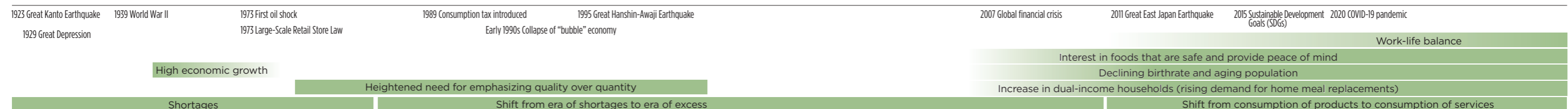



The Seven & i Group, evolving with society by staying close to our customers' lifestyles

Since starting as a single apparel store, the Group has remained closely attuned to changes in the social structure and customer needs, striving to create new value while significantly changing its merchandise, services, and business content. We will continue to sincerely support our customers' lifestyles and grasp societal trends from a global perspective in order to enhance our corporate value.




Creation of new business formats, merchandise, and services in the face of a changing social structure


1920
Yokado established
(later, renamed from Meugaya)



1958
Yokado Co., Ltd. established



1961
Began developing supermarket chain network




Significance

- Spirit of trust and sincerity
- Customer-oriented business using self-service chain store approach

Provided value

- Provided better quality at lower prices to more local customers

1974
Opened 7-Eleven store




Significance

- Created Japanese-style convenience store and established concept as component of social infrastructure

Provided value

- Large stores and small shops prosper together
- Modernization and revitalization of existing small- and medium-sized stores
- Provided merchandise of high quality and convenience in buyers' market, where customers choose the merchandise they want

1974
Opened Denny's restaurant




Significance

- Created Japanese-style family restaurant chain

Provided value

- Provided delicious food for enjoyment outside the home

1991
Rebuilt Southland Corporation
(now, 7-Eleven, Inc.)




Significance

- U.S. 7-Eleven rebuilt by Japanese company
- Global expansion

Provided value

- Applied methods of convenience store operations in Japan to the United States to better meet needs of U.S. customers

2001
Established IY Bank Co., Ltd.
(now, Seven Bank, Ltd.)




Significance

- Retail industry's first settlement bank based on customer perspective

Provided value

- Provided convenience of deposit/withdrawal transactions at any time

2005
Seven & i Holdings Co., Ltd. established




Significance

- Multi-business format with Group management under holding company structure

Provided value

- Provided new merchandise and services through Group synergy transcending borders of formats, such as convenience stores, supermarkets, and department stores

2007
Birth of Seven Premium




Significance

- Sharing know-how of every Group company and providing quality and value

Provided value

- Proposed richer dining experiences to customers by providing "safety, security, and health," "best taste and technology," and "daily life and convenience"

2007
Birth of nanaco e-money service




Significance

- Improving customer convenience
- Addressing trend toward diversified small-payment methods

Provided value

- Provided an easy and speedy payment method that does not require change
- Supported fun and convenient life scenarios with point system

May 2021
Acquisition of Speedway LLC by 7-Eleven, Inc.




Significance

- Business expansion in North American market
- Accelerated global expansion

Provided value

- Providing new food and beverage experiences and convenience as a store indispensable to customers' lifestyles

June 2021
7-Eleven International LLC established




Significance

- Enhancing 7-Eleven's global brand value through Japan-U.S. collaboration

Provided value

- Reinforced support for existing area licensees, accelerated store openings in new areas, and promoted merchandise procurement and development initiatives leveraging economies of scale


July 2021
Drafted Medium-Term Management Plan 2021-2025



Ideal Group Image for 2030

- A world-class retail group focused on food, leading retail innovation through global growth strategies with the 7-Eleven business at the core and proactive utilization of technology. (Updated in March 2023)

February 2022
Full-fledged start of 7NOW delivery service




Significance

- Improving customer convenience

Provided value

- Swiftly delivering high-quality food and immediate consumables

March 2023
Start of common Group infrastructure with Peace Deli



Significance

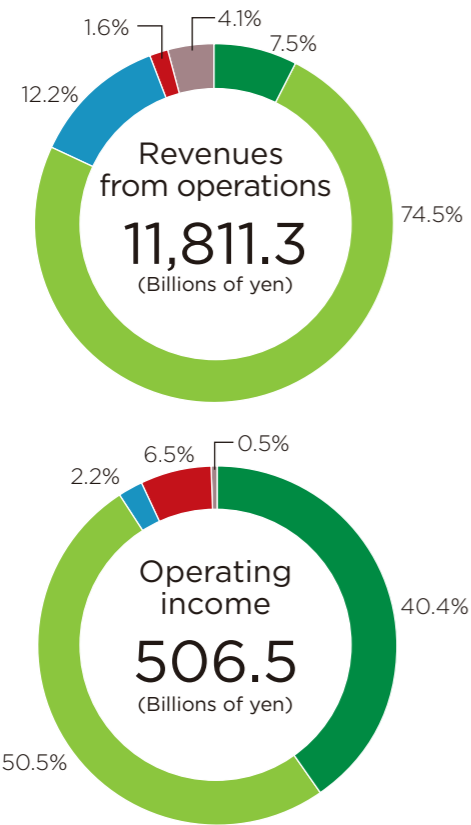
- Development of the Group's strategic investment infrastructure in the food sector

Provided value

- Development of high-quality, fresh, and differentiated products

Accumulating capital essential for growth as a retail group centered on the 7-Eleven business

The Seven & i Group has been crafting unique capital that does not manifest on the financial statements as we explore new products, services, and business expansion, encompassing diverse human resources from Japan and abroad as well as the highly recognized 7-Eleven brand. By effectively utilizing this accumulated capital in the Group, we aim to become a world-class retail group centered on the 7-Eleven business.



Note: The composition ratios shown in the pie charts do not include eliminations and corporate.

- Domestic Convenience Store Operations
- Overseas Convenience Store Operations
- Superstore Operations
- Financial Services
- Others

(FY2022 results)

Domestic Convenience Store Operations



Major Group Companies¹

- SEVEN-ELEVEN JAPAN CO., LTD.
- SEVEN-ELEVEN OKINAWA CO., LTD.

(5 consolidated subsidiaries, 4 affiliates; 9 companies, in total)

Overseas Convenience Store Operations



Major Group Companies¹

- 7-Eleven, Inc.
- 7-Eleven International LLC
- SEVEN-ELEVEN HAWAII, INC.
- SEVEN-ELEVEN (CHINA) INVESTMENT CO., LTD.
- SEVEN-ELEVEN (BEIJING) CO., LTD.
- SEVEN-ELEVEN (CHENGDU) CO., LTD.
- SEVEN-ELEVEN (TIANJIN) CO., LTD.

(102 consolidated subsidiaries, 4 affiliates; 106 companies, in total)

Superstore Operations

Major Group Companies¹

- Ito-Yokado Co., Ltd.
- York-Benimaru Co., Ltd.
- SHELL GARDEN CO., LTD.
- Peace Deli Co., Ltd.
- Hua Tang Yokado Commercial Co., Ltd.
- Chengdu Ito-Yokado Co., Ltd.

(16 consolidated subsidiaries, 5 affiliates; 21 companies, in total)



Financial Services

Major Group Companies¹

- Seven Bank, Ltd.
- Seven Financial Service Co., Ltd.
- Seven Card Service Co., Ltd.
- Seven CS Card Service Co., Ltd.

(14 consolidated subsidiaries, 2 affiliates; 16 companies, in total)



Others

Major Group Companies¹

- Akachan Honpo Co., Ltd.
- THE LOFT CO., LTD.
- Seven & i Food Systems Co., Ltd.
- Nissen Holdings Co., Ltd.

(28 consolidated subsidiaries, 9 affiliates; 37 companies, in total)

Human capital

- **Diverse human resources** from around the world with extensive capabilities
 - > Number of employees (consolidated): 167,248
- Note: As of the end of February 2023. Includes part-time employees (converted to the equivalent in full-time workers, assuming 163 average monthly working hours).

Intellectual capital

- The **ability to develop proprietary merchandise** by integrating the Group's knowledge, technologies, and expertise related to **food**
- **7-Eleven's trademark and brand strength** boasting global recognition
- **A robust franchise system** that grows together with franchisees and the **store management expertise** to support it

Manufacturing and sales capital

- **International product sourcing capability in the food sector** based on superstore operations
- **Approximately 85,000 stores²** spread across 19 countries and regions
- **A strong value chain with business partners** contributing to the quality enhancement and stable supply of proprietary merchandise
- > 176 manufacturing facilities (including 159 7-Eleven dedicated facilities)

Social capital

- Business expansion driven by contact with customers reaching **approximately 59.9 million people daily**
- Note: Including licensees in FY2022

Financial capital

- Robust **cash-generating capability**
- > Consolidated operating cash flow: ¥928.4 billion

Natural capital

- Toward a sustainable society through the environmental declaration, **GREEN CHALLENGE 2050**
 - > Electricity consumption in store operations: 7,521 GWh (FY2021)
- Note: The figure is for 11 domestic companies and 7-Eleven, Inc.

Note: In order to realize the Group's vision for 2030, effective from FY2023, the Group reclassified its operating segments from the traditional six segments: domestic convenience store operations, overseas convenience store operations, superstore operations, department and specialty store operations, financial services, and others, into five segments: domestic convenience store operations, overseas convenience store operations, superstore operations, financial services, and others.

¹ The list of consolidated subsidiaries and affiliates is as of February 28, 2023.
² The store counts in Japan are as of February 28, 2023, while for overseas, they are as of January 31, 2023.

Maximizing our unique Team MD structure and value chain to further strengthen our presence in food



Number of categories
435

Annual sales
Approx.
¥1,380 billion

Number of items
Approx.
3,500

Number of manufacturers
542 companies
1,453 production facilities

Products with annual sales of ¥1 billion or more
286

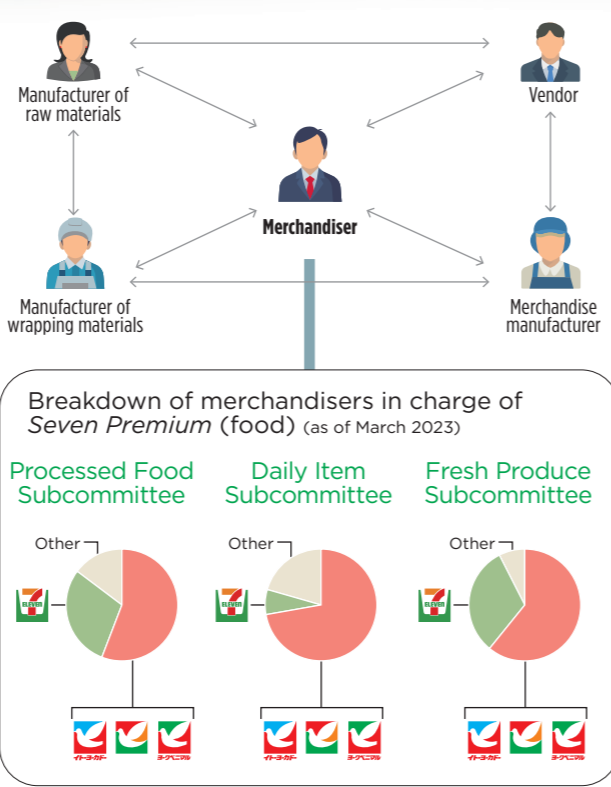
Number of sales stores
Approx.
22,000

Seven Premium harnesses the product development capabilities of different Group companies

The Seven & i Group facilitates Team Merchandising (Team MD) by merging the marketing insights of our operating companies and involving suppliers with differentiated technologies and expertise that each company deals with individually. This approach enables rapid product development in response to changing customer needs.

Drawing upon the product development knowledge of these Group companies and leveraging our network of business partners, we introduced a private brand common to the Group in 2007 known as *Seven Premium*. To dispel the conventional image of low-priced private-brand products, *Seven Premium* focuses on aspects such as taste, safety, and reliability in prioritizing quality. In pursuit of this goal, the Group established a high-level Team MD framework to develop and produce merchandise with business partners who have advanced technologies and know-how covering

Team MD framework: In pursuit of Group synergies



from raw material procurement to processing, production, and packaging materials. Having started with 49 items spanning clothing, food, and housing, *Seven Premium* has expanded to encompass approximately 3,500 items as of February 2023, with 286 of them achieving annual sales of over ¥1 billion by nurturing each product carefully.

Driving Group growth with the *Seven Premium* brand

The *Seven Premium* is continuing along its growth trajectory, garnering particular acclaim in the food domain. In response to social changes such as a declining birthrate and aging population, increasing single-person households, and greater female workforce participation leading to more dual-income households, 7-Eleven is bolstering its food sector offerings, aligning with the growing trend of simplified and outsourced food solutions. Utilizing the strengths of our supermarket businesses such as Ito-Yokado, York-Benimaru, and York, known for their product variety and procurement

capabilities, we introduced the *Seven Gold* (now *Seven Premium Gold*) brand in 2010, aiming for elevated quality, based on customer feedback from our extensive network of stores serving around 22.2 million visitors daily. Building on this, in 2013,

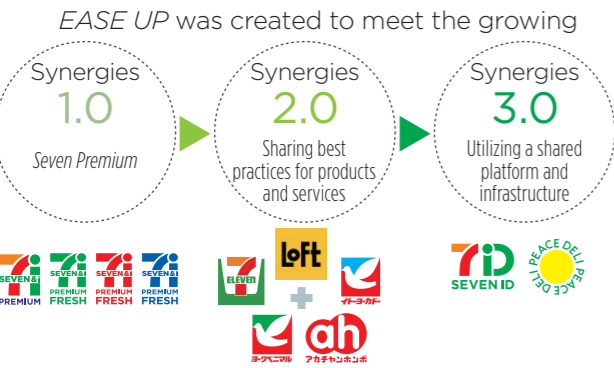
Seven Premium Gold The <i>Seven Premium</i> brand provides delicious and immensely satisfying cuisine for people's dining pleasure.	Seven Premium Lifestyle The <i>Seven Premium Lifestyle</i> brand focuses on environmentally friendly merchandise that seamlessly blends with one's lifestyle, meticulously crafted to provide a sense of genuine comfort and ease.
Seven Café Seven Café provides moments to relax and enjoy delicious food and drink anytime, anywhere.	Seven Premium Fresh The <i>Seven Premium Fresh</i> brand prioritizes sustainability and seasonality, providing a fresh and delicious taste direct from the producer to the dinner table that can be enjoyed with peace of mind.
Seven the Price The <i>Seven the Price</i> brand delivers everyday items with dependable quality at budget-friendly prices.	

Initiatives in the Food Domain

we started the *Seven Café*, creating a new market of convenience store coffee. *Seven Premium* has emerged as a premium food brand that transcends private brands, driving growth for the Group.

Delivering better products to more people

The Seven & i Group positions the realization of Group synergies in the food domain, exemplified by *Seven Premium*, as “Synergies 1.0,” and the ongoing development of excellent products, services, and best practices shared among Group companies as “Synergies 2.0.” As a practical example of “Synergies 2.0,” starting from January 2023, SEVEN-ELEVEN JAPAN began selling the original *EASE UP* frozen food products, developed by Ito-Yokado.



EASE UP products



demand for convenient and delicious individual meals, embodying the concept of “easy yet gourmet meals” that help save time. For its introduction into 7-Eleven stores, a manufacturing system was established that leverages the capabilities of SEVEN-ELEVEN JAPAN’s daily manufacturers to ensure greater customer satisfaction. The knowledge and technology gained from this collaboration have been applied to address challenges specific to frozen food, such as freezing and heating, resulting in further advancements in the quality of *EASE UP*. We are currently tapping into the expertise of SEVEN-ELEVEN JAPAN’s manufacturing partners to further enrich our product lineup, and Ito-Yokado has garnered strong customer support on the back of this initiative.

The Group is embracing the challenge of new product development, building upon the success of *EASE UP*, which embodies Group synergies in the

fusion of Ito-Yokado’s innovative ideas and SEVEN-ELEVEN JAPAN’s product development prowess.

Strengthening Groupwide shared platform and infrastructure toward the next stage, “Synergies 3.0”

Now, the Seven & i Group is moving toward “Synergies 3.0” utilizing a Groupwide shared platform and infrastructure at each company for the food sector. An apt example of this endeavor is Nagareyama Kitchen (Nagareyama City, Chiba Prefecture), which started operation in March 2023 under Peace Deli (p. 38). Serving as a central food production hub for the entire Group, it supplies fresh fish, meat, and meal kits to approximately 200 stores, including Ito-Yokado and York outlets, across the Tokyo metropolitan area. In 2024, we plan to launch Chiba Kitchen (Chiba City, Chiba Prefecture). This expansion of synergies within the Group’s food domain, progressing from the product development focus of “1.0” (including the development of *Seven Premium*), to the sales emphasis of “2.0,” and now extending into manufacturing under “3.0,” reflects our commitment to fostering growth across all entities within the Group.

Bringing our strengths in food to the global market

The Seven & i Group positions global convenience store operations as a key driver of our growth strategy based on food. To this end, we are leveraging the synergies grown from our domestic operations and our expertise in building a value chain in Japan to enhance the development and sales of original products such as fresh foods, proprietary beverages, and private-brand merchandise, on a global scale. Building upon the successful Team MD framework, which was developed through *Seven Premium*, and our distinctive value chain, we are expanding our efforts to North America. Additionally, by supporting area licensees across various countries, reinforcing synergies, and implementing other measures, our goal is to establish ourselves as a world-class



Enhancing safety, peace of mind, and quality to support the food value chain

The Seven & i Group continues to reinforce efforts and structures aimed at enhancing safety, peace of mind, and quality as the foundation for creating synergies in the food domain.

Regular sharing of quality-related policies among Group companies

The quality control officers of the 12 Group companies handling food products regularly convene to discuss guidelines concerning significant incidents, product recalls, and sales continuity, ensuring accident prevention and swift incident response.

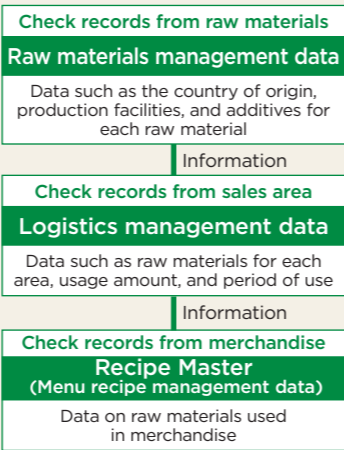
Collaboration with JFSM

Established in 2016 with participation from domestic and international food manufacturers, Japan Food Safety Management Association (JFSM) serves as the governing body for Japan’s food safety management standards. As one of the founding members, we are dedicated to enhancing the quality of food products through the utilization of JFS standards.*

* Japanese-origin food safety management standards developed by JFSM in alignment with international standards, including the Codex Hazard Analysis and Critical Control Point (HACCP) system

Centralized management of raw material production history

To ensure accurate tracking of raw materials and production facilities used for daily products such as rice-based merchandise and pre-cooked meals, SEVEN-ELEVEN JAPAN maintains a database of product information from approximately 180 production facilities. This allows us to manage production history from the source of raw materials to store shelves.



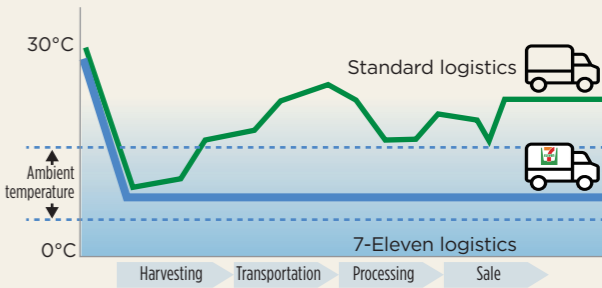
Acquisition of certification for food safety management standards

All production facilities that manufacture *Seven Premium* daily food items have obtained certification and conform to food safety management standards such as ISO 22000, FSSC 22000, and JFS standards, which are consistent with international standards, including Codex HACCP.



Introduction of a cold chain

A variety of vegetables are used in SEVEN-ELEVEN JAPAN’s original fresh food products. To process and transport freshly harvested vegetables from farms, 7-Eleven has introduced cold chain technologies (a low-temperature logistics network) to maintain freshness. The harvested vegetables are under constant temperature control during transportation and at sorting centers and production facilities until they reach the store shelf.



Utilizing exceptional brand power built from the world's largest network of 83,579 retail stores to expand into the global market



In 1927, in the small town of Oak Cliff, Texas, in the United States, a company called Southland Ice, which sold essential blocks of ice for refrigerators during a time when households did not have electric refrigerators, laid the foundation for what is now 7-Eleven. Today, 7-Eleven has expanded to become the world's largest retail chain with 83,579 stores, establishing a strong brand image as an indispensable part of local communities.

To further expand this brand value into the

global market, SEVEN-ELEVEN JAPAN CO., LTD., established 7-Eleven International LLC in 2021, working in partnership with 7-Eleven, Inc., which handles licensee business in North America. This new entity oversees support for existing markets and expansion into new countries, while adhering to the Group's philosophy that growth comes through improving quality. It is committed to promoting a global strategy by maximizing the strengths of both Japan and the United States (p. 36).



Seamlessly providing diverse services Groupwide based on 7iD and its roughly 28 million members

The Seven & i Group introduced the Groupwide platform 7iD in 2018 and has since implemented different initiatives to provide new experiences and value to customers. As of February 28, 2023, total 7iD membership had reached 28 million across the Group companies. Through the 7iD platform, we offer Ito-Yokado's online supermarket service to 7-Eleven app users and introduce the 7NOW delivery service to

supermarket customers (p. 32), allowing us to better understand each individual and propose tailored products and services.

Moving forward, we will continue to use the 7iD platform to expand our retail media business (p. 32) as well as strengthen services that integrate retail and finance and enhance data utilization in the food business.

