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

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.

Corporate Vision

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.
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.
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

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.

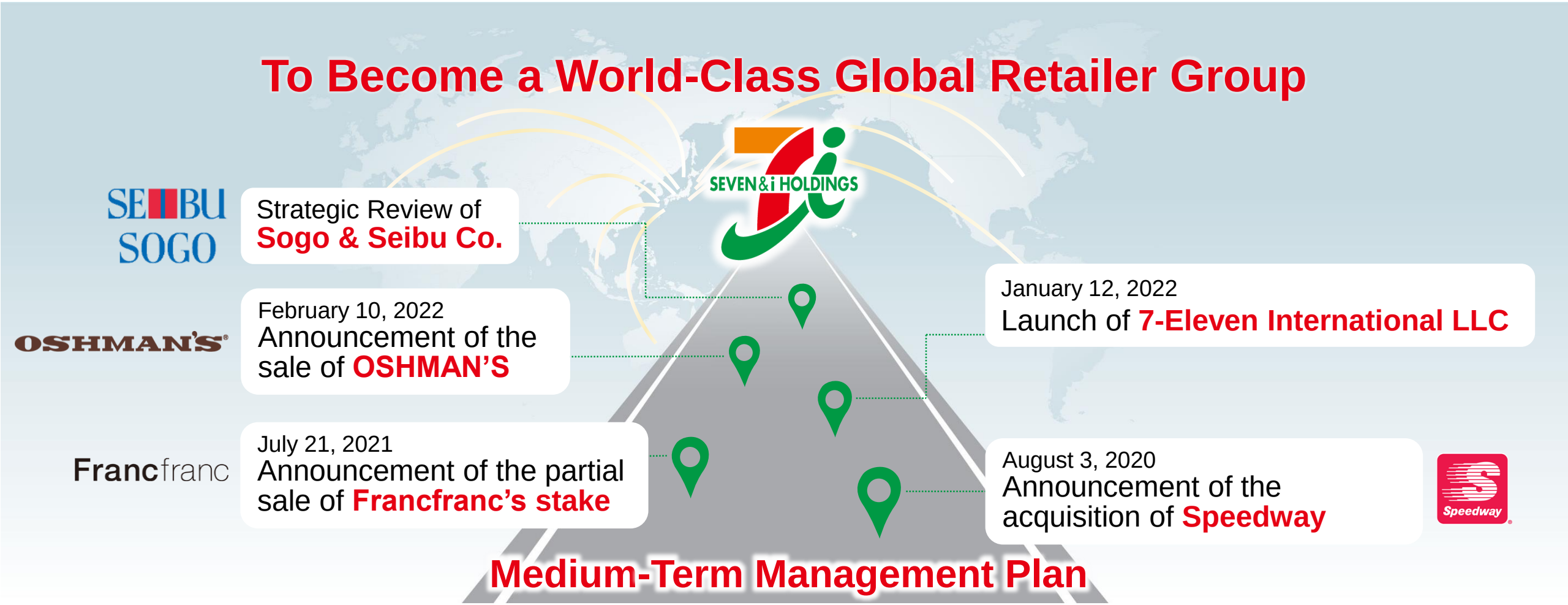
AGENDA

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

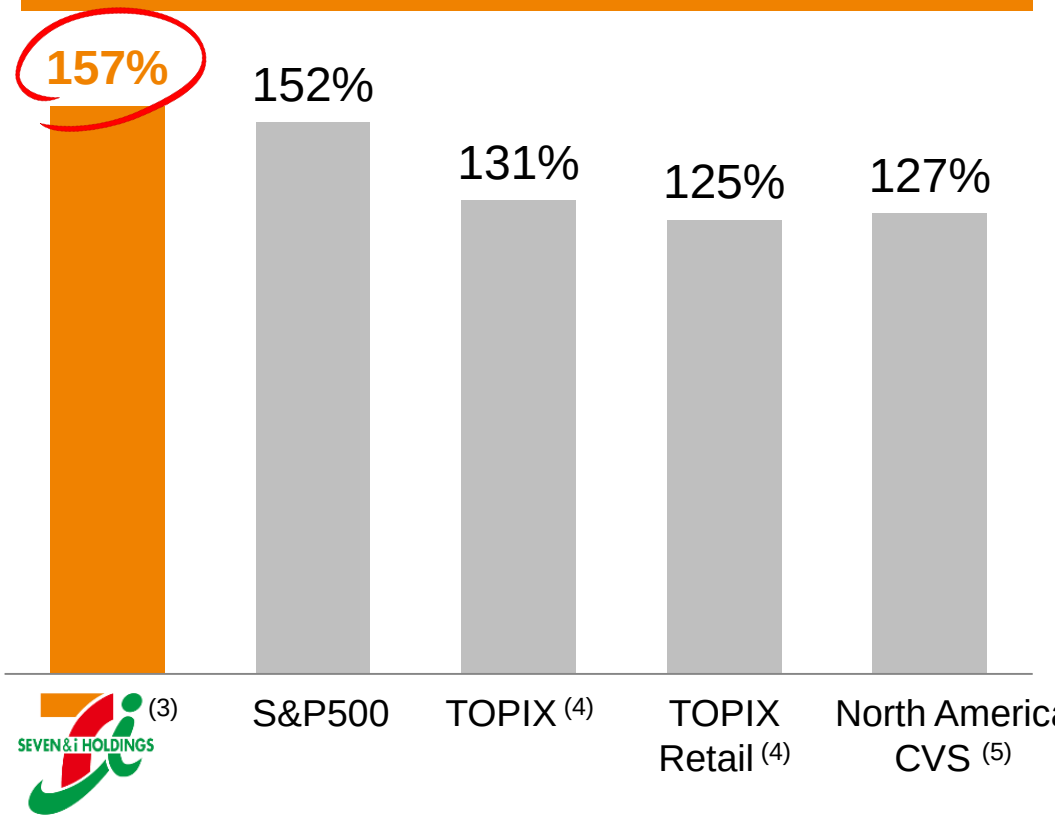


Copyright (C) 2022 Seven & i Holdings Co., Ltd. All Rights Reserved.

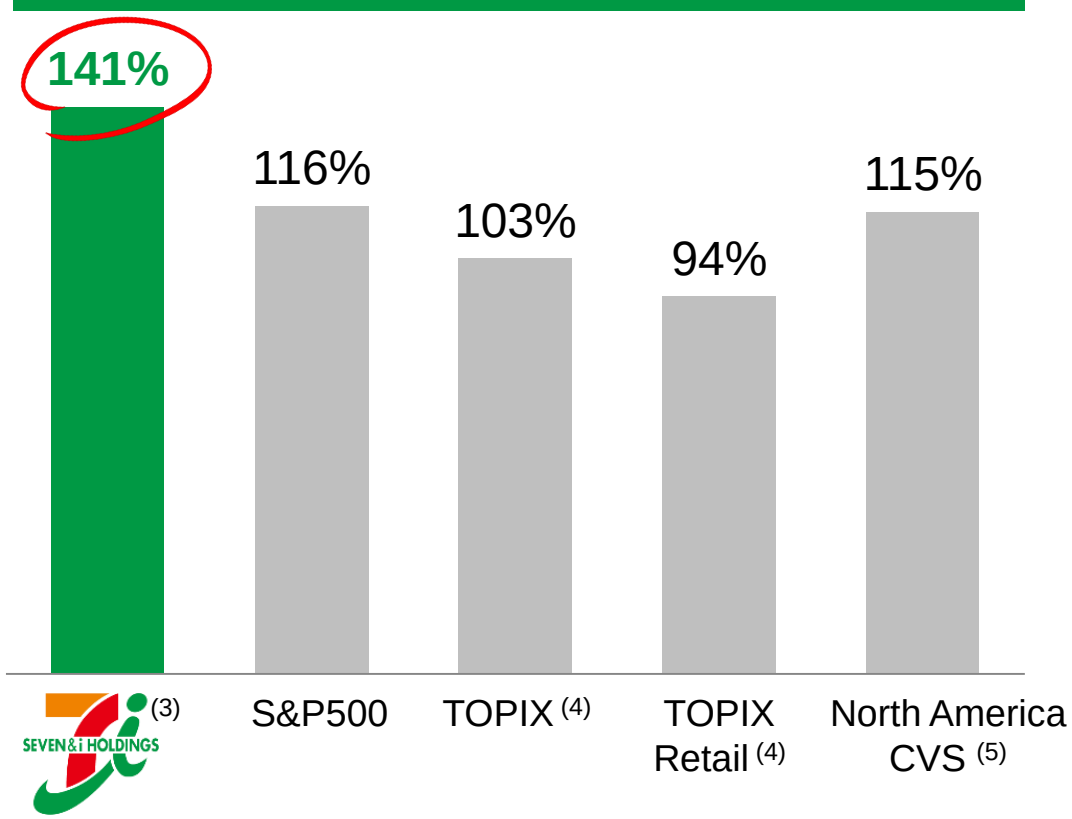
Recent Total Shareholders Return (TSR) Performance

- 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.

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

Declaration on Environment
“GREEN CHALLENGE 2050”

GREEN CHALLENGE 2050 私たちの挑戦で、未来を変えよう。

— FY2050 Target —

1 Reduce CO2 Emissions

Target **net zero** emissions through group’s operational management

Reduce through whole supply chain including Scope 3

2 Reduce Plastic Waste

Containers used for original products
100% Eco-friendly

No usage of plastic bags

3 Reduce Food Waste & Promote Food Recycling

Food waste volume **75% reduction**
Food waste recycling rate **100%**

4 Sustainable Purchasing

Food ingredients for original products
100% sustainability-assured materials

TCFD

— Disclosed in June 2020 —

RE100

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.

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.

Key Management Focus Areas and Action Plans

- Our management has continued to constructively engage with our shareholders

Action Plans

Ⓐ 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

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

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

Action Plans

Ⓑ 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*

Ⓒ 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**

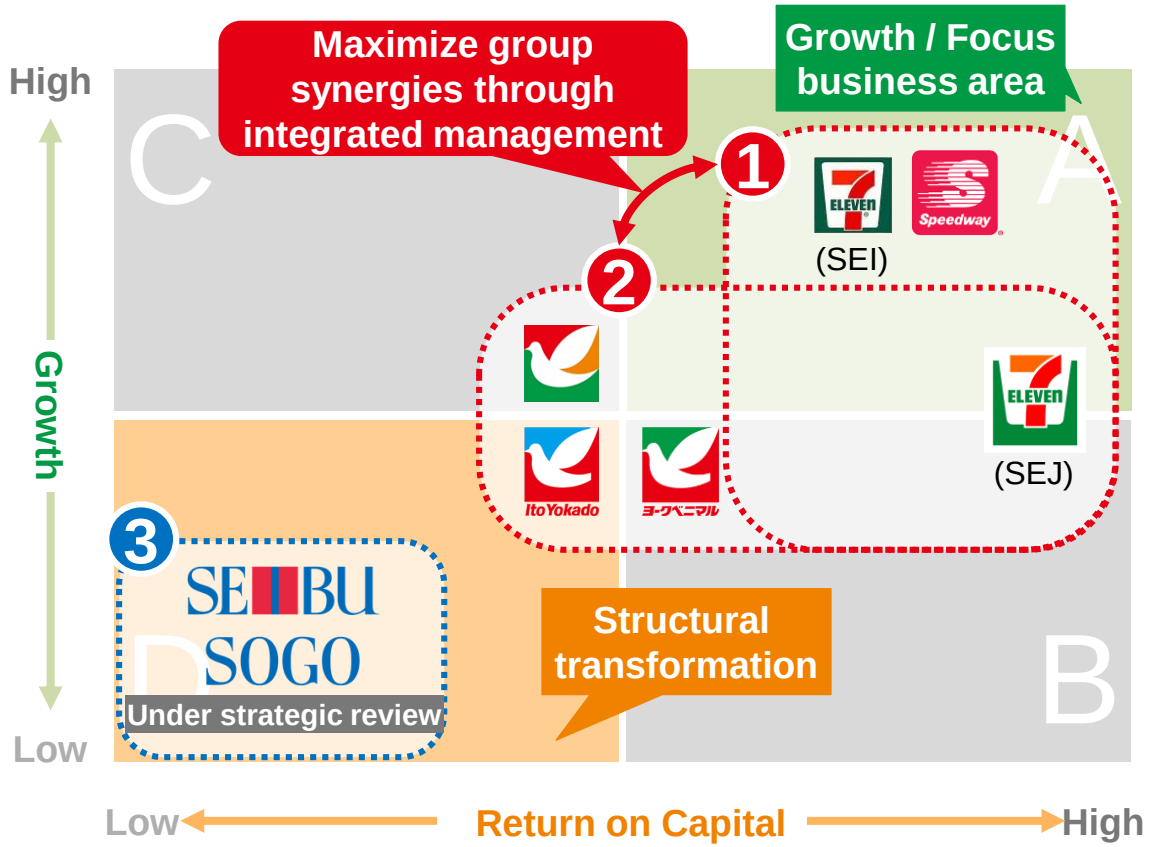
These initiatives will enable Seven & i to be a World-Class Global Retailer Group

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

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



1 Acceleration of profit growth through global cooperation of CVS business

- Profit growth through realization of Speedway synergies and implementation of business transformation for SEI
- Strengthen global CVS collaboration and accelerate global expansion through 7-Eleven International LLC ("7IN")

2 Enhancement of CVS and Superstore businesses centered around grocery strategies

- Implementation of grocery business strategies driven by SEJ and IY— the core entities within the group
- Re-growth of domestic CVS and superstore business and acceleration of superstore non-food business transformation

3 Consideration of best-owner

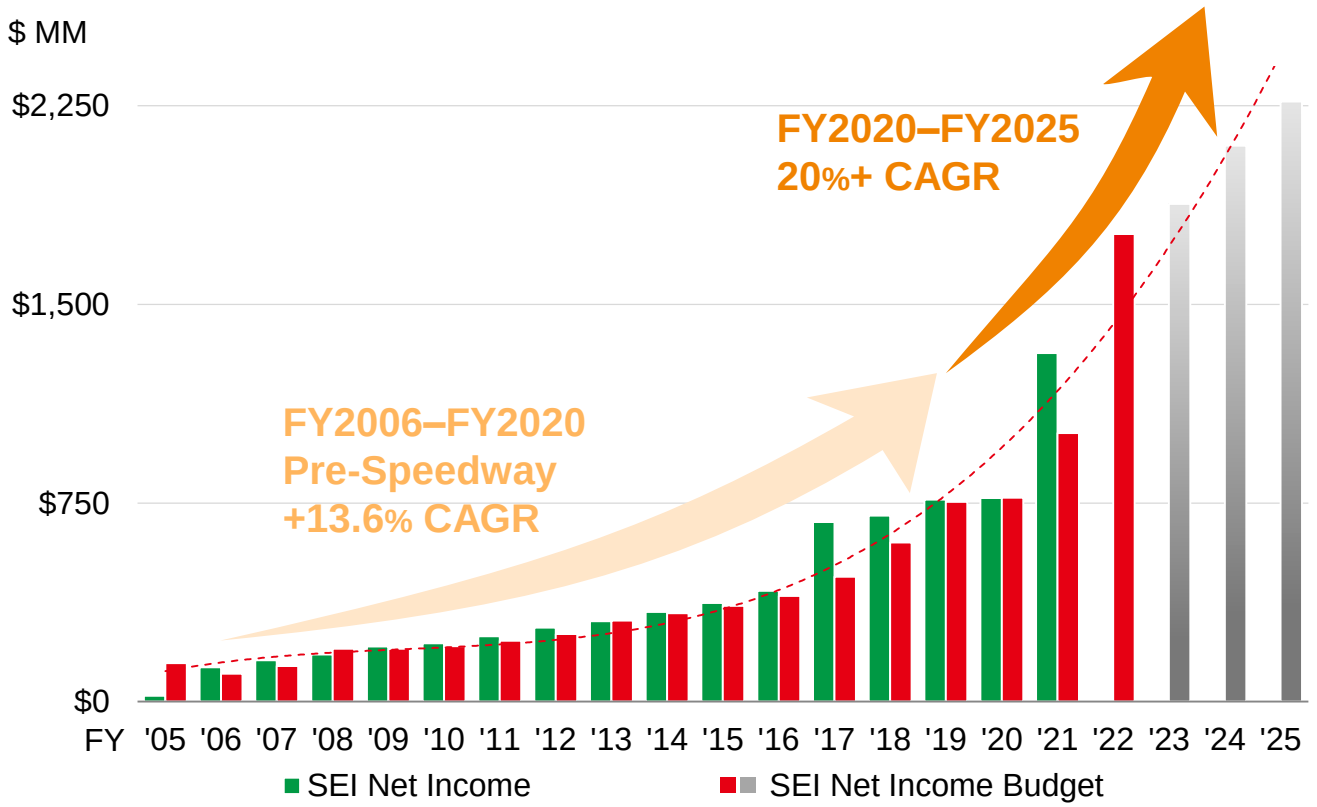
- Conduct business restructuring and review the best ownership structure for areas that require structural transformation

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

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

Expected Growth of SEI's Net Income



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*

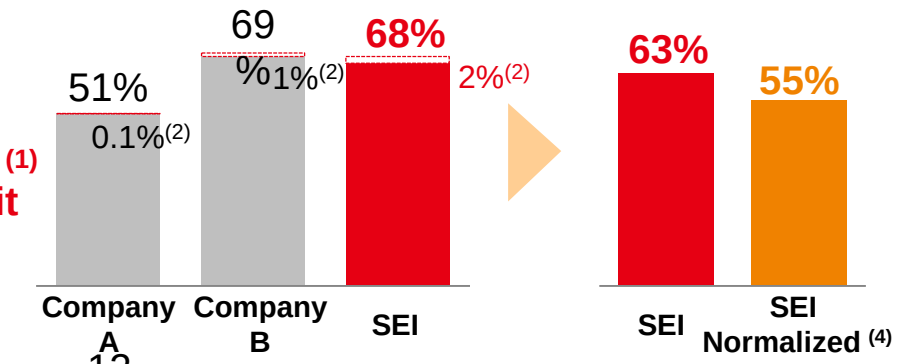
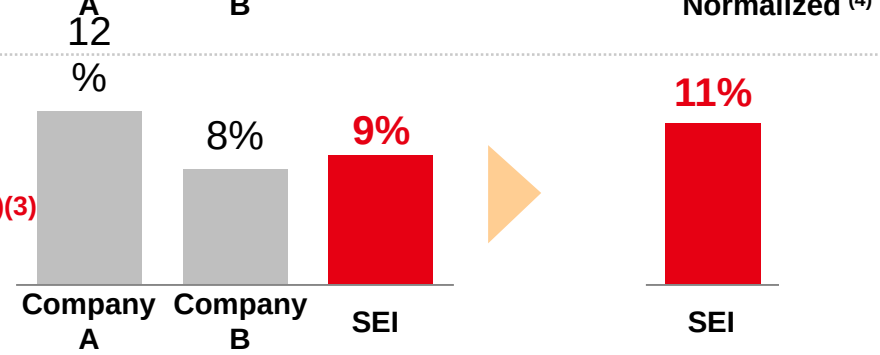


Plans to Realize Value Accretion of Seven-Eleven as a Global Brand

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

	FY2021 Results	FY2025 Forecast	Overview
SG&A / Total Gross Profit (1)			• 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
EBITDAR Margin (1)(3)			• 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

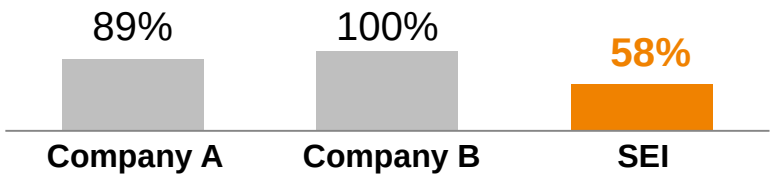
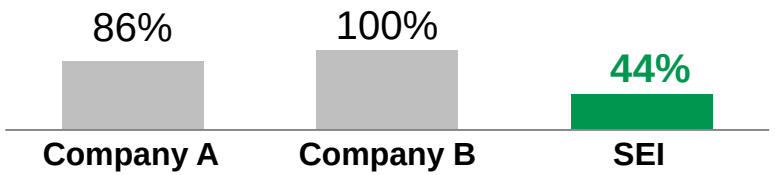
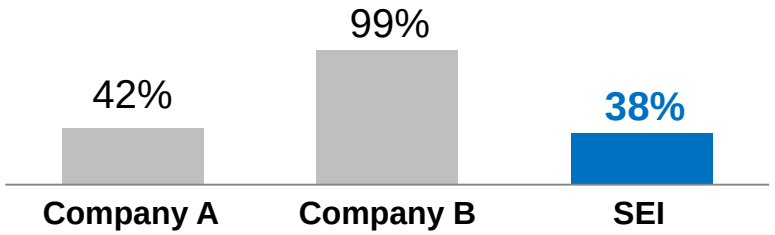
Will drive both sales growth AND profitability improvements to continue high profit growth toward FY2025

(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

	Business Model Differences (1)	Overview
① % of Sites that Sell Fuel (2)		• 58% of SEI stores sell fuel post the acquisition of Speedway • Fuel profitability has recently outperformed. SEI will actively engage in Six Point Plan over mid-long term for establishment of sustainable business structure
② Proportion of Directly operated Stores (3)		• While most competitors focus on direct company-operated models, SEI balances direct and franchise stores • SEI plans to maintain operation that focuses on balance with profitability
③ Proportion of Owned Real Estate (3)		• While SEI has engaged in acquisition accelerating growth, prioritization on debt reduction through SLB application has led to high rent expense (SG&A) in comparison to peers • Speedway integration enables SEI to shift the strategy to profit growth through improvements in cost efficiency

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.

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

CVS business ／SEJ

- **Proprietary development process**
- **Outstanding sales capability**

Store network of over **21,000** stores countrywide

7-11 App. members: 17.0MM members (1)



SEVEN iD

7iD members: **over 23.0MM members** (1)

now Powered by セブン-イレブン ネットコンビニ

イトーヨーカドーネットスーパー

Superstore business

- **Understanding of industries and production management**
- **Extensive capability of procurement across processed food, etc**

Over **450** stores countrywide

Operate Shin-Yokohama, Nagareyama centers

IY App. members: 2.2MM members (1)

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.

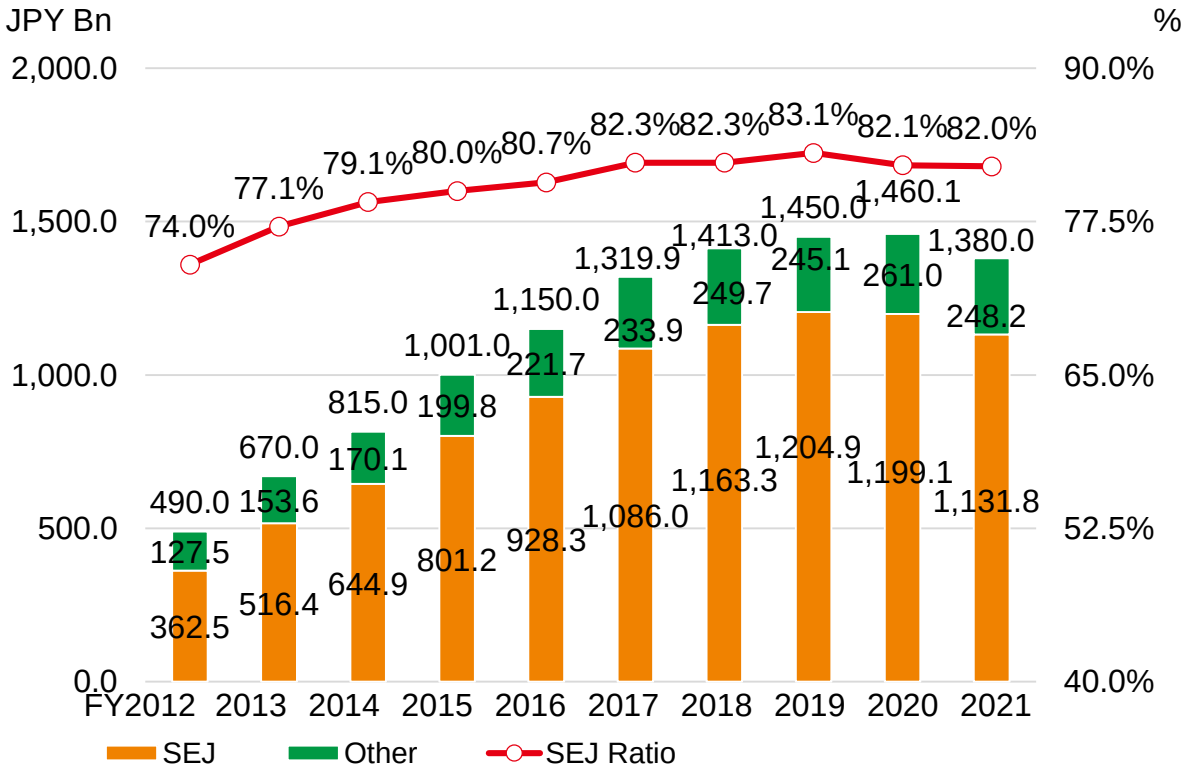
A－2 Expansion of Private Brand (*Seven Premium*)

- 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 1.38Trillion



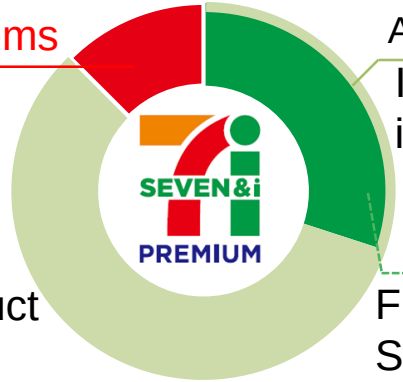
Continuous Review / Improvements of *Seven Premium* Product Line-up

FY2021 Actual Results

# of items	Approx. 3,500 items	Approx. (500) items (vs. previous year)

Approx. (500) items

Discontinued products
・Homogenization with market
・Duplicated product line-ups



Approx. 3,500 items

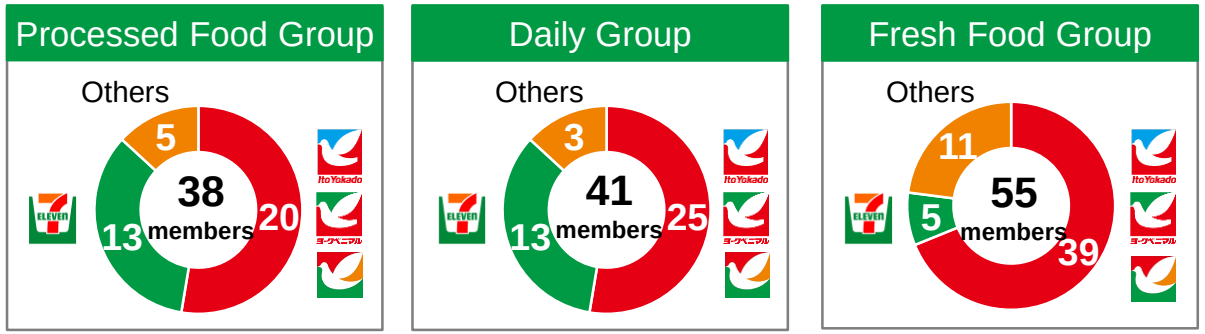
Increase quality for each item

Renewal plan

Approx.1,200 items

First half approx. 700 items
Second half approx. 500 items

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



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

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

		FY2023	FY2024	FY2025	FY2026
Last-mile Strategies	7NOW (On-demand)	Approx. 5,000 stores	Approx. 12,000 stores	Approx. 20,000 stores	**Accelerate countrywide expansion to FY2024**
	Net Super (Planned Purchase)		2023 Spring Start of operation of Shin-Yokohama Centers	2024 Summer Start of operation of Nagareyama Center	**Cover most of Tokyo metropolitan area Reduction of store costs Strengthen fresh food and improve profitability**
7iD Utilization	Expansion of Customer Touchpoints	Conduct single sign-on (SSO) of EC website / apps respectively Collaboration of 7iD and respective services			**Increase 7iD members to 50MM members**
DX	Last-mile Platform	Delivery HUB / AI / Delivery App.	Response through multiple deliverer per region Optimization of routes / management of delivery resource, pick-up place proposal, delivery fee dynamic pricing, utilization of iOS and Androids		**Evolve delivery service and accelerate expansion**
	Center-type Net Super	Warehouse automation / management / delivery management system Wide-coverage delivery utilizing relay point and expansion of service area			**Achieve large volume orders and wide-coverage delivery**

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

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

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 Transfor-mation	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	• Utilization of centers and expansion of services		• Differentiation through products, delivery, UIUX / collaboration with SEJ, etc.			
	Store	• Concentration to capital area and Metropolitan area		• Tokyo Metropolitan area: construction of economy through stores and internet • Other area: implement alliances with companies inside / outside the Group			
	Product	• Vertically integrate food business, IY's strength • Optimization of LS area and reform of MD (1)		• 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 (Ito Yokado)

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

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

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

Capital Recovery Initiatives

- Partial share disposal of Francfranc
- Sale of OSHMAN'S
- Sale of other sale-target businesses

Investing in Growth Areas

- Global CVS business
- Strategic investments for digital transformation



Strategies to Increase OCF

- Enhance growth and margin of SEI
- Strengthen SEJ / superstore business by focusing on food business

Enhance Shareholder Return

- Consider capital efficiency optimization and shareholder return through assessment of various opportunities including share buybacks

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

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

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

New Plan

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.

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	●	●	●		●	●				●
Katsuhiro 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 Hayes 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.

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.

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

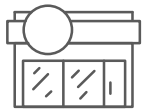
- To be the main driver of Group growth



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

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

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.

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