

Last Update: April 3, 2023

Seven & i Holdings Co., Ltd.

Ryuichi Isaka, President and Representative Director

Securities Code: 3382

URL: <https://www.7andi.com/en>

The corporate governance of Seven & i Holdings Co., Ltd. (the “Company”) is described below.

## I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information

### 1. Basic Views

The Company considers corporate governance to be a system for sustainable growth by establishing and maintaining a sincere management structure and continuously increasing the Group’s corporate value over the medium and long term in both financial and non-financial (ESG) aspects to ensure the trust and longstanding patronage of all stakeholders, including customers, business partners and franchisees, shareholders and investors, local communities, and employees, based on the Corporate Creed.

The Company’s mission as a holding company is to strengthen corporate governance and maximize the Group’s corporate value, and the Company will strive to achieve this mission through the provision of support, oversight, and optimal resource allocation to its operating companies.

#### 【Corporate Creed】

We aim to be a sincere company that our customers trust.

We aim to be a sincere company that our business partners, shareholders and local communities trust.

We aim to be a sincere company that our employees trust.

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Topics related to our corporate governance are summarized and disclosed in “Corporate Governance” on our website. The items in this report are also on the same site. Please refer to the following URL for details.

<https://www.7andi.com/en/ir/management/governance/>

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### 【Reasons for Non-compliance with the Principles of the Corporate Governance Code】

This information is based on the principles of the Corporate Governance Code (revised on June 11, 2021) and the Company complies with all principles of the Corporate Governance Code.

### 【Disclosure Based on the Principles of the Corporate Governance Code】

Based on the purpose and spirit of the Corporate Governance Code (revised on June 11, 2021), the Company’s corporate governance system and efforts, including the response to “the principle that specific items should be disclosed” on the Code, are all summarized and disclosed in “Corporate Governance” on our website.

Please refer to the following URL for details.

<https://www.7andi.com/en/ir/management/governance/>

Each place of description regarding specific disclosure items is in “Correspondence Table for Specific Disclosure Items in Japan’s Corporate Governance Code” on the website above.

## 2. Capital Structure

Foreign Shareholding Ratio	30% or more
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### 【Status of Major Shareholders】

Name or Company Name	Number of Shares Owned	Percentage (%)
THE MASTER TRUST BANK OF JAPAN, LTD. (TRUST ACCOUNT)	129,331,800	14.62
ITO-KOGYO CO., LTD.	70,701,004	7.99
CUSTODY BANK OF JAPAN, LTD. (TRUST ACCOUNT)	53,002,700	5.99
SMBC NIKKO SECURITIES INC.	34,633,500	3.91
SSBTC CLIENT OMNIBUS ACCOUNT (THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED AS STANDING PROXY)	20,609,898	2.32
NIPPON LIFE INSURANCE COMPANY (THE MASTER TRUST BANK OF JAPAN ,LTD. AS STANDING PROXY)	17,672,353	1.99
JAPAN SECURITIES FINANCE CO., LTD.	17,319,400	1.95
MASATOSHI ITO	16,799,030	1.89
VALUEACT CAPITAL MASTER FUND L.P. (THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED AS STANDING PROXY)	16,761,900	1.89
MITSUI & CO., LTD. (CUSTODY BANK OF JAPAN, LTD. AS STANDING PROXY)	16,222,480	1.83

Name of Controlling Shareholder (excluding Parent Company)	--
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Name of Parent Company	None
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### Supplementary Explanation

1. The status of the above major shareholders is as of August 31, 2022.
2. The ratio of the number of owned shares to the total number of issued ones is calculated by deducting treasury stock.

## 3. Corporate Attributes

Listed Stock Exchange and Market Segment	Prime Market of the Tokyo Stock Exchange
Fiscal Year-End	February
Business Sector	Retail Trade
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	1,000 or more
Net Sales (Consolidated) as of the End of the Previous Fiscal Year	¥1 trillion or more
Number of Consolidated Subsidiaries as of the End of the	100 or more and fewer than 300

#### 4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

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#### 5. Other Special Circumstances which may Have Material Impact on Corporate Governance

Views on the independence of listed subsidiaries

##### (1) Views and policies on Group management

Although the Company owns the listed subsidiary, Seven Bank, Ltd., from the standpoint of respecting the independence of Seven Bank, Ltd., we value the management decisions of the said listed subsidiary, and respect the independent and autonomous deliberation and determination of its business strategies, personnel policies, capital policies, etc., as it engages in its operating activities.

##### (2) Significance of holding a listed subsidiary

In order for Seven Bank, Ltd. to achieve sound and sustained growth, the development of business innovation through an advanced combination of collaborations with various business partners based on the foundations of corporate trustworthiness and transparency of management is thought to be indispensable. Furthermore, the Company believes that listing the said subsidiary's shares on the market is one of the most effective method of ensuring the said subsidiary's trustworthiness and transparency of management, and it is preferable for the said subsidiary to enhance its corporate value through its own growth strategies, etc., from the standpoint of Group management.

##### (3) Measures to ensure the effectiveness of the governance structure of the listed subsidiary

Seven Bank, Ltd. has established a Nomination and Compensation Committee chaired by an independent outside director, as an advisory body to the board of directors, and has discussions on items regarding recommendation of candidates for directors and executive officers. This ensures independence from the Company regarding the appointment of management. In addition, the said company appoints independent outside directors and outside audit & supervisory board members to supervise that there is no conflict of interest between the Company and shareholders other than the Company.

And the Company has not entered into any contracts related to group management with the said company.

In addition, in order to respond to disclosure obligations, etc., the Company has established "Important Fact Reporting Guidelines" with the said company. Limiting to the items which may affect the timely disclosure of the Company, the consolidated financial statements of the Company, and those that may damage the credibility of the Group, we request the said company to report those items.

## II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management

### 1. Organizational Composition and Operation

Corporate Governance System

Company with Audit and Supervisory Board\*

\*Referred to in the Corporate Governance Code reference translation as "Company with *Kansayaku* Board"

#### **[Directors]**

Number of Directors Stipulated in Articles of Incorporation	15
Directors' Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	President & Representative Director
Number of Directors	14

Appointment of Outside Directors	Appointed
Number of Outside Directors	8
Number of Independent Directors	8

#### Outside Directors' Relationship with the Company (1)

Name	Attributes	Relationship with the Company*											
		a	b	c	d	e	f	g	h	i	j	k	
Kunio Ito	Scholar											○	
Toshiro Yonemura	Other												
Yoshiyuki Izawa	From another company												
Meyumi Yamada	From another company												
Jenifer Simms Rogers	From another company												
Paul Yonamine	From another company												
Stephen Hayes Dacus	From another company												
Elizabeth Miin Meyerdirk	From another company												

\*Categories for "Relationship with the Company"

\*Put "○" when the director presently corresponds or has recently corresponded to the category, and "△" when the director corresponded to the category in the past

\*Put "●" when a close relative of the director presently corresponds or has recently corresponded to the category, and "▲" when a close relative of the director corresponded to the category in the past

- Person who executes business of the Company or a subsidiary
- Person who executes business or a non-executive director of a parent company
- Person who executes business of a fellow subsidiary
- Person/entity for which the Company is a major client or a person who executes business for such person/entity
- Major client of the Company or a person who executes business for such client
- Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets in addition to director/Audit and Supervisory Board Member compensation from the Company
- Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business of the corporation)
- Person who executes business for a client of the Company (excluding persons categorized as any of d, e, or f above) (applies to self only)
- Person who executes business for another company holding cross-directorships/cross-auditorships with the Company (applies to self only)
- Person who executes business for an entity receiving contributions from the Company (applies to self only)
- Other

#### Outside Directors' Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Applicable Items	Reasons for Appointment
Kunio Ito	○	(Important Concurrent Positions) Director of Hitotsubashi CFO Education and Research Center Outside director of KOBAYASHI Pharmaceutical	(Reasons for Appointment) He has a broad range of high level knowledge and experience regarding finance and accounting, economics including marketing and branding, ESG (Environment, Society, Governance), risk management, etc. cultivated through his long term work experience as a university

		Co., Ltd. Outside Director of Toray Industries, Inc.	<p>professor and his abundant experience as an outside executive of other companies.</p> <p>Because we would like him to utilize this knowledge and experience to realize our management plans and to further improve the effectiveness of our management and the board of directors, we would like to request his election as an outside director.</p> <p>(Our Policy on Independence and Reason for Designation as Independent Director)</p> <p>He does not have any special attributes and/or relations with the company that would disqualify him as an independent director as stipulated by the Company. This eliminates the possibility of causing conflicts of interest with general shareholders, and he is therefore designated as an Independent Director.</p>
Toshiro Yonemura	○	(Important Concurrent Positions) Outside Director of Kansaidengyosha Co., Ltd.	<p>(Reasons for Appointment)</p> <p>He has served such important positions as Superintendent General of the Tokyo Metropolitan Police Department and Deputy Chief Cabinet Secretary for Crisis Management, has served positions such as Chief Security Officer (CSO) of the Tokyo Organizing Committee of the Olympic and Paralympic Games, and has a broad range of high level knowledge and experience regarding organizational management, risk management, etc.</p> <p>Because we would like him to utilize this knowledge and experience to realize our management plans and to further improve risk management and the effectiveness of our management and the Board of Directors, we would like to request his election as an Outside Director.</p> <p>(Our Policy on Independence and Reason for Designation as Independent Director)</p> <p>He does not have any special attributes and/or relations with the company that would disqualify him as an independent director as stipulated by the Company. This eliminates the possibility of causing conflicts of interest with general shareholders, and he is therefore designated as an Independent Director.</p>
Yoshiyuki Izawa	○	(Important Concurrent Positions) External Director (audit committee member) of Nitori Holdings Co., Ltd.	<p>(Reasons for Appointment)</p> <p>He has abundant overseas experience and a broad range of high level knowledge in international corporate management, business administration, finance and capital markets, as well as his experience as an investor, having served as a Representative Director of a trading company and a financial institution, and has served such important positions as Chairman &amp; CEO, Representative Director of BlackRock Japan Co., Ltd. Because we would like him to utilize this knowledge and experience to realize our sustainable growth and to further improve the effectiveness of our management and the Board of Directors, we would like to request his election as an Outside Director.</p> <p>(Our Policy on Independence and Reason for Designation as Independent Director)</p> <p>He does not have any special attributes and/or relations with the Company that would disqualify him as an independent director as stipulated by the Company. This eliminates the possibility of causing conflicts of interest</p>

			with general shareholders, and he is therefore designated as an Independent Director.
Meyumi Yamada	○	(Important Concurrent Positions) Director of istyle Inc. Outside Director of JAPAN POST INSURANCE Co., Ltd. Outside Director of SEINO HOLDINGS CO., LTD. Outside Director of Sompo Holdings, Inc.	(Reasons for Appointment) She has a broad range of high level knowledge and experience in EC (e-commerce), DX (digital transformation), organizational management, marketing, sustainability, among others, which she has cultivated through the operation of “@cosme,” one of Japan’s largest cosmetics and beauty portal sites, and through starting up a women’s skill development and job hunting support business. Because we would like her to utilize this knowledge and experience to realize our management plans and to further improve the effectiveness of our management and the Board of Directors, we would like to request her election as an Outside Director. (Our Policy on Independence and Reason for Designation as Independent Director) She does not have any special attributes and/or relations with the Company that would disqualify him as an independent director as stipulated by the Company. This eliminates the possibility of causing conflicts of interest with general shareholders, and he is therefore designated as an Independent Director.
Jenifer Simms Rogers	○	(Important Concurrent Positions) Vice President & General Counsel Asia of Asurion LLC External Director of Mitsui & Co., Ltd. Outside Director of Kawasaki Heavy Industries, Ltd. Outside Director of Nissan Motor Co., Ltd.	(Reasons for Appointment) She has experience working for international financial institutions as an In-House Counsel, as well as extensive experience as President of the American Chamber of Commerce in Japan and as an Outside Director at other companies, and through said experience she has cultivated a high level of insight into global legal and risk management, finance and accounting, and sustainability, etc. Because we would like her to utilize this knowledge and experience to realize our management plans and to further improve the effectiveness of our management and the Board of Directors, we would like to request her election as an Outside Director. (Our Policy on Independence and Reason for Designation as Independent Director) She does not have any special attributes and/or relations with the Company that would disqualify him as an independent director as stipulated by the Company. This eliminates the possibility of causing conflicts of interest with general shareholders, and he is therefore designated as an Independent Director.
Paul Yonamine	○	(Important Concurrent Positions) Chairman & CEO of Central Pacific Financial Corp. Executive Chairman of Central Pacific Bank Outside Director of Sumitomo Mitsui Banking Corporation Outside Director of circlace Inc.	(Reasons for Appointment) He has a broad range of high level knowledge and experience in DX (digital transformation), organizational management, and finance and accounting, etc. cultivated through his extensive management experience at consulting firms, as President of IBM Japan, Ltd. and as CEO of overseas financial institutions, among others. Because we would like him to utilize this knowledge and experience to realize our management plans and to further improve the effectiveness of our management and the Board of Directors, we would like to request his election as an Outside Director. (Our Policy on Independence and Reason for Designation

			<p>as Independent Director)</p> <p>He does not have any special attributes and/or relations with the Company that would disqualify him as an independent director as stipulated by the Company. This eliminates the possibility of causing conflicts of interest with general shareholders, and he is therefore designated as an Independent Director.</p>
Stephen Hayes Dacus	○	<p>(Important Concurrent Positions)</p> <p>Chairman of the Supervisory Board of Hana Group SAS Chairman of Daiso California L.L.C.</p>	<p>(Reasons for Appointment)</p> <p>He has served as a corporate executive officer in the retail industry and other industries both in the U.S. and Japan, and has a broad range of high level knowledge and experience in corporate management, marketing, finance and accounting, etc. cultivated through abundant global business experience. Because we would like him to utilize this knowledge and experience to realize our management plans and to further improve the effectiveness of our management and the Board of Directors, we would like to request his election as an Outside Director.</p> <p>(Our Policy on Independence and Reason for Designation as Independent Director)</p> <p>He does not have any special attributes and/or relations with the Company that would disqualify him as an independent director as stipulated by the Company. This eliminates the possibility of causing conflicts of interest with general shareholders, and he is therefore designated as an Independent Director.</p>
Elizabeth Miin Meyerdirk	○	<p>(Important Concurrent Positions)</p> <p>Chairwoman &amp; CEO of Hey Favor, Inc.</p>	<p>(Reasons for Appointment)</p> <p>She has a broad range of high level knowledge and experience in DX (digital transformation), marketing, finance and accounting, and other fields, cultivated through her experience as a founding member of Uber Eats, a division of Uber Technologies, Inc. in the United States and her management of e-commerce companies and other positions, in the United States. Because we would like her to utilize this knowledge and experience to realize our management plans and to further improve the effectiveness of our management and the Board of Directors, we would like to request her election as an Outside Director.</p> <p>(Our Policy on Independence and Reason for Designation as Independent Director)</p> <p>She does not have any special attributes and/or relations with the Company that would disqualify him as an independent director as stipulated by the Company. This eliminates the possibility of causing conflicts of interest with general shareholders, and he is therefore designated as an Independent Director.</p>

Voluntary Establishment of Committee(s) equivalent to Nomination Committee or Compensation Committee

Established

Status of Voluntarily Established Committee(s), Attributes of Members Constituting the Committee and the Committee Chair (Chairperson)

	Committee's Name	All Members	Full-time Members	Inside Directors	Outside Directors	Outside Experts	Other	Chairperson
Voluntarily Established Committee equivalent to Nomination Committee	Nomination Committee	7	0	2	5	0	0	Outside Director
Voluntarily Established Committee equivalent to Compensation Committee	Compensation Committee	5	0	2	3	0	0	Outside Director

#### Supplementary Explanation

The contents of the "Nomination Committee" and "Compensation Committee" are described in "Overview of Corporate Governance "Systems"" in "Corporate Governance" on our website. Please refer to the following URL for details.  
<https://www.7andi.com/en/ir/management/governance/structure.html#nomination>

#### **【Audit and Supervisory Board Member\*】**

\*Referred to in Corporate Governance Code reference translation as "*kansayaku*"

Establishment of Audit and Supervisory Board	Established
Number of Audit and Supervisory Board Members Stipulated in Articles of Incorporation	5
Number of Audit and Supervisory Board Members	5

#### Cooperation among Audit and Supervisory Board Members, Accounting Auditors and Internal Audit Departments

The outlines of audits by the audit & supervisory board members and internal audits are described in "Overview of Corporate Governance "Systems"" in "Corporate Governance" on our website. Please refer to the following URL for details.  
<https://www.7andi.com/en/ir/management/governance/structure.html#audit>

Appointment of Outside Audit and Supervisory Board Members	Appointed
Number of Outside Audit and Supervisory Board Members	3
Number of Independent Audit and Supervisory Board Members	3

#### Outside Audit and Supervisory Board Members' Relationship with the Company (1)

Name	Attributes	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m



Kazuhiro Hara	CPA																		
Mitsuko Inamasu	Attorney at Law																		
Kaori Matsuhashi	CPA																		

\*Categories for “Relationship with the Company”.

\*Put “○” when the director presently corresponds or has recently corresponded to the category, and “△” when the director corresponded to the category in the past

\*Put “●” when a close relative of the director presently corresponds or has recently corresponded to the category, and “▲” when a close relative of the director corresponded to the category in the past

- a. Person who executes business of the Company or a subsidiary
- b. A non-executive director or an accounting advisor of the Company or its subsidiaries
- c. Person who executes business or a non-executive director of a parent company
- d. An Audit and Supervisory Board Member of a parent company of the Company
- e. Person who executes business of a fellow subsidiary
- f. Person/entity for which the Company is a major client or a person who executes business for such person/entity
- g. Major client of the Company or a person who executes business for such client
- h. Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets in addition to director/Audit and Supervisory Board Member compensation from the Company
- i. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business of the corporation)
- j. Person who executes business for a client of the Company (excluding persons categorized as any of “f”, “g”, or “h” above) (applies to self only)
- k. Person who executes business for another company holding cross-directorships/cross-auditorships with the Company (applies to self only)
- l. Person who executes business for an entity receiving contributions from the Company (applies to self only)
- m. Other

#### Outside Audit and Supervisory Board Members’ Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Applicable Items	Reasons for Appointment
Kazuhiro Hara	○	(Important Concurrent Positions) Certified Public Accountant Certified Tax Accountant	(Reasons for Appointment) He has abundant experience and technical knowledge related to finance, accounting, tax and risk management as a certified public accountant and certified tax accountant. Because we would like him to contribute this knowledge and experience to the establishment of a good corporate governance structure that can realize robust and sustainable growth of the Company, create medium- to long- term corporate value, and respond to social trust, we would like to request his election as an Outside Audit & Supervisory Board Member. (Our Policy on Independence and Reason for Audit and Supervisory Board Member) He does not have any special attributes and/or relations with the Company that would disqualify him as an independent director as stipulated by the Company. This eliminates the possibility of causing conflicts of interest with general shareholders, and he is therefore designated as an Independent Audit and Supervisory Board Members.

Mitsuko Inamasu	○	(Important Concurrent Positions) Attorney at Law	(Reasons for Appointment) She has abundant experience and technical knowledge related to corporate legal affairs in general, including digital-related affairs, and risk management as an attorney at law. Because we would like her to contribute this knowledge and experience to the establishment of a good corporate governance structure that can realize robust and sustainable growth of the Company, create medium- to long-term corporate value, and respond to social trust, we would like to request her election as an Outside Audit & Supervisory Board Member. (Our Policy on Independence and Reason for Audit and Supervisory Board Member) She does not have any special attributes and/or relations with the Company that would disqualify him as an independent director as stipulated by the Company. This eliminates the possibility of causing conflicts of interest with general shareholders, and he is therefore designated as an Independent Audit and Supervisory Board Members.
Kaori Matsuhashi	○	(Important Concurrent Positions) Certified Public Accountant President & representative director of Luminous Consulting Co.,Ltd. External Director (audit committee member) of YASKAWA Electric Corporation	(Reasons for Appointment) She has an experience of business working at business company, and abundant experience and technical knowledge related to finance, accounting, business management and risk management as a consultant and certified accountant. Because we would like her to contribute this knowledge and experience to the establishment of a good corporate governance structure that can realize robust and sustainable growth of the Company, create medium- to long-term corporate value, and respond to social trust, we would like to request her election as an Outside Audit & Supervisory Board Member. (Our Policy on Independence and Reason for Audit and Supervisory Board Member) She does not have any special attributes and/or relations with the Company that would disqualify him as an independent director as stipulated by the Company. This eliminates the possibility of causing conflicts of interest with general shareholders, and he is therefore designated as an Independent Audit and Supervisory Board Members.

### 【Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members】

Number of Independent Directors and Independent Audit and Supervisory Board Members

11

Other Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members

- The Group registers all applicable persons who fulfill the qualifications of Independent Officer as such.
- Kunio Ito, the outside director, is a director of Hitotsubashi CFO Education and Research Center. We contributed 10 million

yen (results for the fiscal year ended February 28, 2022) for the purpose of research support for the research project "Seven & i Knowledge Management" that Mr. Kunio Ito is not in charge of at the Graduate School of Business Administration, Hitotsubashi University. The contribution is applicable item to Mr. Kunio Ito in "Outside Directors' Relationship with the Company (1)" in "Directors".

• Regarding independent board members, minor standards that are deemed not to affect the decision of shareholders to exercise their voting rights and other items are described in "Composition, etc., of the Board of Directors" in "Corporate Governance" on our website. Please refer to the following URL.

<https://www.7andi.com/en/ir/management/governance/board.html#view>

## 【Incentives】

Implementation Status of Measures related to Incentives Granted to Directors

Introduction of Performance-linked Compensation Scheme

Supplementary Explanation for Applicable Items

The policy regarding the compensation for directors and audit & supervisory board members is described in "Compensation for Board of Directors and Audit & Supervisory Board Members" in "Corporate Governance" on our website. Please refer to the following URL for details.

<https://www.7andi.com/en/ir/management/governance/compensation.html>

Persons Eligible for Stock Options

Supplementary Explanation for Applicable Items

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## 【Director Compensation】

Status of Disclosure of Individual Directors' Compensation

Disclosure for Selected Directors

Supplementary Explanation for Applicable Items

Total amount of compensation, etc., total amount of compensation, etc. by type, and number of eligible members for each classification in the 17th fiscal year (from March 1, 2021 to February 28, 2022)

### ■ Directors (excluding outside directors)

Number of eligible members: 8

Total amount of compensation, etc. (millions of yen): 317

Total amount of compensation, etc. by type (millions of yen): fixed compensation 195, performance-based compensation (bonus 50, stock-based compensation (BIP trust) 70, including non-monetary compensation 70)

### ■ Outside directors

Number of eligible members: 5

Total amount of compensation, etc. (millions of yen): 88

Total amount of compensation, etc. by type (millions of yen): fixed compensation 88

### ■ Audit & supervisory board members (excluding outside audit & supervisory board members)

Number of eligible members: 2

Total amount of compensation, etc. (millions of yen): 65

Total amount of compensation, etc. by type (millions of yen): fixed compensation 65

■ Outside audit & supervisory board members

Number of eligible members: 3

Total amount of compensation, etc. (millions of yen): 43

Total amount of compensation, etc. by type (millions of yen): fixed compensation 43

(Notes)

1. The total amount of compensation, etc. of directors shown above does not include amounts paid as salaries for employees to directors who serve concurrently as employees.
2. It was resolved at the 1<sup>st</sup> Annual Shareholders' Meeting held on May 25, 2006 that the annual amount of compensation paid to directors shall not exceed 1 billion yen (not including amounts paid as salaries for employees).
3. 14<sup>th</sup> Annual Shareholders' Meeting held on May 23, 2019 resolved as follows regarding compensation amounts for director's stock-based compensation (BIP trust).  
3 fiscal years/ within 600 million yen (within 200 million yen per fiscal year)  
Limit on the points granted per fiscal year: within 40,000 points (1 point= 1 share of common stock)
4. It was resolved at the 14<sup>th</sup> Annual Shareholders' Meeting held on May 23, 2019 that the annual amount of compensation paid to audit & supervisory board members shall not exceed 200 million yen.
5. Stock-based compensation (BIP trust) was granted to 5 directors (excluding outside directors).
6. The breakdown of the total amount of non-monetary compensation for directors (excluding outside directors) is stock-based compensation (BIP trust) of 70 million yen.

The details of executive compensation are disclosed in "Compensation for Board of Directors and Audit & Supervisory Board Members" in "Corporate Governance" on our website. Please refer to the following URL for details.

<https://www.7andi.com/en/ir/management/governance/compensation.html>

Policy on Determining Compensation Amounts and the Calculation Methods Thereof

Established

Disclosure of Policy on Determining Compensation Amounts and the Calculation Methods Thereof

The policy in determining the compensation for directors and audit & supervisory board members is described in "Compensation for Board of Directors and Audit & Supervisory Board Members" in "Corporate Governance" on our website. Please refer to the following URL for details.

<https://www.7andi.com/en/ir/management/governance/compensation.html#policies>

**【Support System for Outside Directors and/or Outside Audit and Supervisory Board Members】**

The support system for outside directors and outside audit & supervisory board members is described in "Composition, etc., of the Board of Directors" in "Corporate Governance" on our website". Please refer to the following URL for details.

<https://www.7andi.com/en/ir/management/governance/board.html#support>

**【Statuses of Persons who have Retired as Representative Director and President, etc.】**

Information on Persons Holding Advisory Positions (*Sodanyaku*, *Komon*, etc.) after Retiring as Representative Director and President, etc.

Name	Job title/ position	Responsibilities	Terms and Conditions of Employment	Date when former role as	Term
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			(Full/part time, with/without compensation, etc.)	president/ CEO ended	
Tosifumi Suzuki	Honorary Advisor	Provide advice when needed by the Company's management team	Full time, with compensation	May 26, 2016	1 year

Number of Persons Holding Advisory Positions (*Sodanyaku, Komon*, etc.)  
After Retiring as Representative Director and President, etc.

1

#### Other Related Matters

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## 2. Matters concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Compensation Decisions (Overview of Current Corporate Governance System)

The overview of the current corporate governance system is described "Overview of Corporate Governance "Systems"" in "Corporate Governance" on our website. Please refer to the following URL for details.

<https://www.7andi.com/en/ir/management/governance/structure.html>

Please refer to each following URL regarding activities of the board of directors, board policies and procedures in the appointment/dismissal of senior management and the nomination of director and audit & supervisory board member candidates, policies in determining the compensation of directors and audit & supervisory board members, and contents of liability limitation agreements with outside directors and outside audit & supervisory board members.

Activities of the board of directors

<https://www.7andi.com/en/ir/management/governance/board.html#board-activities>

Board policies and procedures in the appointment/dismissal of senior management and the nomination of director and audit & supervisory board member candidates

<https://www.7andi.com/en/ir/management/governance/nomination.html>

Policies in determining the compensation of directors and audit & supervisory board members

<https://www.7andi.com/en/ir/management/governance/compensation.html>

Contents of liability limitation agreements with outside directors and outside audit & supervisory board members

<https://www.7andi.com/en/ir/management/governance/board.html#support>

## 3. Reasons for Adoption of Current Corporate Governance System

At the Company, "Audit" conducted by audit & supervisory board members, including multiple outside audit & supervisory board members who maintain independence and have expertise in law and financial accounting, through active cooperation with the accounting auditor and the internal audit department, and "Planning of management strategy" and "Supervision of business execution" conducted by the board of directors, including multiple outside directors who maintain independence and have advanced management experience and insight, these are working together to ensure the effectiveness of governance. We think that the above system is effective for realizing and ensuring the corporate governance of our company, and we have adopted the system because we consider that it is possible to carry out appropriate and efficient corporate management.

Please refer to the following URL for details as it is described in "Overview of Corporate Governance "Systems" in "Corporate

Governance” on our website.

<https://www.7andi.com/en/ir/management/governance/structure.html#reason>

Please refer to the following URL for functions and roles of outside directors and outside audit & supervisory board members.

<https://www.7andi.com/en/ir/management/governance/board.html#outside-activities-02>

### III. Implementation of Measures for Shareholders and Other Stakeholders

#### 1. Measures to Vitalize the General Shareholder Meetings and Facilitate Exercise of Voting Rights

	Supplementary Explanation
Early Posting of Notice of the General Shareholders Meeting	The notification is sent prior to the legal term.
Electronic Exercise of Voting Rights	Regarding the exercise of voting rights at the General Shareholders’ Meeting, the voting rights can be exercised by attending the meeting, in the prescribed document, or by electromagnetic method (using internet, etc.).
Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights	The platform for electronic exercise of voting rights can be used as an option of exercising voting rights by electronic method at the General Shareholder Meeting of our company.
Provision of Notice (or Summary of Notice) of the General Shareholders Meeting in English	It is posted on our website and the platform for electronic exercise of voting rights.
Other	A notice of convocation (in Japanese) has been posted on the Company's website approximately four weeks before the General Shareholders’ Meeting. In addition, the English version of the convocation notice will be posted on the website immediately after the Japanese convocation notice is disclosed. Japanese: <a href="https://www.7andi.com/ir/stocks/general.html">https://www.7andi.com/ir/stocks/general.html</a> English: <a href="https://www.7andi.com/en/ir/stocks/general.html">https://www.7andi.com/en/ir/stocks/general.html</a>

#### 2. Status of IR-related Activities

	Supplementary Explanation	Explanation by a Representative Director or Representative Executive Officer
Formulation and Publication of Disclosure Policies	“IR・SR Activity Policy” including the basic policy regarding information disclosure is posted on our website. Please refer to the following URL. <a href="https://www.7andi.com/en/ir/management/governance/shareholder.html">https://www.7andi.com/en/ir/management/governance/shareholder.html</a>	
Regular Investor Briefings held for Analysts and Institutional Investors	Financial results briefing is usually held four times a year (after each quarterly and annual financial closing). In addition to the above, sessions are also held for domestic analysts and institutional investors on the theme of business strategies and etc. of operating companies.	Held
Online Disclosure of IR Information	The Company's financial results, presentation materials, Seven & i management reports, timely disclosure information, convocation notices of general shareholders’ meetings are posted. In addition, the details of each operating	

	company are also posted in brief summary and corporate outline.
Establishment of Department and/or Placement of a Manager in Charge of IR	The Investor & Shareholder Relations Department has been established as a dedicated department for IR and SR activities.
Other	Please refer to the following URL for the status of IR・SR activity including the above contents as it is described in “Communication (Dialogue) with Shareholders; Shareholders' Meetings” in “Corporate Governance” on our website. <a href="https://www.7andi.com/en/ir/management/governance/shareholder.html#schedule">https://www.7andi.com/en/ir/management/governance/shareholder.html#schedule</a>

### 3. Status of Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanation
Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders	<p>The Company and each Group operating company conduct business based on a common corporate creed.</p> <p>Corporate Creed            We aim to be a sincere company that our customers trust.            We aim to be a sincere company that our business partners, shareholders and local communities trust.            We aim to be a sincere company that our employees trust.</p> <p>Based on the above corporate creed, “the basic posture”, which is basic stance and actions to be taken to realize it, has been established.</p> <p>The Basic Posture of Seven &amp; i Holdings Employees  <a href="https://www.7andi.com/en/sustainability/policy/guidelines.html">https://www.7andi.com/en/sustainability/policy/guidelines.html</a></p>
Implementation of Environmental Preservation Activities and CSR Activities, etc.	<p>The Company and the Group companies recognize the negative impact on the environment and society in conducting business, and will promote efforts to reduce it. By working on solving social issues through business activities such as stores, merchandise, and services, we aim to improve both social and corporate value. We believe that solving the Material Issues identified through dialogue with stakeholders through our business will lead to the realization of a sustainable society. Regarding the promotion of activities to resolve the Material Issues, in the "CSR Management Committee" and "Compliance Subcommittee", "Corporate Ethics and Culture Subcommittee", "Supply Chain Subcommittee", "Environment Subcommittee" and "Social Value Creation Subcommittee", established under the committee, we prioritize actions to be taken while considering the business characteristics of the Group, and formulate and implement solutions to the Issues. In particular, we believe that measures against climate change are indispensable. Therefore, we have formulated the Group's environmental declaration "GREEN CHALLENGE 2050", set quantitative targets for 2030 and 2050 for four issues that have a large social impact, and are working on it.</p> <p>Please refer to the following URL for details.            Seven &amp; i Holdings Sustainability Website  <a href="https://www.7andi.com/en/sustainability/">https://www.7andi.com/en/sustainability/</a></p> <p>Environmental Declaration “GREEN CHALLENGE 2050”</p>

	<a href="https://www.7andi.com/en/sustainability/policy/environment_03.html">https://www.7andi.com/en/sustainability/policy/environment_03.html</a>
Other	<p>&lt; Promotion of Diversity and Inclusion &gt;</p> <p>The Company and the Group companies have set "Achieve a society in which diverse people can actively participate" and "Improve work engagement and environment for people working in Group businesses" among the 7 Material Issues that we should tackle as the Group, and are promoting diversity and inclusion activities as a management strategy. In 2012, we internally established a project, and with five goals "to achieve 1. Female manager ratio of 30%, 2. Male employee encouragement to participate in housework and childcare, 3. Zero retirements resulting from need to provide family care, 4. Normalization promotion, 5. Encouragement of understanding of LGBT (the goal was revised in 2020), all by the end of February 2023", we have been promoting work style reforms in collaboration with the Group companies and implemented various measures. To accelerate our diversity and inclusion activities, in May 2021 we set a new target of raising the ratio of female executive officers within the Group (Note.1) to 30% by the end of February 2026 and joined the 30% Club Japan (Note.2). As an example of our activities, in 2021 we started the Female Encouragement Seminar, and female employees of 22 Group companies, the manager candidates, have been participating. In addition, we have been taking various initiatives; not only that we have been conducting training related to diversity and inclusion for executives of the Company and the Group companies, introducing a childcare leave system to encourage male participation in childcare, but also we have been conducting training toward the eradication of unconscious bias, and holding various seminars such as the one regarding long-term care and LGBT widely for the Group employees. At the same time, in order to speedily realize the Group's policies, we hold a quarterly liaison meeting with members in charge of promoting diversity at each Group company. Currently, we have 3 females among 15 directors (female director ratio: 20.0%), and 2 females among 5 audit &amp; supervisory board members (female audit &amp; supervisory board member ratio: 40.0%). Moreover, within the Group, the ratio of female directors (Note.1) is 14.4%, the one of female managers is 23.3%, and the one of female deputy managers is 30.4% (Note.3). And there are 4 female company presidents in the Group companies including overseas subsidiaries. The employment rate of people with disabilities at the Company and 4 Group companies is 2.98% (Note.4).</p> <p>In recognition of these efforts and achievements in promoting diversity, in 2015 we received "Prime Minister's Award at the Leading Companies Where Women Shine Awards" by Cabinet Office. And in 2019 we were selected as "Semi-Nadeshiko" jointly by the Ministry of Economy, Trade and Industry and Tokyo Stock Exchange, Inc.</p> <p>Please refer to the following URL for more details.  <a href="https://www.7andi.com/en/sustainability/theme/theme5.html">https://www.7andi.com/en/sustainability/theme/theme5.html</a></p> <p>(Note.1) 6 companies including Seven &amp; i Holdings Co., Ltd., Seven-Eleven Japan Co., Ltd., Ito-Yokado Co., Ltd., Sogo &amp; Seibu Co., Ltd., YORK BENIMARU Co., Ltd., York Co., Ltd. are eligible.</p> <p>(Note.2) An organization of activity in Japan for a global campaign aimed at increasing the proportion of women in key decision-making bodies and executives, with the aim of sustaining corporate growth and increasing value.</p> <p>(Note.3) The number of female managers and female deputy managers are the total number of 8 companies including Seven &amp; i Holdings Co., Ltd., Seven-Eleven Japan Co., Ltd., Ito-Yokado Co., Ltd., Sogo &amp; Seibu Co., Ltd., YORK BENIMARU Co., Ltd., Seven &amp; i Food Systems Co., Ltd., Seven Bank, Ltd., AKACHAN HONPO CO., LTD., as of February 28, 2022.</p> <p>(Note.4) Group applicable employment rate in 5 companies including Seven &amp; i Holdings Co., Ltd., Terube Co., Ltd. (a special subsidiary where people with</p>



severe disabilities), Seven-Eleven Japan Co., Ltd., Ito-Yokado Co., Ltd., and Seven & i Food Systems Co., Ltd., as of June 2022.

## IV. Matters Concerning the Internal Control System

### 1. Basic Views on Internal Control System and Status of Development

The basic policy for internal control system and its maintenance status are described in "Internal Control Resolutions" in "Corporate Governance" on our website. Please refer to the following URL for details.

[https://www.7andi.com/library/ir/management/governance/en/pdf/Internal\\_control\\_resolutions202103.pdf](https://www.7andi.com/library/ir/management/governance/en/pdf/Internal_control_resolutions202103.pdf)

### 2. Basic Views on Measures for Eliminating Anti-Social Forces and Status of Development

The basic idea for eliminating antisocial forces is stipulated in the above-mentioned resolution of the Board of Directors regarding the internal control system and in the "Seven & i Group Corporate Action Guidelines". It is stated that we will not be involved with anti-social forces, organizations or groups that threaten the order of society and the safety of civilian life, and will firmly confront and eliminate these pressures.

## V. Other

### 1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures

Not Adopted

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#### Supplementary Explanation for Applicable Items

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As of now, the Company has not clearly established the "Basic policies regarding the state of person(s) controlling the decision making over the financial and business policies of the Company" (Article 118, Item 3 in Ordinance for Enforcement of the Companies Act). However, we are aiming to maximize the corporate value of the Group through further improvement of business performance and strengthening of corporate governance, and we think that it is appropriate to take measures toward the large-scale acquisition of the Company's shares that may damage the corporate value of the Group. We believe that we need to take action. We will continue to carefully consider this basic policy in light of future trends in legal systems, judicial precedents, and social trends.

### 2. Other Matters Concerning the Corporate Governance System

The basic policy and internal system status regarding the timely disclosure of our company information are as follows.

#### 1. The basic policy regarding timely disclosure

The basic policy regarding information disclosure is posted on our website. Please refer to the following URL for details.

[https://www.7andi.com/en/ir/management/governance/shareholder.html#disclosure\\_policy](https://www.7andi.com/en/ir/management/governance/shareholder.html#disclosure_policy)

#### 2. The system of timely disclosure

(1) Important information that belongs to the decision facts, including important information of each Group company, is centrally grasped based on the procedure approved by the Information Management Committee. The necessity of timely disclosure will be determined through discussions with related departments. In cooperation with the Board of Directors, the representative director will confirm and disclose the information after undergoing internal decision procedures.

(2) Regarding the facts of sudden occurrence, the person in charge of each department collects information using the Emergency Code of Conduct Manual. We will try to understand the situation, and eventually the information will be collected by the representative director. Disclosure will be carried out without delay as necessary.

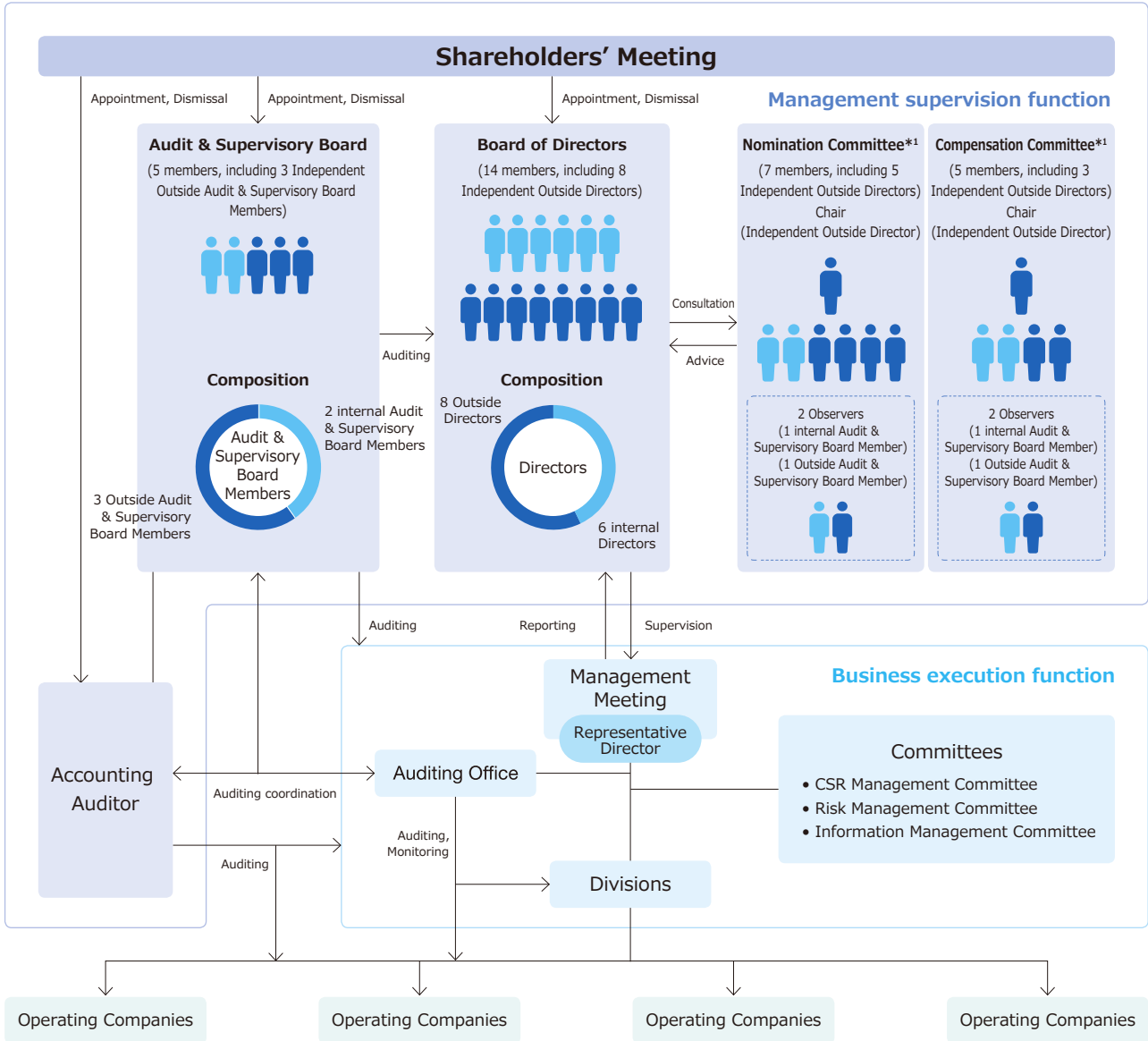
(3) Company information that is deemed necessary to be disclosed in a timely manner will be disclosed in a timely manner by the "person responsible for information management" delegated by the representative director, by the method specified by the stock exchange. At the same time, it will be posted on our website. And the materials will be provided to the press club and the

investor briefings will be held as necessary.

END

**Corporate Governance System (as of April 1, 2023)**

**UPDATED**



\*1 The chair and committee members are selected by the Board of Directors, and the observers are selected through discussion among Audit & Supervisory Board Members.

**Internal System for Timely Disclosure of Company Information (Schematic Diagram)**

