March 5, 2020

To whom it may concern:

Company name: Seven & i Holdings Co., Ltd.
Representative: Ryuichi Isaka
President and Representative Director
(Code No. 3382/First Section of the Tokyo Stock Exchange)

Notification of ESG Promotion and Compliance Structure Reinforcement

Seven & i Holdings Co., Ltd. (the "Company") considers that "being a sincere company that all our stakeholders trust" as embodied in the Group's Corporate Creed is the "heart" of corporate governance and at the same time is the "foundation" for securing sustainability and growth. With a "sincere" corporate governance structure that is highly transparent and compliant with laws, regulations, and social norms, the Company will accurately grasp society's expectations and demands through dialogue with its stakeholders and earnestly undertake initiatives to contribute to solving social issues through its business, while reducing the negative social impact in environmental (E) and social (S) issues. The Company believes this approach will earn the long-term "trust" of its stakeholders and result in the "sustainable development of society" and the "sustainable growth of the Company."

As a governance system to support those initiatives, the Company stipulated various policies, such as the Corporate Action Guidelines, and established the groupwide "CSR Management Committee" and subcommittees thereunder. Amid the social environmental changes, the Company will strive to "balance social value and corporate value" by the Group continuing to fulfill its responsibilities as a corporate citizen to promote development of a sustainable society and a sustainable corporate group, and addressing the expectations and demands of society through stakeholder dialogue as a cohesive unit.

The Company hereby announces that it has decided to newly establish a "Compliance Subcommittee" and a "Supply Chain Subcommittee" under the CSR Management Committee, and to further promote ESG and reinforce the compliance structure for the Group companies overall.

<<Details of Redevelopment of the Subcommittees under the CSR Management Committee and the Roles of Each Subcommittee>>

The details of redevelopment of the subcommittees under the CSR Management Committee and the roles of each subcommittee are as follows. Please see the "Reference material" for an overall picture of the framework after redevelopment.

(1) Compliance Subcommittee (newly established)

The Group employees complying with laws, regulations and social norms and practicing compliance including fair trade with customers and business partners is absolutely essential to realize the Group's Corporate Creed "Trust and Sincerity." In addition to reinforcing thorough compliance at each Group company level, the Company newly establishes the Compliance Subcommittee in order for the Company, being the shareholding company, to support each Group company strengthen its compliance systems, as well as ensure effective supervision thereby.

(2) Corporate Ethics and Culture Subcommittee

The Group employees understanding the Group's Corporate Creed and rigorous implementation of the Corporate Action Guidelines are an essential and important foundation to realize the Group's Corporate Creed "Trust and Sincerity." The Corporate Ethics and Culture Subcommittee conducts initiatives based on rigorous implementation of the Corporate Action Guidelines, such as to improve Group employee awareness through education by making everyone aware of the Corporate Creed and the Corporate Action Guidelines. In addition to these initiatives, to create fulfilling workplaces, the Company have been conducting an Employee Engagement Survey. The Company is also working to improve work environments, such as by rectifying long working hours, making progress on promoting active roles for diverse human resources including women and people with disabilities, and helping employees balance work and family care responsibilities. Further, the Company is working to create an environment where all employees can work at ease, such as by encouraging employees to take days off on holidays and acquire leave.

(3) Supply Chain Subcommittee (newly established)

It is one of the important corporate social responsibilities for companies and also a strong demand by stakeholders to promptly respond to the United Nations' "Guiding Principles on Business and Human Rights" and "Sustainable Development Goals (SDGs)," and to build a sound supply chain with human rights and the environment in mind. To improve product quality and ensure safety at each Group company, the Company aims to establish and strengthen the quality levels and control systems of each Group company based on the Group's Quality Policy. Furthermore, to ensure that the Company meets its social responsibilities regarding products and services across the entire supply chain, the Company asks business partners to understand and implement the Business Partner Sustainable Action Guidelines. To regularly verify and share their compliance through CSR audits and so on, and to promote education, enlightenment and correction, the Company newly establishes the Supply Chain Subcommittee.

(4) Environment Subcommittee

The Company uses products, raw materials and energy efficiently to combat challenges such as climate change and resource depletion, and the Company is working with customers and business partners to reduce the environmental impact throughout the supply chain. The Company believes this is an important factor that contributes to the sustainable development of society and will result in the sustainable growth of the Group. Therefore, based on the GREEN CHALLENGE 2050 announced in May 2019, the Environment Subcommittee is working to

promote initiatives to develop a low-carbon society, a circular economy, and a society in harmony with nature. It will also consider disclosure based on recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

(5) Social Value Creation Subcommittee

Based on an awareness that efforts to solve social issues will lead to new business opportunities as the Group expands its business domains and related social problems become increasingly varied, the Social Value Creation Subcommittee takes action to create business that generates social and economic value (creating shared value; CSV). Aiming to realize a sustainable society, the Seven & i Group has identified five material issues that it must address through engagement with various stakeholders. In response, the Social Value Creation Subcommittee is working to plan and execute new businesses originating from social issues to be addressed through core businesses by leveraging business characteristics and management resources, including the Group's business infrastructure and expertise cultivated to date. Apart from this, the subcommittee will strive to deepen initiatives with a view to fostering external collaboration with business partners, social entrepreneurs, NPOs, and other partners.

(Reference Material)

