito-Yokado Co., Ltd.

Since 1997, when we started the China business, Ito-Yokado (China) Investment Co., Ltd. have constantly adhered to our mottos of “Responding to changes and adhering to the basics” and “Providing customers with higher quality products and services,” based on our “Customer First” philosophy, thereby valuing the shopping experience of each and every one of our customers. As we have grown in tandem with the development of Chinese consumption, we have passed on and innovated on Ito-Yokado’s “spirit of craftsmanship,” to achieve sound development and become today a multi-industry, omnichannel retailer integrating online and offline operations, including GMS, small foodstuff and lifestyle stores, large shopping centers, as well as cross-border e-commerce and home delivery services.

In the post-COVID 19 era, in continuing to enhance our own supply chain and create new consumption value for our customers, we have come to the realization that these customers have a marked interest in whether companies have protected and reasonably used resources and the environment in developing their products. This is why each Ito-Yokado China operating company has set the goal of a “Green China Ito-Yokado,” to achieve sustainable development under China’s dual carbon strategy of “30-60.”

To realize this goal, Chengdu Ito-Yokado, Hua Tang Yokado Commercial, and Ito-Yokado (China) Investment Co., Ltd. established a CSR Management Committee in 2021, involving horizontal cooperation toward the aspiration of solving seven material issues through their core business. In addition, by developing a series of customer-facing participatory events together with our business partners, we are communicating new values and our commitment to sustainable development both to our customers and to our business partners. In line with the “GREEN CHALLENGE 2050” declaration of Seven & i Holdings, we are also focusing our efforts on the development of a sustainable society, including by reducing CO2 emissions and food loss. In addition to these efforts, we are continuing to contribute to the development of local communities by maintaining an interest in public welfare activities such as disaster relief, disaster prevention resources, the development of rural education, and the advancement of rural communities.

We will continue to cater to changing customer needs by utilizing our strengths as a Japanese-owned company and applying ourselves to the expansion of Japan-China business and trade. We will also provide customers with “shopping experiences that go beyond their expectations,” by introducing new products, creating new consumer value, and driving new consumption patterns, to further demonstrate the attractiveness of Ito-Yokado China, gain the trust and support of our stakeholders, and develop alongside society.

China Business History

Year	Event
1996	Request to establish superstore received from government of China and Chengdu in Sichuan Province
December 1996	Chengdu Ito-Yokado Co., Ltd. established in Chengdu
September 1997	Hua Tang Yokado Commercial Co., Ltd. established in Beijing
November 1997	Chunxi Store opens in Chengdu
December 2001	Asian Games Village Store opens in Beijing
September 2003	Shuangnan Store opens in Chengdu
December 2007	Jinhua Store opens in Chengdu
November 2009	Jianshe Road Store opens in Chengdu
November 2011	High-tech Store opens in Chengdu
July 2012	Ito-Yokado (China) Investment Co., Ltd. established to oversee GMS business in China
January 2014	Wenjiang Store opens in Chengdu
2014	Then-Chairman Tomohiro Saegusa named an Honorary Citizen of Chengdu, a first for a Japanese manager of a private company
January 2017	Meishan Store opens in Meishan
April 2017	Chengdu Ito-Yokado E-commerce Co., Ltd. established in Chengdu
November 2018	Huafu Avenue Store, food and commodity stores, opens in Chengdu
January 2019	Ito Plaza opens in Chengdu
January 2021	Leshan Store opens in Leshan
November 2021	Tomihiro Saegusa receives the Chinese Government Friendship Award, the highest state-level honor, awarded to overseas experts from the Chinese Government
January 2022	Financial City Store, lifestyle grocery store, opens in Chengdu
February 2022	Chengdu Ito-Yokado Information and Technology Co., Ltd. established in Chengdu
December 2022	Chunxi Store closes in Chengdu
August 2023	Meishan Store closes in Meishan
October 2023	Then-Chairman Saegusa receives the Chinese Government Friendship Award from Premierl LI Qiang

Company Overview

	Chengdu Ito-Yokado	Hua Tang Yokado Commercial
Net Sales	approx. ¥23,368 million (excluding tenant sales)	approx. ¥2,343 million (excluding tenant sales)
Number of employees	2,270	180
Number of stores	9 stores (Chunxi, Shuangnan, Jinhua, Jianshe Road, High-tech, Wenjiang, Meishan,Huafu Avenue, Ito Plaza, Leshan, Financial City)	1 store (Asian Games Village)
Established	December 1996	September 1997
Chairman	Tsugumi Ko	Tsugumi Ko
President	Masami Tanaka　*From June 2024	Tatsuya Arai
CSR Promotion Structure	CSR Management Committee	CSR Management Committee
	Corporate Ethics and Culture Subcommittee	Corporate Ethics and Culture Subcommittee
	Consumer Affairs and Quality Control Subcommittee	Consumer Affairs and Quality Control Subcommittee
	Environmental Subcommittee	Environmental Subcommittee

* Fiscal year ending December 31 (number of stores as of December 31, 2023; number of employees as of February 29, 2024)
* Exchange rate of CNY1 = ¥19.82
* Net sales does not include value added tax

CSR Initiatives

CSR Promotion Structure

In China, companies are required by society to promote CSR based on government policy, for example, by formulating CSR initiative policies and evaluation indicators, and by publishing CSR evaluation rankings.

In 2021, we newly established the Corporate Conduct Committee across Ito-Yokado (China) Investment Co., Ltd., Chengdu Ito-Yokado, and Hua Tang Yokado Commercial, to promote CSR activities. The Corporate Conduct Committee aims to implement corporate behavior that esteems corporate ethics and to fulfill the CSR required by society, while at the same time building an organizational structure that horizontally links the operating companies with a view to the entire China business, to thereby drive development and growth throughout the China business. Going forward, we will share our know-how through management of our organization and promote the growth of both the company and of individuals through human resources training.

In 2023, the Corporate Conduct Committee evolved into the CSR Management Committee, which shared the seven material issues to be addressed by the Group through online and offline communication meetings. With the cooperation of our business partners, we are continuing to implement initiatives that contribute to the development of a sustainable society and give rise to new corporate values through bidirectional events with our customers.

Publication of CSR Reports

Chengdu Ito-Yokado has published a report annually since its first CSR Report, which summarizes its social and environmental initiatives, in July 2016. In preparing the report, we refer to various indicators in the Global Reporting Initiative (GRI), SDGs, and ESG, with a comparison table on each included at the end of the report.

The Sustainability Report for 2023, published in October 2023, was distributed to attendees of the Sichuan CSR Report Presentation and conferences for the private sector, and was also provided to the China Federation of Industry and Economy, the Ministry of Industry and Credit, the State Resources Commission, and other administrative agencies for their use.

Promise to Customers

Quality and Freshness Management

Chengdu Ito-Yokado is committed to providing safe and secure products to customers, and has consolidated on “organizational structural, management, and educational fronts,” particularly regarding food safety management. It has instituted a dedicated food safety team apparatus from headquarters to stores to enhance product management, visualize quality, manage traceability, and ensure quality of safety.

Hua Tang Yokado Commercial holds quality control training for employees in the food sales floor four times each year and strictly adheres to quality control standards. In addition, the company conducts regular inspections of facilities and equipment, sanitation management processes, and quality management system for employees, on the sales floor and backrooms. The sales floor and backroom are regularly sanitized at our own initiative, as part of efforts to provide customers with a safe and secure shopping environment.

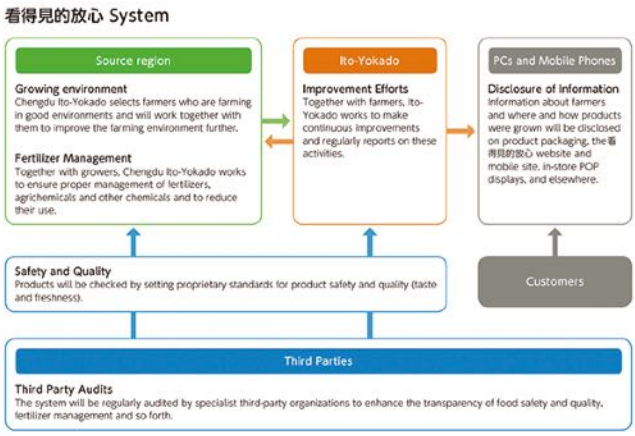
Provision of Traceability Information

Since 2013, Chengdu Ito-Yokado has established a food traceability system in cooperation with producers to disclose product information to customers. Chengdu Ito-Yokado independently developed "看得見的放心" and manages the quality of its products. 看得見的放心 has the same concept as "Traceable Fresh Food with Producers' Faces" sold in Japan with many customers endorsing these as safe and secure products.

As of 2023, the number of 看得见的放心 items sold is 557, with sales volume having reached 1.53 million units and revenues of 500 million yen. In 2023, 209 new items were developed and the number of production sites expanded to 22 (Wuchang, Xinjiang, Guangyua, Shaanxi, Leibo, Shandong, Hanyuan, Korla, Chengdu, Pidu, Anyue, Jianyang, Leshan, Guangxi, Liaoning, etc.). The producing region for the看得见的放心Akizuki pear is in Laiyang, Shandong Province, which is renowned as a pear-growing region in China. The fruit is soft in texture with the perfect balance of sourness and juiciness, making it popular with many customers. The 看得見的放心 Shaanxi winter jujube from Shaanxi Province is also highly rated by many customers for its refreshing taste and moderate sweetness.

“看得见的放心” Akizuki pears

“看得见的放心” Shaanxi winter jujube



Strengthening Quality Management of Store Operations in Pursuit of a Safe and Secure Shopping Environment

From November 2022, Chengdu Ito-Yokado established a “Food Safety General Supervisors System” based on national regulations, and formulated management parameters for “daily management, weekly audits, and monthly schedules” at stores and the Administration Division. In addition, in 2023, it established a management system involving food safety first supervisors, food safety superintendents, and food safety staff in stores, and has since May of that year performed special monthly food safety inspection and implemented training with invited specialists.

Chengdu Ito-Yokado food safety superintendent (staff) framework

Monthly coordination meeting of food safety superintendents

"Citizen Quality Supervisor" System and Collection of Customer Feedback

Chengdu Ito-Yokado has continued to conduct public recruitment of “Citizen Quality Supervisors” since 2008 to improve its products and stores in line with customer standards. In 2023, 296 comments were fielded and improvement activities undertaken.

Promise to the Local Community

Donations and Stakeholder Engagement

Chengdu Ito-Yokado supports education and assists households in receipt of welfare benefits. For example, since FY2007, we have selected four elementary schools in underprivileged areas and donated necessary equipment to improve school facilities and equipment. We donated stationery, teaching materials, and sports equipment to disadvantaged children in response to the schools' requests. Furthermore, every year, we provide scholarships to outstanding students in the Sichuan University Japanese Department and encourage their studies. Initiatives to build bridges for exchange between China and Japan marked their 26th anniversary in 2023.

On September 6, 2023, Chengdu Ito-Yokado hosted a certification ceremony for the Qionglai Daozuo Youai Elementary School “Mobile Children’s Palace Project.” Qionglai Daozuo Youai Elementary School’s involvement represents the third initiative of the Chengdu Next Generation Foundation’s Mobile Children’s Palace Project. The project is scheduled to run from September 2023 to December 2026 with four specialized courses for out-of-school children being offered in dance, art, music, and basketball. Future activities are planned to develop the potential of pupils and contribute to the local community.

Chengdu Ito-Yokado has invited our employees and customers to participate in the project, with 67 people (40 employees and 27 customers) having participated and a total of 301 books (176 by employees and 125 by customers) donated to date.

Scholarship award ceremony at Japanese Department, College of Foreign Languages and Cultures, Sichuan University

Opening ceremony of the “Mobile Children’s Palace Project” at Qionglai Daozuo Youai Elementary School

Free dance lessons for out-of-school children

Donations of children’s books to schools

Volunteer Activities

In June 2009, the Chengdu Ito-Yokado Volunteer Team was established to facilitate improved contributions to the local community. On the third Wednesday of every month, employees from each store participate in clean-up activities around these stores. In addition, the “White Doves Fly” volunteer team, consisting of a total of 34 volunteers, engaged in volunteer activities at each store to coincide with the hosting in Chengdu of the 31st Universiade.

At Hua Tang Yokado, employees take the initiative in beautifying public facilities and spaces by making clean-up activities a daily routine.

Activities of a Chengdu Ito-Yokado volunteer team

Hua Tang Yokado Commercial cleanup activity

Promise to Employees

Store Management by Local Employees

Ito-Yokado in China has actively promoted local employees since the opening of their stores in the country in order to create stores that are rooted in the local community, and Chinese staff are still playing an active role in each store. The percentage of Chinese employees (excluding directors) in management positions is 98.6% at Chengdu Ito-Yokado and 96% at Hua Tang Yokado Commercial, with local employees basically running the company. The same applies for stores in regional cities (including Leshan stores).

We also actively promote women employees. The percentage of women in executive positions is 59.2% at Chengdu Ito-Yokado, and three of its nine stores have female store managers. The percentage of female managers at Hua Tang Yokado is 48% (excluding directors), and the store manager of the Asian Village store is also a woman.

Employee Data (As of the end of December 2023)

	Chengdu Ito-Yokado	Hua Tang Yokado Commercial
No. of employees	2,230	177
No. of part-time employees	71	23
Ratio of Chinese employees in management positions	98.74%	96%
No. and ratio of women in management positions (excluding executives)	352 (59.2%)	43 (48%)
No. of female team leaders (ratio of female team leaders)	213 (60.2%)	10 (40%)
No. of female section managers (ratio of female section managers)	62 (56.9%)	23 (66%)
No. of female division managers (ratio of female division managers)	73 (59.8%)	9 (41%)
No. of female corporate officers (ratio of female corporate officers)	3 (33.3%)	1 (14%)
No. of employees with disabilities	47 (2.1%)	8 (4%)

Sustainability Education

At the Chengdu Ito-Yokado and Hua Tang Yokado Commercial stores, since the fiscal year ended February 28, 2021, we have poured our energies into reducing the volume of plastic being used. The stores jointly switched over to using shopping bags that are made of degradable plastic. In addition, to eliminate the use of store-supplied shopping bags, we are also focusing on the sales of eco-bags.

Chengdu Ito-Yokado also actively engaged in social dissemination activities for sustainability in 2023, training all employees in the basics of the SDGs while developing customer-participation activities to communicate these initiatives to society. Training to deepen understanding among all employees was implemented in July and September 2023. A total of 12 sessions were held at the Administration Division and stores, with a total of 525 employees participating.

In-store employee training conducted by members of the CSR Corporate Ethics and Culture Subcommittee

Ito the Eco Detective “Charcoal” activity

Self-Recommendation Program

Chengdu Ito-Yokado has been developing a workplace environment where our employees can thrive, rooted in the basic principles of “fairness, justice, competition, and selecting for excellence,” so that our employees can grow further. We have also been proactively engaged in human resource development, and in the fiscal year ended February 28, 2023, launched our “Internal Competitive Recruitment System.” We regularly recruit store supervisor and assistant supervisor personnel, with both persons who recommend themselves and those who are recommended by others eligible to apply. Applicants describe the work that they are doing, and we appoint those applicants who received the most votes from among those employees who received positive evaluations from 51% or more of employee examiners. We also recruit department managers at headquarters and more senior staff on an irregular basis. They explain and discuss their work, and we select those applicants who were graded the highest by our job recruitment committee. We have adopted a system whereby the employees thus selected perform their duties on an interim basis for six months; have their work reevaluated based on internal standards at the end of this period; and are then officially appointed to their positions once they have passed this evaluation. Four recruitment drives took place in the fiscal year ended February 29, 2024, and 36 persons applied. One passed the exam, and three appointed candidates for executive training.

Human Resource Development Programs

Chengdu Ito-Yokado and Hua Tang Yokado Commercial provide training programs to help employees manifest their potential and exercise their abilities to the maximum.

On March 21, 2023, Chengdu Ito-Yokado established the Chengdu Ito-Yokado Human Resource Development Center to facilitate the handing down and communication of our corporate culture and principles as well as to establish and nurture higher-level professional skills and development teams. With the development of the company, the industry, and society as its goal, the center undertakes continuous initiatives to create motivational workplace environments. These initiatives are undertaken toward our aim of becoming a growth-oriented organization through the building of foundations, in-house training, cooperation with specialized universities, as well as mutual complementation, co-creation, and development.

Hua Tang Yokado Commercial is endeavoring to supply educational content relating to the corporate creed and management philosophy, on-site employee support, and customer service as well as to deliver top-quality products and services to customers. By commending staff (meaning not only regular employees but all store staff, including partner company employees, tenant employees, cleaners, and security guards) who receive words of praise from customers in plenary meetings, it seeks to elevate the feeling of togetherness and engagement among staff.

Human Resource Development and Training

Classroom Training

Chengdu Ito-Yokado has adopted an online and offline training format in undertaking initiatives to develop distinctive programs, while striving for improvements in corporate culture and work, management, and leadership capabilities. A total of 9,085 employees took part in training over the fiscal year ended February 29, 2024.

Facilities tour of a community center to learn about corporate culture

Capacity building for executives

Seminar on improving the teaching skills of in-house trainers

e-Learning

Chengdu Ito-Yokado has introduced training methods aligned to changes in the times to facilitate the passing on and instilling of the company's basic philosophy. In the fiscal year ended February 29, 2024, the company continued to provide online education and training for the acquisition of knowledge of corporate culture and corporate strategy, as well as work skills. An aggregate total of 38,620 persons, including both Head Office and store staff, took the courses.

Promise Regarding the Environment

Energy-Saving Initiatives

As Chengdu Ito-Yokado's first low-carbon project, the company has since 2020 maintained an environmental philosophy of "respect for nature, adaptation to nature, and protection of nature," including continuous projects for the separation of resource garbage, the development of environmental infrastructure, and waste collection. In the fiscal year ended February 29, 2024, it invested 40 million yen in the conversion to LED equipment for store lighting and the renovation of its cold chain, while reducing food and household waste by 3,201 tons combined, recyclable waste by 878 tons, and annual carbon emissions by 3,100 tons.

Hua Tang Yokado Commercial is making efforts to properly operate the air-conditioning system that manages store temperature. By adjusting operating times and air-conditioned areas as necessary in response to weather and temperature changes, it reduces gas and electricity usage. In addition, it requests the facility administrator to carry out the detailed measurement of in-store temperature and, in response to temperature changes, adjusts the operating patterns of the air-conditioning equipment. Furthermore, Hua Tang Yokado Commercial is striving to curtail electricity usage. Among other things, it has introduced energy-saving lighting equipment at all store sales floors and has reduced backroom lighting usage by 50%. Nevertheless, in the fiscal year ended February 29, 2024, the overall

energy, electricity, gas, and water consumption of the entire store increased due to the increase in the number of restaurants and tenant stores accompanying store renovation. Going forward, with the cooperation of each tenant in the store, efforts will be made to reduce energy usage in the entire store.

Chengdu Ito-Yokado

	FY2021	FY2022	FY2023
Number of stores	10	11	9
Energy consumption (standard coal tons)	13,580	12,140	11,415
Electricity consumption (MWh)	107,670	98,783	92,880
Gas usage (1,000 m^3)	563	684	359
Water usage (1,000m^3)	857	752	739

Hua Tang Yokado Commercial

	FY2021	FY2022	FY2023
Number of stores	1	1	1
Energy consumption (standard coal tons)	1,353	1,408	1,519
Electricity consumption (MWh)	7,912	7,950	8,921
Gas usage (1,000 m^3)	256	274	268
Water usage (1,000m^3)	63	54	65

Award History (FY2023)

Chengdu Ito-Yokado and Hua Tang Yokado Commercial received the following awards in FY2022 in recognition of their various initiatives.

【Chengdu Ito-Yokado】

Names of Award	Presenting Organization
Foreign Minister’s Commendations for FY 2023	Japanese Foreign Minister
2012–2022 March 8 Hongq Group	Chengdu Women's United Association
FY2023 Charity Advancement Unit	Chengdu Next Generation Foundation
FY2023 Charity Culture Propagation Award	Chengdu Charity Meeting
FY2023 Social Value Contribution Award	Chengdu Retailers' Association
FY2023 Best 10 Leader Companies	Chengdu Retailers' Association
Rongju Star Model Annual General Assessment Star Business Award	Chengdu Retailers' Association
2023 Beautiful Life General Evaluation Area Commercial Benchmark Award	Chengdu Business
2023 Chengdu 1 Million Employee Skills Contest/The 8th Chengdu Retail Skills Contest (Excellent Organization Award)	Chengdu Retailers' Association

Hua Tang Yokado Commercial

Names of Award	Presenting Organization
FY2023 Class A Tax Payment Reliability Company	Chaoyang State Taxation Bureau
FY2023 Leading Companies with Safest Production Systems	Chaoyang District Xiaoguan Subdistrict