



April 7, 2022

Company Name: Seven & i Holdings Co., Ltd.
Representative: Ryuichi Isaka
President & Representative Director
(Code No. 3382/Prime Market of the Tokyo Stock Exchange)

Regarding the Management Message to our Shareholders and Other Stakeholders

Seven & i Holdings Co., Ltd. (the “Company”) hereby announces that, as of today, April 7, 2022, the Company has sent out the Management Message “To Become a World-Class Global Retailer Group” to our shareholders and other stakeholders, based on the unanimous decision of the Board of Directors.

Please see the Appendix for the full letter.

April 7, 2022

To Become a World-Class Global Retailer Group

To our stakeholders including shareholders

Thank you for your continued support to the Seven & i Group. Your support has meant even more to us over the past two years, with the global pandemic still showing no sign of ending.

With the rapidly evolving management environment, we believe it is of utmost importance to deepen the understanding of and gain the support from our stakeholders including shareholders, regarding our Group objective and what we are focusing on. We have engaged in serious discussions with the aim of achieving “sustainable growth and mid-to-long term corporate value enhancement of the Group”, by continuing the constructive dialogue with shareholders and listening to the voices of a wide range of stakeholders. This year, we have engaged in numerous discussions with shareholders, including meetings where Outside Directors actively participated. With consideration of these discussions, we have decided to make this letter public, to demonstrate the current state of the Group as well as how we see our future clearer to our stakeholders including shareholders.

The Group’s corporate creed and basic principle

Since our founding in 1920, the Seven & i Group has experienced drastic changes in society and the economy, including large-scale natural disasters and wars. Throughout this time, the Group has continued to grow by catering to the needs of each individual customer, and building a business that is deeply embedded in local societies. During this period, the basic format of our business has evolved together with changes in the economic and social environment. However, the underlying principle of our business, outlined in our Corporate Creed of “We aim to be a sincere company that our customers, business partners, shareholders, local communities and our employees trust” has not wavered over the years. This represents the foundation of our management, born through our experience and held firm over the years, as we respond to your trust and support.

Progress and achievements of the Medium-Term Management Plan

Based on the above principle, we have outlined our “Basic Stance” (*1), together with “Ideal Group Image for 2030” (*2) as our future aspiration of the Group, and announced the current “Medium-Term Management Plan 2021-2025” in July 2021. In this Medium-Term Management Plan, we aim to achieve sustainable growth as well as to create social value through Group-wide initiatives that bring together each of the Group companies. Moreover, we are promoting various strategic measures to become a world-class global retailer group, including the acquisition of the shares of Speedway LLC (“Speedway”) by our U.S. subsidiary 7-Eleven, Inc. (“SEI”).

As a result, our total shareholder return ratio was 157% for the period from the end of February 2020 to the end of February 2022, and was 141% during the period from the end of February 2021 to the end of February 2022, both outperforming the averages of TOPIX and S&P 500, and the average of major convenience store

(“CVS”) stocks in North America.

In promoting sustainable management with a focus on ESG, we have placed sustainability-related initiatives at the heart of the Medium-Term Management Plan. Tackling climate change is now an imminent concern for the whole world, and the Group announced its environmental declaration “GREEN CHALLENGE 2050” in 2019, and is making a Group-wide effort to work on initiatives such as reducing CO₂ emissions. We also believe climate change-related disclosure is critical, and expressed our support to the TCFD proposal in 2019. In June 2020 we made a disclosure in accordance with the TCFD proposal, and in March 2022 we quantified and disclosed the business impact assessment results. This disclosure was for Seven-Eleven Japan (“SEJ”) in Japan, but in FY2022 we are planning to make the same disclosure for the Superstore Business which includes Ito-Yokado Co., Ltd. (“IY”) and York Benimaru Co., Ltd., and in FY2023 for SEI. We will continue to take a global perspective and contribute to realizing a sustainable society, including the analysis of the risks and opportunities arising from climate change.

(*1) “Basic Stance”

We aim to contribute to the local community both in Japan and overseas by providing new experiences and values from the customer’s point of view.

(*2) “Ideal Group Image for 2030”

A world-class global retailer group that leads retail innovation through global growth strategies centered on the 7-Eleven business and proactive utilization of technology

Key management focus areas and action plans

A. Review business portfolio and accelerate initiatives to optimize operations

In the Medium-Term Management Plan, we have clarified our framework regarding the business portfolio, and are working to review the business portfolio and accelerate initiatives towards optimal operations. We are especially focused on maximizing Group-wide business synergies, and are fundamentally reforming the focus restructuring areas where we face challenges in both efficiency and growth potential, as well as considering the best owners of such businesses in parallel.

Following the strategic direction of the Group thus far, and from the perspective of further promoting our global growth strategy with 7-Eleven at the core, we outline below our initiatives regarding the 3 core strategies related to our business portfolio:

1. Accelerating profit growth through domestic / overseas convenience store business collaboration

The 7-Eleven business in Japan and overseas has been recognized as having the potential to become a “Global CVS Champion”, in the proposal received on February 8th, 2022, from ValueAct Capital Management L.P. (“ValueAct”), who is also our shareholder. We deeply appreciate their interest in our Group’s business.

【CVS business (North America)】

SEI, which covers the CVS business in North America, has seen dramatic growth; for example, net profit has grown from USD 17 million in FY2005, to USD 1.317 billion in FY2021, and is projected to grow more than 20% per annum during the period of FY2020 to FY2025.

The Group growth strategy outlined in the Medium-Term Management Plan positions the overseas CVS business as the main driver. For SEI, we will work to realize the synergies of integration with Speedway, reform the business for the next growth, and improve profitability. We will strengthen the food business by building a value chain through collaboration with SEJ, expanding the sales of fresh food, original beverages and private brand products, as well as the restaurant business. We will also focus on establishing a sustainable business structure while improving profitability, through the adaptation to a decarbonized society by strengthening the food business and lowering the fuel business exposure to accommodate with the transition to EVs.

In addition, we recognize DX (Digital Transformation) as an important management priority both in Japan and overseas. “7NOW”, the delivery service for orders from smartphones etc., is already in operation in approx. 4,000 stores in the U.S. and approx. 1,200 stores in Japan, backed by the rising demand in recent years. We plan to expand the service globally, rolling out our trial model in Japan and the U.S., providing to better convenience for our customers, and enhance the value of 7-Eleven as a global brand.

【Global strategy】

In terms of promoting our business globally, our Group has the track record of rebuilding the 7-Eleven business in the U.S. starting from the 1990’s, leading SEI to dramatic growth. Today, we operate our 7-Eleven business in 18 countries and regions throughout the world. We are fully confident that, by utilizing the business innovation methodology that we have established in Japan, the U.S. and other countries, we can bring out the strong growth potential of these businesses. Moreover, through the further global expansion, we aim to provide incremental value to customers in each region, while contributing to the prosperity of society overall through an innovative supply chain.

In order to achieve this goal, we have established 7-Eleven International LLC (“7IN”) jointly by SEJ and SEI. 7IN will be responsible for the collaboration between the 7-Eleven businesses in Japan and the U.S., and accelerate our global strategy. 7IN will build a network of 50,000 stores in areas other than Japan and North America by FY2025, and aims to operate in 30 countries and regions around the world, including Japan and North America, by FY2030. We are currently in the process of deploying specific initiatives, and will be disclosing the KPIs, actual roadmap and other details going forward.

2. Strengthening CVS and Superstore businesses' competitiveness centered on grocery business strategy

In the Medium-Term Management Plan, we have positioned the CVS business both in Japan and overseas as our Group's growth driver, together with the food business which generates more than 60% of domestic revenue (FY2021 actual results) as our strategic focus growth area.

The Group aims to gain market share in the food market, by enhancing competitiveness of the food business, and will bring together the Group's strengths in each retail format to strengthen our brands. The Group's private brand "Seven Premium" which started in 2007 is serving as the source of our competitiveness, due to its innovativeness, brand awareness as well as the support from customers. The development of Seven Premium is made possible by bringing together SEJ's original development process, wide-ranging sourcing abilities of IY in areas such as fresh foods and processed foods, diverse expertise and information within the Group, as well as the long lasting relationship with business partners, making it unique and unprecedented among the brand strategies carried out by a retail service company.

With the structural changes in domestic consumption market, including aging society and decline in population, it is crucial for the Group to deploy its unique business model of "Placing SEJ's sales capability and competitiveness at the core, while utilizing the expertise and supply chain of the Superstore centered around IY, including the tracking of the location of production, sourcing of merchandise, production management etc.". We believe that this is the optimal way to maximize Group's strengths and to continue our sustainable growth in the domestic CVS business together with our franchisees. The inseparable collaboration between the domestic CVS business and the Superstore business centered around IY is only made possible by having the businesses in one Group. With COVID-19 bringing dramatic change in customers' consumption activities and values, detailed analysis of the commercial areas as well as diversified customer touchpoints are important than ever; it is precisely in an environment that we can leverage our strength of having both the CVS business and the Superstore business within the Group.

The Group has already been working on catering to demand for deliveries (last-mile initiatives), which continues to grow, through the 7NOW service of SEJ as well as the online supermarket business of IY. 7iD, which is the common ID of the Group, will organically link the store networks, app membership and distribution centers, thereby evolving the Group's original and competitive services.

In addition, IY will complete their continued business restructuring by the end of FY2022. To put IY back on the growth trajectory, we will focus on initiatives such as making use of distribution centers for the online supermarket business, concentrating to urban areas, and applying the vertically integrated business model to food products. IY will contribute to enhancing the competitiveness and corporate value growth of the Group, as well as strengthen its own earnings capabilities.

Some investors have proposed to sell or spin off IY to enhance the Group's corporate value. However, as mentioned above, we are convinced that having the Superstore business centered around IY and SEJ in one Group contributes to the future growth of the Group, including SEJ and our franchisees. We will continue to refine our core business model and work to enhance corporate value.

3. Continuous business portfolio review

In order to maximize the corporate value of the Group, we have been establishing our unique group business model as outlined above, as well as continuing discussions regarding the efficiency and growth potential of each business, reviewing our business portfolio.

As outlined in the Medium-Term Management Plan, we will continue reviewing the structure of the Group, by conducting bold reforms in the focus restructuring areas, and considering the best owner of businesses from value maximization perspective. In July 2021, we announced the partial sale of Francfranc shares and the sale of all shares of OSHMAN'S JAPAN in February this year. In the Department Store and Specialty Store business, we have been continuously implementing structural reforms of the business, and we have now retained a financial advisor to conduct a strategic review of Sogo & Seibu.

We will continue to review the business portfolio and optimize operations.

B. Announcing strategic capital re-allocation plan

We will announce a capital reallocation plan with various initiatives

We are committed to implement financial policies to achieve sustainable growth as well as to enhance corporate value, through a consistent and disciplined capital allocation. We will seek to maximize operating cash flow through the Group's growth businesses, while accelerating capital recovery from non-core business. The free cash flow generated from these businesses will be strategically allocated to growth areas such as CVS and DX, with disciplinary investment decisions considering capital efficiency to accelerate future growth.

We will continue to prioritize strategic M&A and future growth investments that will contribute to mid-to-long term corporate value enhancement, while continuing to evaluate opportunities including share buybacks to improve ROE and EPS.

C. Governance structure transformation

Changing to a governance structure suitable for a World-class Global Retailer Group

We have been aiming for a governance structure with a better balance of business management and supervisory function, with agile decision-making.

Since last year, we have engaged in concentrative discussions with domestic and oversea investors, including ValueAct, where our Outside directors have also participated in. With the various ideas on our governance structure raised through these discussions, we have considered our optimal board structure and board member appointment to achieve our sustainable growth in the global market, and to enhance our mid-to-long term corporate value.

Specifically, we will enhance our board diversity and transform our governance structure by increasing our Independent Outside Directors to consist majority of the board. As part of the transformation, we have decided to nominate the below Board of Director candidates at the upcoming 17th General Meeting of Shareholders to be held on May 26th of this year (*3), based on the following principles. We interpret that these candidates are best qualified in order for us to implement growth strategies as a global company.

1. Internal Directors Selection: The Board will reduce the number of Internal Directors from the current structure to ensure an agile decision-making
2. Outside Directors Selection: We will enhance our Group management oversight system through further

improvement of “Skills Matrix” and promote our growth strategy as a global company.

3. Board Composition: We will reduce the number of Internal Directors from the current 8 to 6, while increasing the number of Outside Directors from the current 5 to 8, thereby having Outside Directors constitute the majority of the Board

Candidates for Internal Director

Name	New / Reappoint
Ryuichi Isaka	(Reappoint)
Katsuhiko Goto	(Reappoint)
Junro Ito	(Reappoint)
Yoshimichi Maruyama	(Reappoint)
Fumihiko Nagamatsu	(Reappoint)
Joseph Michael DePinto	(Reappoint)

Candidates for Outside Director

Name	New / Reappoint
Kunio Ito	(Reappoint)
Toshiro Yonemura	(Reappoint)
Tetsuro Higashi	(Reappoint)
Yoshiyuki Izawa	(New)
Meyumi Yamada	(New)
Jenifer Simms Rogers	(New)
Paul Yonamine	(New)
Stephen Hayers Dacus	(New)

(*3) Please also refer to the separate release posted April 7, 2022 “Notice of Change of Directors and Audit & Supervisory Board Members” for further details of the board member candidates (<https://www.7andi.com/en/company/news/2022.html>)

Continuing constructive engagement with our shareholders

Our Board of Directors deeply appreciates the voices of our stakeholders including shareholders, and we will always thoroughly review the feedback we receive through continued constructive engagement. We aspire to become a “World-Class Global Retailer Group”, will continue the innovation and sustainable growth and enhance our corporate value over the mid-to-long term, to meet the expectations of our stakeholders.

We will be taking a major step forward towards becoming a world-class global retailer group that leads retail innovation; with our global growth strategy driven by the 7-Eleven business, and through the active use of technology, together with clear objective, accountability and responsibility. Our Board of Directors as well as the management team are confident that, by executing our strategic initiatives outlined in this letter, and by utilizing our robust management platform, we can further enhance our performance and achieve sustainable growth. We sincerely appreciate your understanding and continued support.



To Become a World-Class Global Retailer Group

April 7, 2022

Seven & i Holdings Co., Ltd.
President & Representative
Ryuichi Isaka

Copyright (C) 2022 Seven & i Holdings Co., Ltd. All Rights Reserved.



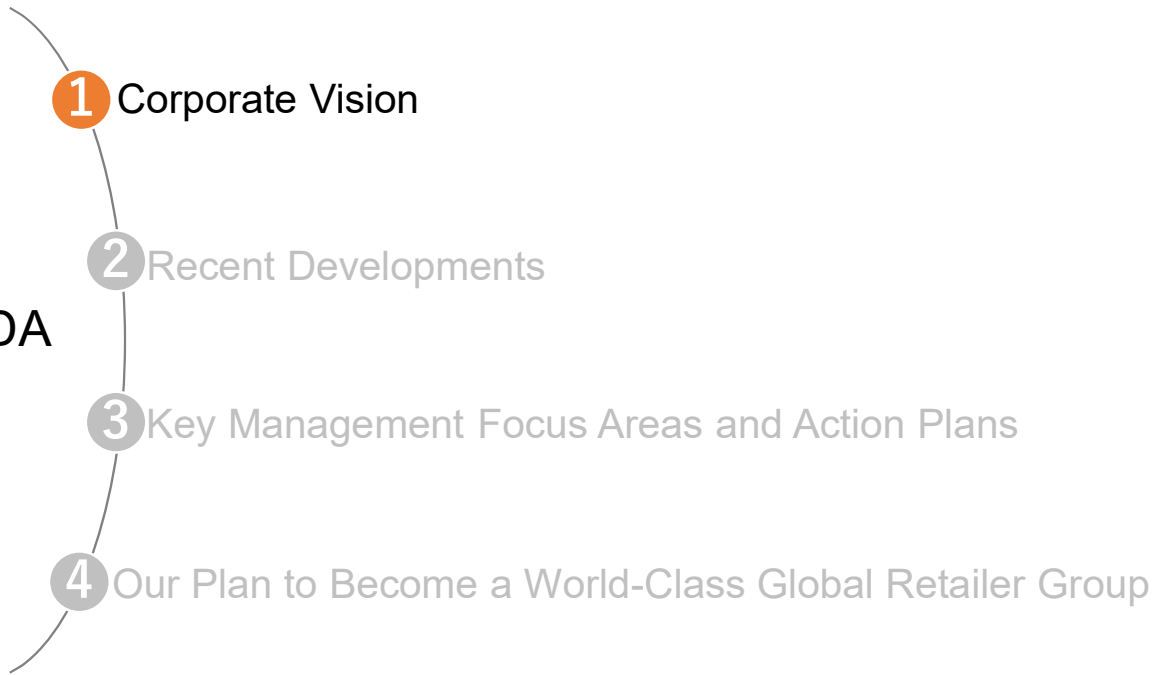
AGENDA

- 1 Corporate Vision
- 2 Recent Developments
- 3 Key Management Focus Areas and Action Plans
- 4 Our Plan to Become a World-Class Global Retailer Group

Copyright (C) 2022 Seven & i Holdings Co., Ltd. All Rights Reserved.



AGENDA



Copyright (C) 2022 Seven & i Holdings Co., Ltd. All Rights Reserved.

Corporate Vision



Corporate Creed	<p>We aim to be a sincere company that our customers trust.</p> <p>We aim to be a sincere company that our business partners, shareholders and local communities trust.</p> <p>We aim to be a sincere company that our employees trust.</p>
Basic Stance	<p>We aim to contribute to the local community both in Japan and overseas by providing new experiences and values from the customer's point of view.</p>
Ideal Group Image for 2030	<p>A world-class global retailer group that leads retail innovation through global growth strategies centered on the 7-Eleven business and proactive utilization of technology</p>



We are committed to maintaining a constructive dialogue with stakeholders, incorporating their “feedback”, and continuing our Group innovation and growth

Copyright (C) 2022 Seven & i Holdings Co., Ltd. All Rights Reserved.



AGENDA

- 1 Corporate Vision
- 2 Recent Developments
- 3 Key Management Focus Areas and Action Plans
- 4 Our Plan to Become a World-Class Global Retailer Group

Copyright (C) 2022 Seven & i Holdings Co., Ltd. All Rights Reserved.

Recent Developments



- We have been accelerating our initiatives to become a world-class global retailer group

To Become a World-Class Global Retailer Group

SEVEN&i HOLDINGS

SEIBU SOGO

OSHMAN'S

Francfranc

Speedway

Strategic Review of **Sogo & Seibu Co.**

February 10, 2022
Announcement of the sale of **OSHMAN'S**

July 21, 2021
Announcement of the partial sale of **Francfranc's stake**

January 12, 2022
Launch of **7-Eleven International LLC**

August 3, 2020
Announcement of the acquisition of **Speedway**

Medium-Term Management Plan

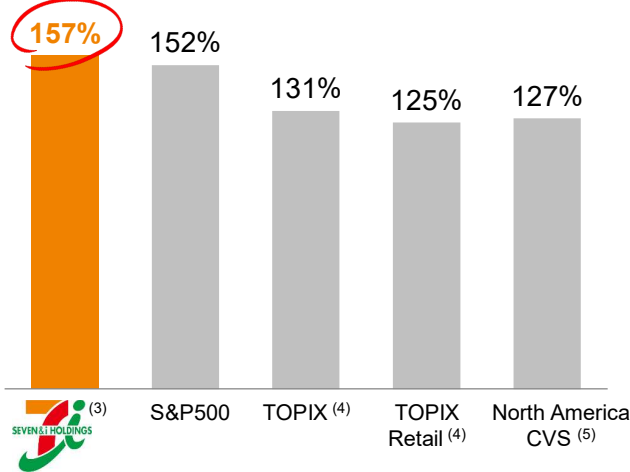
Copyright (C) 2022 Seven & i Holdings Co., Ltd. All Rights Reserved.

Recent Total Shareholders Return (TSR) Performance

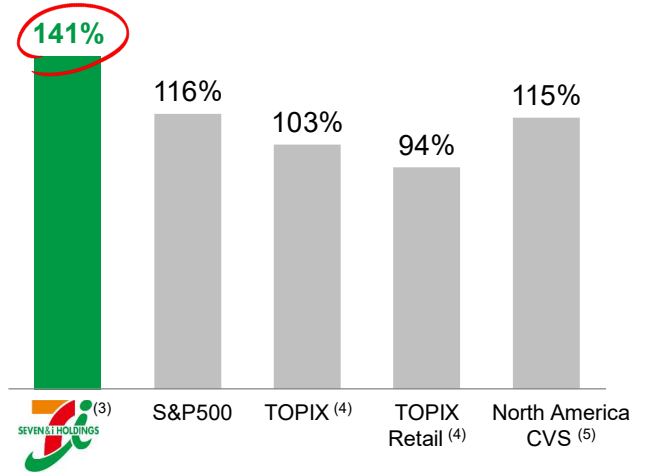


- Our TSR for the last 2 years and last 1 year have outperformed overall market including S&P 500 and TOPIX

TSR Comparison in the last 2 years ⁽¹⁾



TSR Comparison in the last year ⁽²⁾



(1) Change from end of February 2020 to end of February 2022
 (2) Change from end of February 2021 to end of February 2022
 (3) Calculated TSR in FY2022 with the scheduled dividend JPY100

(4) TOPIX and TOPIX Retail refer to share prices including dividends
 (5) North America convenience store ("CVS") companies includes Alimentation Couche-Tard, Casey's General Stores, Murphy USA, and Arko

Copyright (C) 2022 Seven & i Holdings Co., Ltd. All Rights Reserved.

7

Implementation of Sustainable Management



- Sustainable management efforts are the basis for the "Medium-Term Management Plan 2021 – 2025"
- Implemented countermeasures to combat climate change as a Group

<p>Declaration on Environment "GREEN CHALLENGE 2050"</p> <p>GREEN CHALLENGE 2050 私たちの挑戦で、未来を変えよう。</p> <p>— FY2050 Target —</p>	<p>① Reduce CO2 Emissions Target net zero emissions through group's operational management Reduce through whole supply chain including Scope 3</p>	<p>② Reduce Plastic Waste Containers used for original products 100% Eco-friendly No usage of plastic bags</p>
	<p>③ Reduce Food Waste & Promote Food Recycling Food waste volume 75% reduction Food waste recycling rate 100%</p>	<p>④ Sustainable Purchasing Food ingredients for original products 100% sustainability-assured materials</p>



— Disclosed in June 2020 —



Participated since December 2020



SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Committed Since March 2021

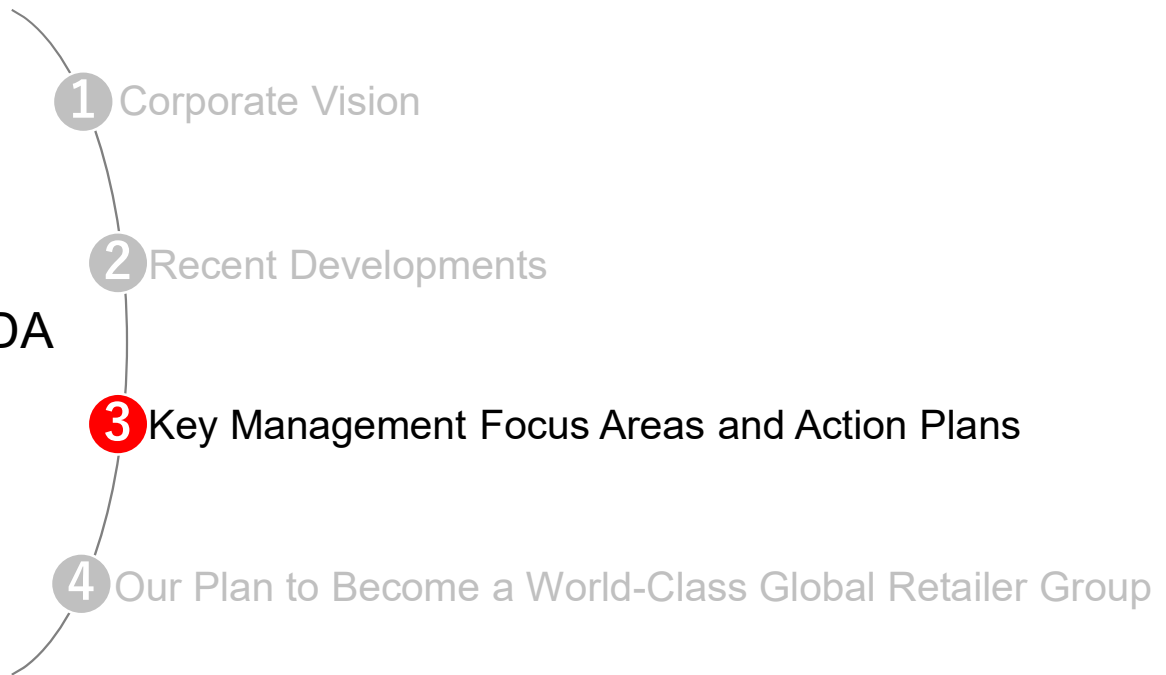
Achieving sustainable society through global perspectives

Copyright (C) 2022 Seven & i Holdings Co., Ltd. All Rights Reserved.

8



AGENDA



Key Management Focus Areas and Action Plans



- Our management has continued to constructively engage with our shareholders

Action Plans

A Review business portfolio and accelerate initiatives to optimize operations

- 1. Accelerating profit growth through domestic / overseas convenience store (“CVS”) business collaboration**
 - ✓ 7-Eleven, Inc. (“SEI”) profitability improvement: synergy realization post Speedway acquisition
 - ✓ SEI business transformation: implementation of value chain management and food business capabilities of Seven-Eleven Japan Co., Ltd. (“SEJ”)
 - ✓ Non-Japan/US CVS expansion: leveraging capabilities of both SEJ and SEI
 - ❖ *Detailed plans / specific KPIs to be further disclosed*
- 2. Strengthening CVS and Superstore businesses’ competitiveness centered on grocery business strategy**
 - ✓ SEJ and Ito Yokado (“IY”) will be the group’s core entities driving grocery business strategy
 - ✓ Accelerate expansion of last-mile strategy and the group’s proprietary private brand (*Seven Premium*)
 - ✓ IY’s business restructuring to be completed within FY2023
- 3. Continuous business portfolio review**
 - ✓ Completed the partial sale of Francfranc’s shares and the sale of OSHMAN’s
 - ✓ Strategic review of Sogo & Seibu
 - ✓ Continue reviewing business portfolio and best ownership structure for each business

Key Management Focus Areas and Action Plans (Cont'd)

Action Plans

B Announcing strategic capital re-allocation plan

- Accelerate **reclamation of capital through business portfolio restructuring** and best ownership discussion
- Focus on investing our cash flow to our high growth CVS business**
- Enhance shareholder return** through flexible share buyback and other options, considering balance between growth investments
- ✓ *Detailed plans to be further disclosed*

C Governance Structure Transformation

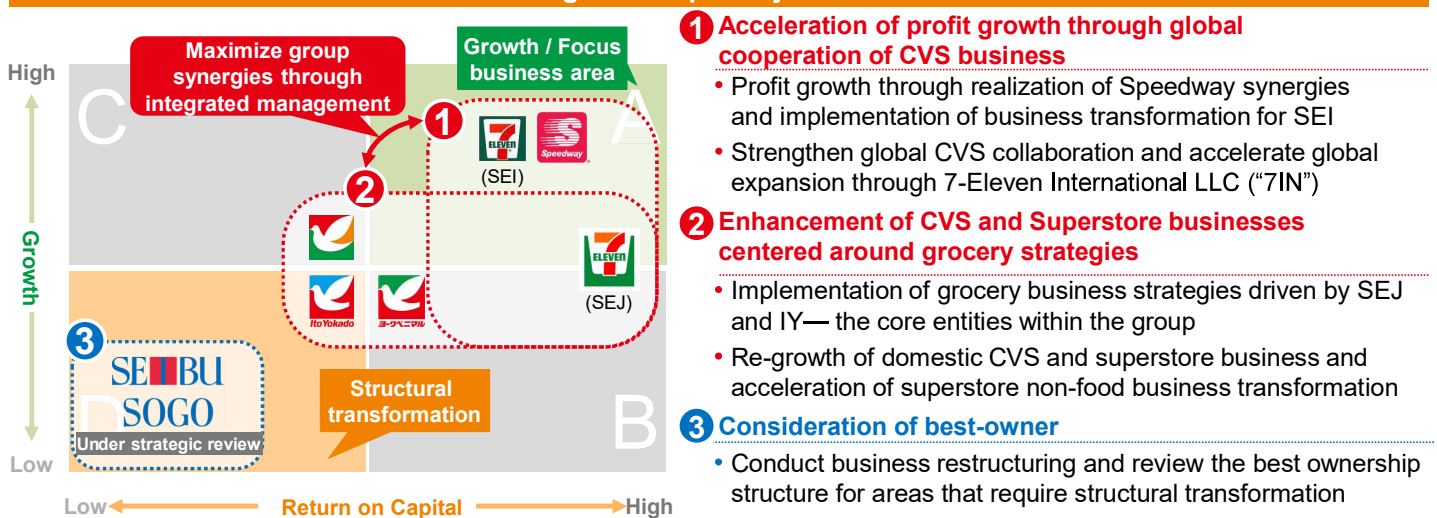
- Board member to be proposed based on the following principles at the annual shareholders meeting this May:
 - ✓ **Internal Directors: Reduce the number of Internal Directors**, aiming for a better balance of management and supervisory capabilities, enabling further agile decision making
 - ✓ **Outside Directors: Strengthen our system through further improvement of “Skills Matrix” that fosters board diversity and promotes our growth strategy as a global retailer**
 - ✓ **Specific Initiatives:** Number of the Internal Directors will be reduced from the current 8 to 6, while the number of Outside Directors will be increased from the current 5 to 8; the **majority of the Board will be outside directors**

These initiatives will enable Seven & i to be a World-Class Global Retailer Group

A Portfolio Review and Actions for Operational Optimization

- Optimizing portfolio from the perspectives of capital efficiency / growth for each business segment and group synergies
 - ✓ Maximize group synergies through global CVS strategies and food business centered around SEJ
 - ✓ Conduct business restructuring and review best ownership structure for areas that require structural transformation

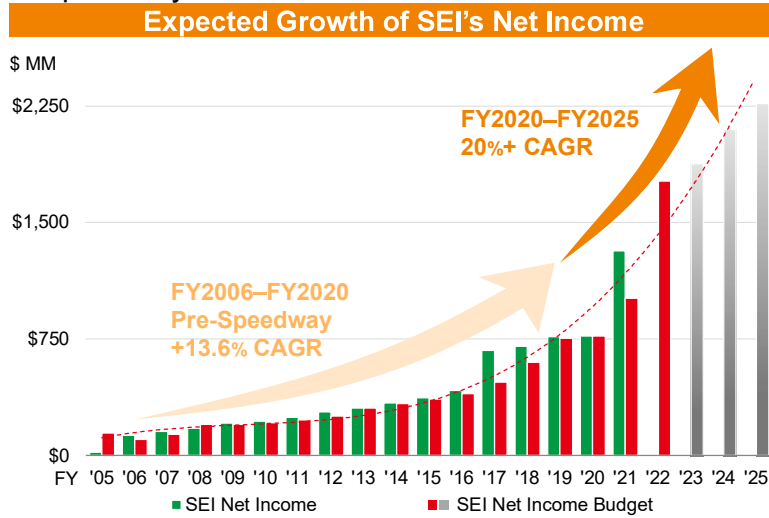
Positioning of Group's Major Business Area



A — 1 Acceleration of Profit Growth Through Global Cooperation of CVS Business



- Our group's growth driver, SEI, projects profit growth of 20%+ p.a. towards FY2025
- SEI will lead the group's value creation through sales and profit growth leveraging the acquisition of Speedway



Growth Plan

North America CVS Business

- Realize integration synergies with Speedway and leverage scale for operational efficiencies and cost savings
- Strengthen food business through establishing value chain management in collaboration with SEJ, and expand fresh food, PB products and restaurant business
- Plans to actively expand digital strategies / loyalty program and 7NOW delivery

Global Strategies

- Established 7IN as a JV of SEJ and SEI
- Targets expansion in 30 countries/regions by 2030
- ❖ Detailed plans to be further disclosed



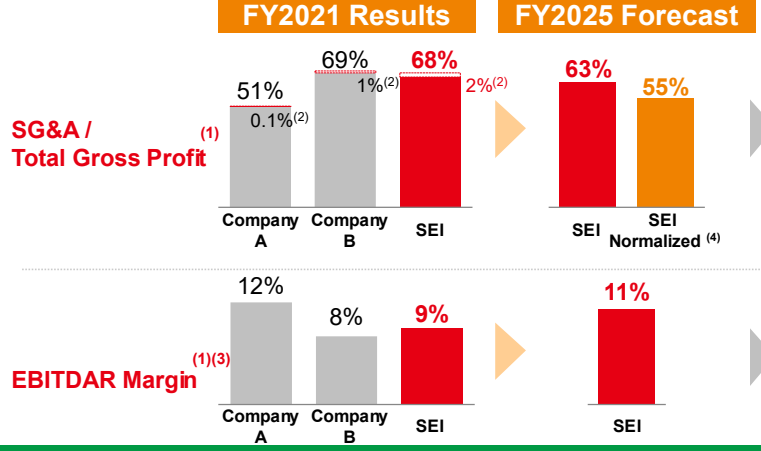
Plans to Realize Value Accretion of Seven-Eleven as a Global Brand

Copyright (C) 2022 Seven & i Holdings Co., Ltd. All Rights Reserved.

A — 1 Business Transformation: Structure and Profitability



- Plans to reduce SG&A and improve EBITDAR margin through business structure transformation by FY2025



Overview

- Due to differences in concentration of fuel business and proportion of owned real estates, there is a difference in SG&A / total gross profit (GP) level
- Improvement expected through FY2025 as synergies are realized from the Speedway acquisition integration and the implementation of Six Point Plan⁽⁵⁾ including strengthening of food business
 - ✓ Current SG&A / Total GP level is similar to peers when normalized for % of stores selling fuel of Company A
- Implementation of Six Point Plan and reduction of SG&A are expected to increase EBITDAR margin to 11% by FY2025
 - ✓ Assumes retail fuel price and CPG margin flat to FY2021
- Continue acceleration of profit growth through sales growth and reduction of SG&A after FY2025 as well

Will drive both sales growth AND profitability improvements to continue high profit growth toward FY2025

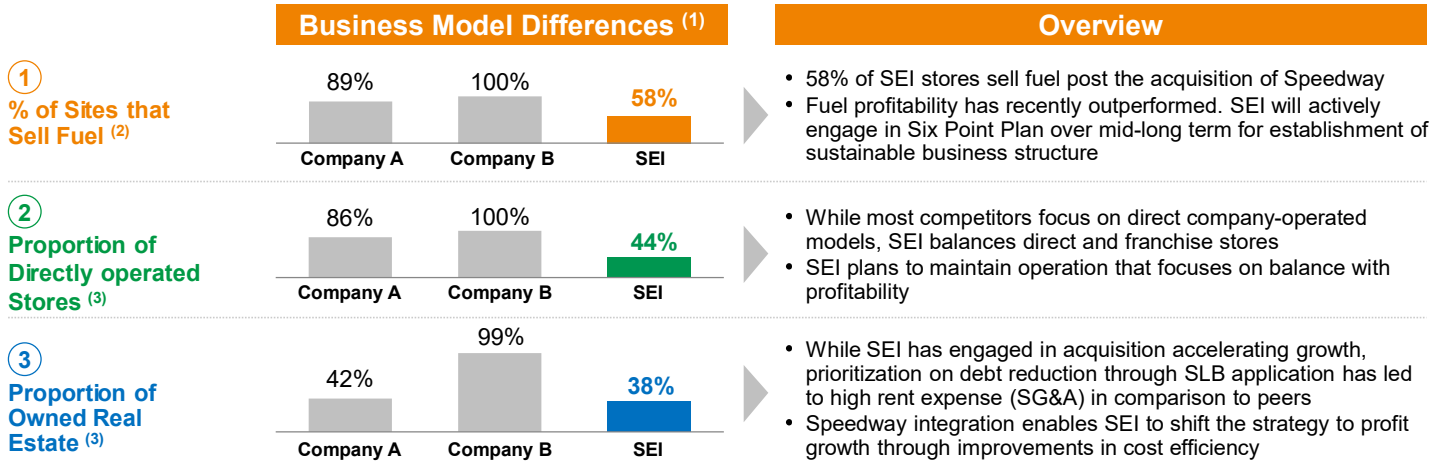
(1) Reflects FY 2021 actual results for FY ended April 2021, for Company A and B, and SEI results for FY ended December 31, 2021
 (2) Refers to one-time non-operating expenses and M&A expenses
 (3) EBITDAR=Earnings Before Income Tax, Depreciation, Amortization and Rent (excludes impact from rent expense)
 (4) Normalized to comparable % of stores selling fuel as Company A, with retail fuel price and CPG at FY2021 levels
 (5) Refers to 6 plans including the followings: 1) deliver a consistently great customer experience, 2)drive proprietary & unique products & services, 3) optimize fuel business & grow alternatives (EV), 4) leverage scale to achieve cost leadership, 5) transform convenience through digital & data, and 6) transform store & delivery network

Copyright (C) 2022 Seven & i Holdings Co., Ltd. All Rights Reserved.

A – 1 (Reference) Business Model of SEI



- While Speedway (all stores sell fuel, mostly operated directly in owned real estate) acquisition makes SEI more similar to peers, SEI's business structure materially differs to competitors



Speedway integration enables SEI to accelerate transformation in business structure and improve profitability

(1) Reflects FY 2021 actual results for FY ended April 2021, for Company A and B, and SEI results for FY ended December 31, 2021
 (2) 62% of SEI stores sold fuel as of year-end FY2021 (58% reflects weighted-average for year)
 (3) Excludes dealer-owned/dealer-operated sites

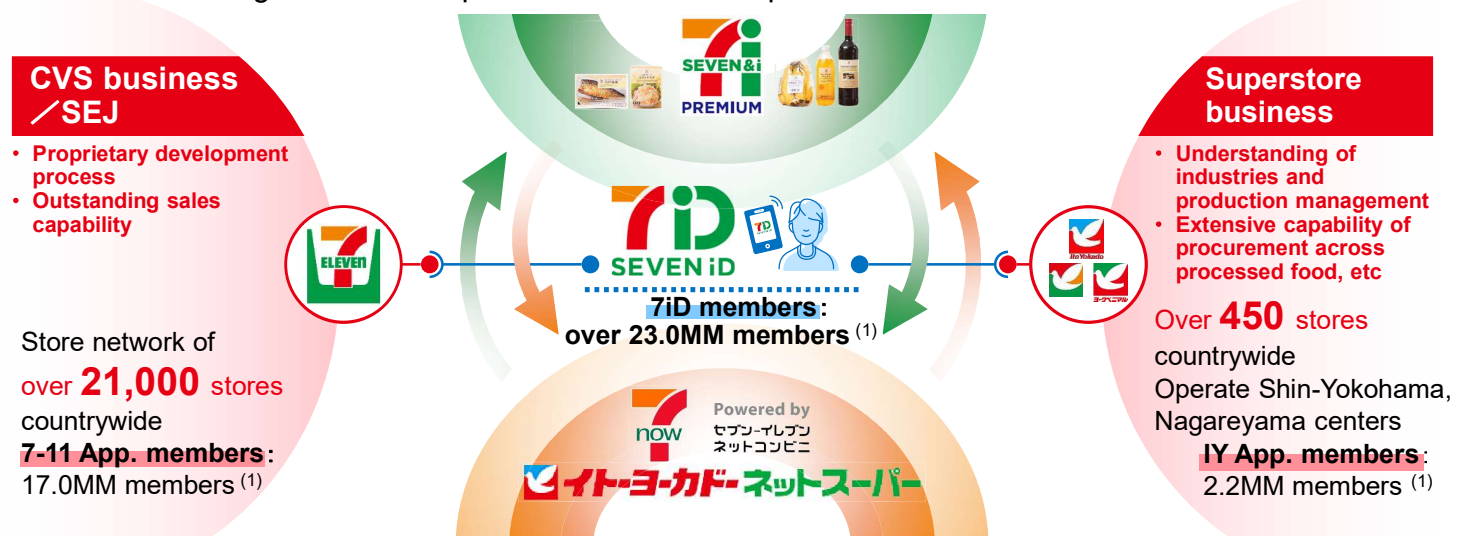
Copyright (C) 2022 Seven & i Holdings Co., Ltd. All Rights Reserved.

15

A – 2 Strengthening CVS and Superstore Business Competitiveness Centered on Grocery Business Strategy



- Realize expansion of competitive **private brand (Seven Premium)** and **last-mile strategies** through collaboration of stores / customer bases (sales capability) and product development capabilities cultivated through SEJ and Superstore business cooperation



Establish Group's proprietary "core business model" and accelerate its expansion

(1) As of end of February 2022

Copyright (C) 2022 Seven & i Holdings Co., Ltd. All Rights Reserved.

16

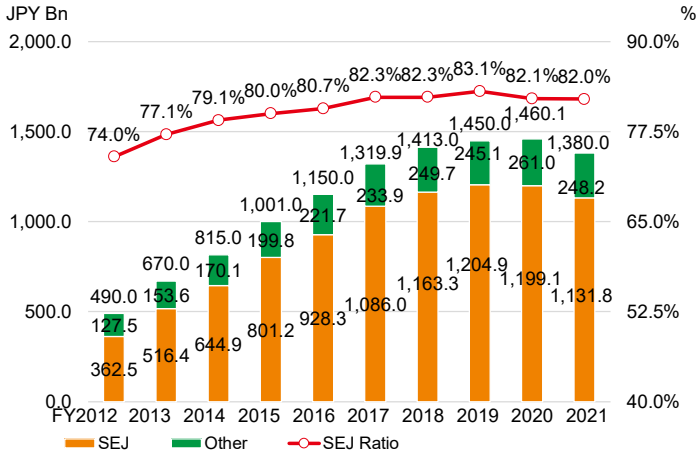
A-2 Expansion of Private Brand (Seven Premium)

- Sales of Seven Premium steadily expanding
- Superstore business with IY functioning as a competitive advantage

Annual Sales of Seven Premium by Channels

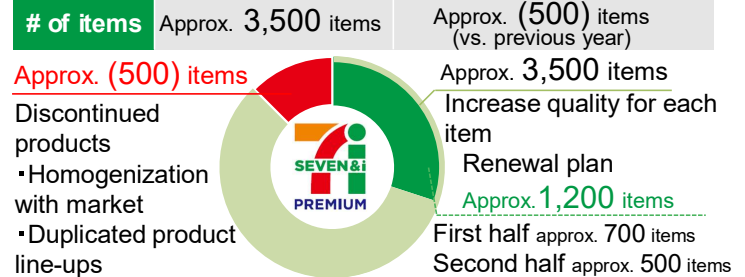
Succeeded in achieving size comparable to top domestic food manufacturer

FY2022 Sales: JPY 1.38 Trillion

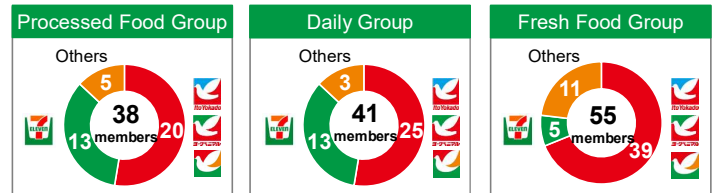


Continuous Review / Improvements of Seven Premium Product Line-up

FY2021 Actual Results



Inter-group Development Structure of Seven Premium (Food) (As of March 2022)

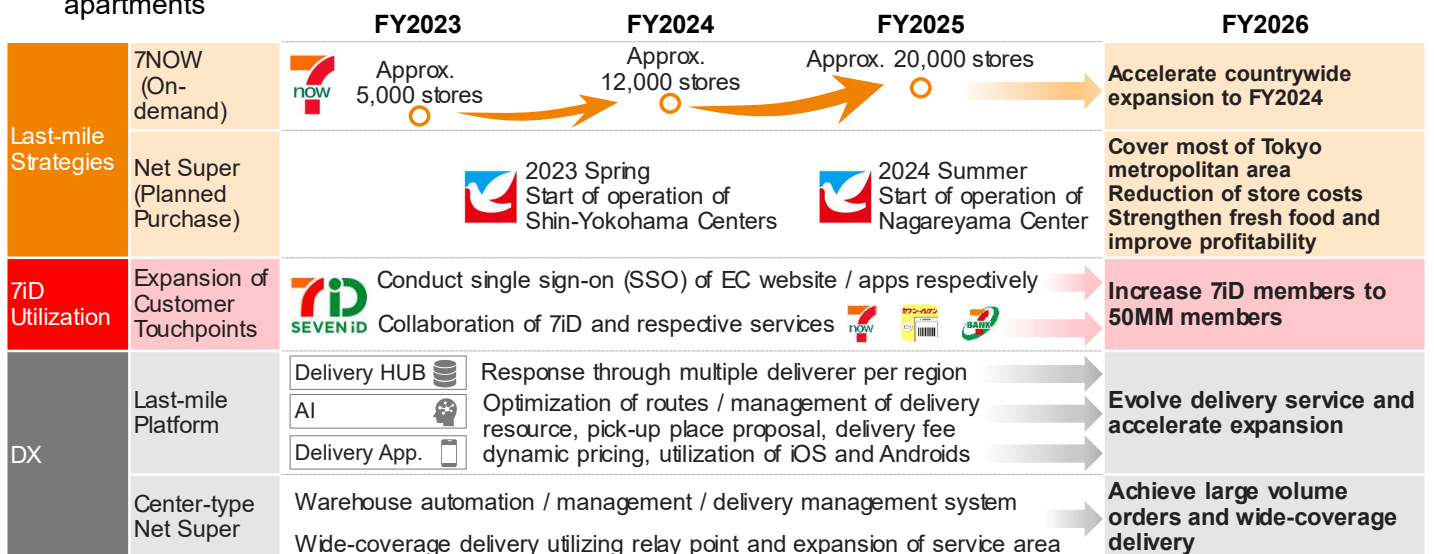


Copyright (C) 2022 Seven & i Holdings Co., Ltd. All Rights Reserved.

17

A-2 Optimize Last-Mile Strategy

- 7NOW and IY Net Super have completed trials outlined below and shifted to roll-out phase
- ✓ Real-time stock management / 30-minutes-delivery of 7 NOW
- ✓ No maximum order limit for Nishi-Nippori's IY Net Super, 7-11 in-store locker pick-up, and pick-up locker in apartments



Strengthen efforts to accelerate expansion of Group's proprietary last-mile strategies

Copyright (C) 2022 Seven & i Holdings Co., Ltd. All Rights Reserved.

18

A – 2 Business Restructuring / Growth Strategies of IY



- IY will complete business restructuring by FY2023 and concentrate in re-growth strategies

		~FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Structural Transformation	Store Policies	182 stores→132 stores	Closure of 4 stores	Planned closure of 2 stores, 16 stores examined			
	Personnel Policies	Approx. (1,000)	Approx. (400)	Approx. (300)			
	Productivity Reform	Introduction of productivity improvement plans through IT utilization such as AI orders			Operation fully in progress		
Growth Strategies	Internet	<ul style="list-style-type: none"> Utilization of centers and expansion of services 	<ul style="list-style-type: none"> Differentiation through products, delivery, UIUX / collaboration with SEJ, etc. 				
	Store	<ul style="list-style-type: none"> Concentration to capital area and Metropolitan area 	<ul style="list-style-type: none"> Tokyo Metropolitan area: construction of economy through stores and internet Other area: implement alliances with companies inside / outside the Group 				
	Product	<ul style="list-style-type: none"> Vertically integrate food business, IY's strength Optimization of LS area and reform of MD ⁽¹⁾ 	<ul style="list-style-type: none"> Food: development of original products through utilization of Group's infrastructure ✓ FY2024: Nagareyama PC, FY2025: Chiba Honda PC/CK, FY2026: Sugito PC opening, and planned for enlargement ⁽¹⁾ LS: optimization of sales floor format (GIS trade area analysis) / MD construction through collaboration of companies inside / outside the Group ⁽¹⁾ Common: brand construction centered around SDGs 				
Major KPI	EBITDA		JPY 14.9Bn				JPY 47.0Bn+
	EBITDA Margin		1.4%				4.5%+

□ Actual ◻ Target

Goal

① **Contribute to Group's competitiveness and increase corporate value**

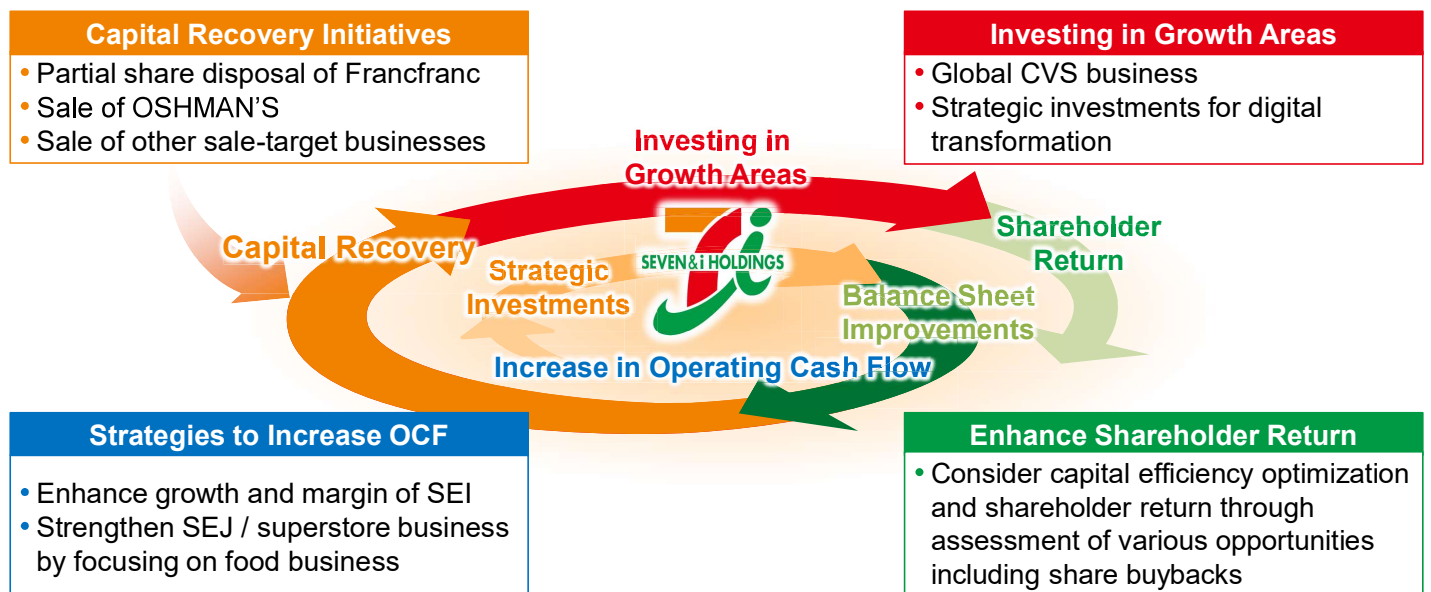
② **Strengthen stand-alone profitability as IY**

(1) PC: process center, CK: central kitchen, LS: life style, MD: merchandising

B Announce Strategic Capital Re-allocation Plan



- Established a Capital Re-allocation Plan reflecting initiatives in the Mid-Term Management Plan
- Basic policy is below – details including quantitative information will be disclosed in the future



C Governance Structure Transformation

- We aim for a governance structure with better balance of business management and supervisory function, and agile decision-making
- The Board will be majority composed of Independent Directors, and we will enhance the Skill Matrix by strengthening Board diversity, as well as increasing the number of female and non-Japanese directors in order to effectively monitor our diverse business

Current Governance Structure

New Plan

- I Transparent Committees**
 - Introduce nomination / Compensation Committee
 - Chairman and majority of members will comprise Independent Directors for both Committees
- II Effective Management System**
 - Introduce evaluation system on the effectiveness of the Board
 - Establish and enhance the Board remuneration scheme
 - Conduct of Board Meeting and Management Opinion Exchange Meeting (enhancement of discussions with Outside Directors)
 - Plan to implement review on how the Board Meeting should be



Change of Board Composition

	Current	2022 ⁽¹⁾
Independent	5 (Above 1/3)	8 (Majority)
Non-Japanese	1 (Proportion: 7.7%)	4 (Proportion: 28.6%)
Female	1 (Proportion: 7.7%)	2 (Proportion: 14.3%)

Governance transformation to align with global business and capital markets

(1) Expected to be raised at the regular shareholder's meeting held in May 2022

Copyright (C) 2022 Seven & i Holdings Co., Ltd. All Rights Reserved.

21

C Enhancement of Skill Matrix

- Identify Board candidates who are best qualified to assist the company implement Company's growth strategies

	Position	New/ Reappoint	Management and Industry Experience				Management Skills and Knowledge					
			Corporate Management	Retail	International Business	Finance	Organization Management	Marketing Branding	DX / IT Security	Accounting / Finance	Risk Mgmt / Crisis Response/Legal	Sustainability
Ryuichi Isaka	President & Representative Director	Reappoint	●	●	●		●	●				●
Katsuhiko Goto	Vice President & Representative Director	Reappoint		●		●	●	●	●			
Junro Ito	Director	Reappoint		●			●				●	●
Yoshimichi Maruyama	Director	Reappoint				●			●		●	
Fumihiko Nagamatsu	Director	Reappoint	●	●			●	●				
Joseph Michael DePinto	Director	Reappoint	●	●	●		●	●	●			
Kunio Ito	Outside Director	Reappoint					●	●	●	●	●	●
Toshiro Yonemura	Outside Director	Reappoint					●		●		●	
Tetsuro Higashi	Outside Director	Reappoint	●		●		●			●		
Yoshiyuki Izawa	Outside Director	New	●		●	●	●		●			●
Meyumi Yamada	Outside Director	New	●	●			●		●			●
Jenifer Simms Rogers	Outside Director	New			●	●				●	●	●
Paul Yonamine	Outside Director	New	●		●	●	●		●	●		
Stephen Hayers Dacus	Outside Director	New	●	●	●		●	●		●		

(1) The matrix above does not represent all the skill or experience for each board member

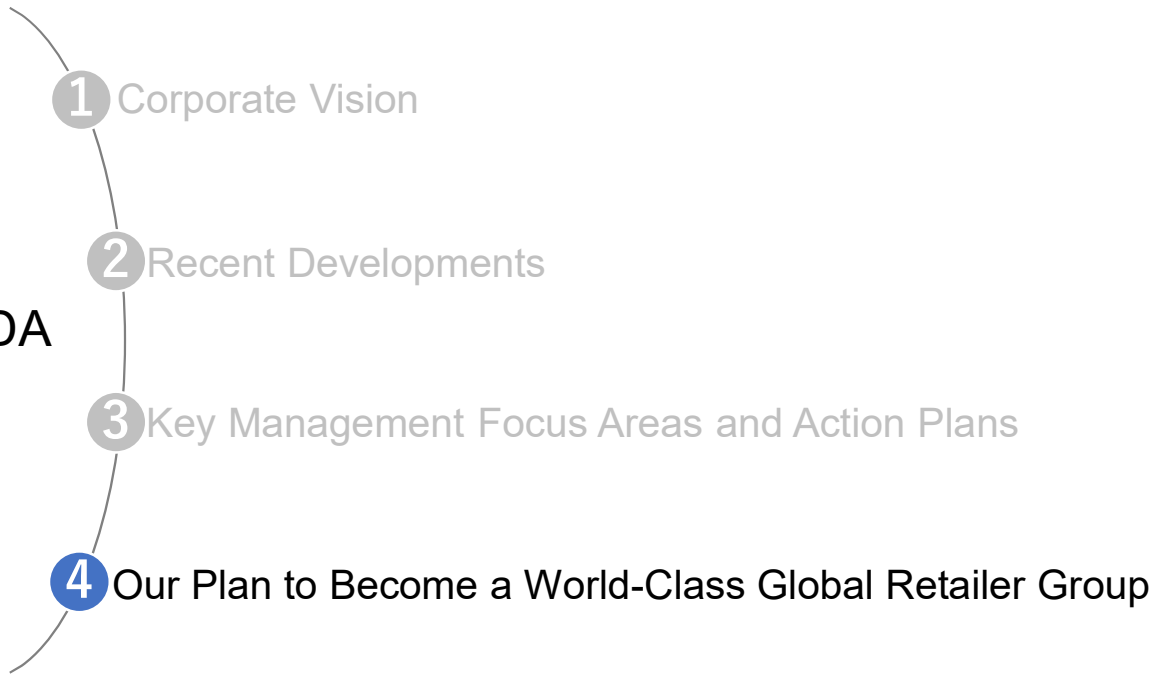
(2) Non-Japanese board member consists 28.6% (4 / 14) and female board member consists 14.3% (2 / 14) of the entire board

Copyright (C) 2022 Seven & i Holdings Co., Ltd. All Rights Reserved.

22



AGENDA



Our Plan to Become a World-Class Global Retailer Group



- Accelerating various measures to drive growth in accordance with the Medium-Term Management Plan

Medium-Term Management Plan	
Strategy for aiming for growth	
Challenge of new "Growth areas" Overseas CVS business strategy • To be the main driver of Group growth	Open the next "Convenience" door Domestic CVS business strategy • Return to re-growth path
Strategy for aiming for depth	
Group food strategy • Closer partnerships with supermarkets in the metropolitan area • Reinforced development of Group products • Enhance joint procurement through direct imports	Large-scale commercial base strategy • Higher hub value in line with each business region • Expand non-store profits
Expand on-demand delivery service / customer contract by strengthening Net Super	
Further strengthening of corporate governance / human resource measures linked to the business strategy	
Sustainable management	



Action Plans
A Review business portfolio and accelerate initiatives to optimize operations
B Announcing strategic capital re-allocation plan
C Governance Structure Transformation

To Become a World-Class Global Retailer Group

With Livings - Seven & i Group



The information disclosed by the Company may contain forward-looking statements. These statements are based on management's judgment in accordance with materials available to the Company at the time of disclosure, with future projections based on certain assumptions. The forward-looking statements therefore incorporate various risks, estimates, and uncertainties, and as such, actual results and performance may differ from the future outlook included in disclosed information due to various factors, such as changes in business operations and the financial situation going forward.