

**Company Name** Seven & I Holdings  
**Industry** Agricultural Products (Supply Chain only)  
**Overall Score (\*)** 10.3 out of 100

Theme Score	Out of	For Theme
1.4	10	A. Governance and Policies
2.0	25	B. Embedding Respect and Human Rights Due Diligence
2.1	15	C. Remedies and Grievance Mechanisms
1.5	20	D. Performance: Company Human Rights Practices
2.1	20	E. Performance: Responses to Serious Allegations
1.2	10	F. Transparency

(\*) Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2019 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

## Detailed assessment

### A. Governance and Policies (10% of Total)

#### A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: UDHR: The Company discloses in its website that "recognize that respect for human rights is an extremely important social responsibility as a part of our business activities, and we respect basic human rights as provided for in the Universal Declaration of Human Rights and other international proclamations". [Company Website, Human Rights Initiative, 08/08/2019: <a href="#">7andi.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: UNGPs</li> <li>Not met: OECD: Seven &amp; i Holdings discloses in its website that conducts audits with an outside audit agency to cover the topics of human rights and work conditions making references to OECD Guidelines for Multinational Enterprises. However, to make reference does not imply in a commitment to OECD. [Company Website, Human Rights Initiative, 08/08/2019: <a href="#">7andi.com</a>]</li> </ul>
A.1.2	Commitment to respect the human rights of workers	1.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: UNGC principles 3-6: Seven &amp; i Holdings states in its Website that supports the 10 principles of the UN Global Compact. [Company Website, Basic Policies, 08/08/2019: <a href="#">7andi.com</a>]</li> <li>Met: Explicitly list All four ILO for AG suppliers: The Company explicitly list in its Business Partners Guideline that shall not be any kind of discrimination, do not use child labor and no forced labor. With respect freedom of association and collective bargaining, the Company indicates: 'Sound labor-management relationships through sincere dialogue and discussion with workers or their representatives shall</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>be developed. Workers' rights to freedom of association shall be respected.'</p> <p>[Company Website, Business Partners Action Guideline, Apr 2017: <a href="http://7andi.com">7andi.com</a> &amp; Company Website, Supporting the Active Role of Women, Youth and Seniors across the Group and Society, 08/08/2019: <a href="http://7andi.com">7andi.com</a>]</p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Explicit commitment to All four ILO Core: Although the Company explicitly list all four human rights that ILO has declared to be fundamental rights at work for its supply chain, there is no evidence about this commitment on its own operation. [Company Website, Business Partners Action Guideline, Apr 2017: <a href="http://7andi.com">7andi.com</a>]</li> <li>• Met: Respect H&amp;S of workers: The Company discloses that strives to maintain workers health and safety by measures to prevent industrial accidents and ensure that workers are able to work in good health, both physically and mentally. Seven &amp; i Holdings adopts a mechanism to protect itself against infection, prevents mental health disorders, and provides education and support to promote good health. [Company Website, Corporate Action Guidelines, 06/09/2016: <a href="http://7andi.com">7andi.com</a>]</li> <li>• Met: H&amp;S applies to AG suppliers: The Company states in its Business Partners Guideline that "all individuals engaged in business activities shall be employed in a proper manner in a sanitary, functional, and employee-friendly work environment in consideration of safety and health". [Company Website, Business Partners Action Guideline, Apr 2017: <a href="http://7andi.com">7andi.com</a>]</li> </ul>
A.1.3.AG.a	Commitment to respect human rights particularly relevant to the industry - land and natural resources (AG)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Respect land ownership and natural resources</li> <li>• Not met: Respecting the right to water: Although the Company states that has a policy committed to conserve and reduce the use of water in its operation in a daily effort, there is no evidence in commitment to respect the right to water. [Company Website, Non-Wasteful Usage of Products, Ingredients and Energy, 08/08/2019: <a href="http://7andi.com">7andi.com</a>]</li> <li>• Not met: Expecting suppliers to respect these rights</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Voluntary Guidelines on Tenure Rights</li> <li>• Not met: IFC Performance Standards</li> <li>• Not met: FPIC for all</li> <li>• Not met: Zero tolerance for land grabs</li> <li>• Not met: Respecting the right to water</li> <li>• Not met: Expecting suppliers to respect these rights</li> </ul>
A.1.3.AG.b	Commitment to respect human rights particularly relevant to the industry – people's rights (AG)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Women's rights: The Company established a Diversity Promotion Project and has promoted initiatives, by organizing seminars, with a focus particularly on women's participation and advancement, such as to raise percentage of female managers and encourage male employees to participate in housework and childcare. In addition, Seven &amp; i Holdings President Ryuichi Isaka announced support for the Declaration on Action by a group of male leaders who will create "A Society in which Women Shine" issued by the Cabinet Office. However, there is no evidence that the Company is committed to respect women's right. [Company Website, Supporting the Active Role of Women, Youth and Seniors across the Group and Society, 08/08/2019: <a href="http://7andi.com">7andi.com</a>]</li> <li>• Not met: Children's rights</li> <li>• Not met: Migrant worker's rights</li> <li>• Not met: Expects suppliers to respect these rights</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: CEDAW/Women's Empowerment Principles</li> <li>• Not met: Child Rights Convention/Business Principles</li> <li>• Not met: Convention on migrant workers</li> <li>• Not met: Expecting suppliers to respect these rights</li> </ul>
A.1.4	Commitment to engage with stakeholders	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Commits to stakeholder engagement: Seven &amp; i Holdings states in its Corporate Action Guideline that "value dialogue with stakeholders such as customers, business partners, shareholders, local communities, and employees. We handle opinions received in good faith and remain fully accountable to disclose information in a timely and appropriate manner". In addition discloses that works with NPO's and NGO's to resolve human rights, environmental issues, and other domestic and overseas affairs with local communities. [Company Website, Corporate Action Guidelines, 06/09/2016: <a href="http://7andi.com">7andi.com</a>]</li> <li>• Not met: Regular stakeholder engagement</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 <ul style="list-style-type: none"> <li>Not met: Commits to engage stakeholders in design [Company Website, Corporate Action Guidelines, 06/09/2016: <a href="#">7andi.com</a>]</li> <li>Not met: Regular stakeholder design engagement</li> </ul>
A.1.5	Commitment to remedy	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Commits to remedy</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Not obstructing access to other remedies</li> <li>Not met: Collaborating with other remedy initiatives</li> <li>Not met: Work with AG suppliers to remedy impacts</li> </ul>
A.1.6	Commitment to respect the rights of human rights defenders	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Zero tolerance attacks on HRs Defenders (HRDs)</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Expects AG suppliers to reflect company HRD commitments</li> </ul>

### A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: CEO or Board approves policy</li> <li>Not met: Board level responsibility for HRs</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Speeches/letters by Board members or CEO</li> </ul>
A.2.2	Board discussions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Board/Committee review of salient HRs</li> <li>Not met: Examples or trends re HR discussion</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both examples and process</li> </ul>
A.2.3	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Incentives for at least one board member</li> <li>Not met: At least one key AG HR risk, beyond employee H&amp;S</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Performance criteria made public</li> </ul>

## B. Embedding Respect and Human Rights Due Diligence (25% of Total)

### B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: Commits to ILO core conventions: See indicator A.1.2</li> <li>Not met: Senior responsibility for HR</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Day-to-day responsibility</li> <li>Not met: Day-to-day responsibility for AG in supply chain</li> </ul>
B.1.2	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Senior manager incentives for human rights</li> <li>Not met: At least one key AG HR risk, beyond employee H&amp;S</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Performance criteria made public</li> </ul>
B.1.3	Integration with enterprise risk management	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: HR risks is integrated as part of enterprise risk system: The Company discloses in its Annual Report, in the management risks section, that an occurrence of human rights problems in the supply chain leading to interruption of product supply, deterioration of product quality, loss of social trust and damage the Group's overall brand image. [Annual Report 2018, 2018: <a href="#">7andi.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Audit Ctte or independent risk assessment: The Company states in its Corporate Governance Code that shall establish risk management systems, in order to analyse and respond to risks associated with each business. In addition, a system</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			for periodic reporting to the Board of Directors and Audit & Supervisory Board Members shall be established. However, to indicate that shall establish risk management system does not imply actual system in practice. [Corporate Governance Code, 04/02/2019: <a href="http://7andi.com">7andi.com</a> ]
B.1.4.a	Communication /dissemination of policy commitment(s) within Company's own operations	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Met: Commits to ILO core conventions: See indicator A.1.2</li> <li>• Not met: Communicates its policy to all workers in own operations: The Company states in its Website that works to ensure that all employees understand the Corporate Action Guidelines. However, there is no evidence how the Company communicates its policy commitments and if its available in every language where Seven &amp; I Holdings operates. [Company Website, Human Rights Initiative, 08/08/2019: <a href="http://7andi.com">7andi.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Commits to all 4 ILO core conventions: See indicator A.1.2</li> <li>• Not met: Communication of policy commitments to stakeholder</li> <li>• Not met: How policy commitments are made accessible to audience</li> </ul>
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Met: Commits to all 4 ILO core conventions for suppliers</li> <li>• Not met: Communicating policy down the whole AG supply chain: Seven &amp; i Holdings provides the Business Partner Action Guidelines, to stakeholders who support the Company's activities, such as customers, business partners, shareholders, local communities and employees. In this document is described all the policies of the Company, including matters such as human rights and labor issues. However, there is no description about the steps that the Company takes to communicate its human rights policy commitment to business partners. Although the Company states that "the understanding and implementation of the company group's attitude and the object of the Guidelines by not only direct business partners but also by suppliers from which business partners procure the products and raw materials handled in the company group". There is no evidence how the Company clarifies its policy to suppliers. [Company Website, Business Partners Action Guideline, Apr 2017: <a href="http://7andi.com">7andi.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Requiring AG suppliers to communicate policy down the chain</li> <li>• Not met: How HR commitments made binding/contractual [Company Website, Business Partners Action Guideline, Apr 2017: <a href="http://7andi.com">7andi.com</a>]</li> <li>• Not met: Including on AG suppliers: Despite the fact that Seven &amp; i Holdings requests not only its business partners themselves, but also the suppliers from which business partners procure the products handled in Seven &amp; I Holdings, understand, make known and implement measures regarding the matters in the Business Partners Action Guidelines, there is no information about how the Company discloses its human rights policy to suppliers from business partners. [Company Website, Business Partners Action Guideline, Apr 2017: <a href="http://7andi.com">7andi.com</a>]</li> </ul>
B.1.5	Training on Human Rights	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Met: Scores at least 1 on A.1.2</li> <li>• Not met: Trains all workers on HR policy commitments: Seven &amp; i Group states in its Website that offers a variety of educational activities training to the employees with the goal to respects the human rights of all customers, business partners, people in local communities and colleagues. However, the Company has not made it clear how workers are trained. [Company Website, Human Rights Initiative, 08/08/2019: <a href="http://7andi.com">7andi.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Trains relevant AG managers including procurement</li> </ul> Score 1 <ul style="list-style-type: none"> <li>• Not met: Score of 2 on A.1.2</li> <li>• Not met: Both requirements under score 1 met</li> </ul>
B.1.6	Monitoring and corrective actions	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Met: Scores at least 1 on A.1.2</li> <li>• Not met: Monitoring implementation of HR policy commitments</li> <li>• Met: Monitoring AG suppliers: The Company states in its Website that visits factories, including business partners and suppliers. Managers and workers are interviewed and audits are made by an external organization. If the audit finds unacceptable items related to human rights issues, the external audit organization provides a guidance to the factory. [Company Website, Building an Ethical Society and Improving Sustainability Together with Customers, 08/08/2019: <a href="http://7andi.com">7andi.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Score of 2 on A.1.2</li> <li>• Not met: Describes corrective action process: The Company discloses that the factory that receives a warning from the external organization after the audit must submit a corrective action plan to the auditing organization within 10 days of the audit being completed, and must take immediate action to remedy and improve the items. Seven &amp; I Holdings discloses that after receiving a report of changes in the system, the implementation of improvements is confirmed based on the submission of photos showing the improvements. In cases when numerous serious unacceptable items are found, there is a revisit in the factory to perform a re-audit. However, there is no description about the number of incidences. [Company Website, Building an Ethical Society and Improving Sustainability Together with Customers, 08/08/2019: <a href="http://7andi.com">7andi.com</a>]</li> <li>• Not met: Example of corrective action</li> <li>• Not met: Discloses % of AG supply chain monitored</li> </ul>
B.1.7	Engaging business relationships	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: HR affects AG selection of suppliers [Company Website, Business Partners Action Guideline, Apr 2017: <a href="http://7andi.com">7andi.com</a>]</li> <li>• Met: HR affects on-going AG supplier relationships: Seven &amp; I Holdings states in its Business Partner Action Guidelines that "transactions may be temporarily suspended or contracts may be terminated if any acts in violation of the Guidelines are discovered". In which is described all the human rights issues that the Company is committed. [Company Website, Business Partners Action Guideline, Apr 2017: <a href="http://7andi.com">7andi.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirement under score 1 met [Company Website, Business Partners Action Guideline, Apr 2017: <a href="http://7andi.com">7andi.com</a>]</li> <li>• Not met: Working with AG suppliers to improve performance</li> </ul>
B.1.8	Approach to engagement with potentially affected stakeholders	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Stakeholder process or systems: The Company discloses in its Stakeholder Engagement Document, that its stakeholders groups are costumers, business partners, shareholders and investors, local communities, franchisee store owners, employees and global environment. Also, describes what are the main engagement methods with each of stakeholders groups and how is made the engagement with each of them. For example, as engagement with employee the Company states that has a management policy briefings and employee opinion survey, for communities it has a regional Comprehensive Economic Partnerships with local governments and Participation in community activities etc. The Company also indicates why each stakeholder is relevant (identification of stakeholder importance) [Stakeholders engagement, 2018, Mar 2018: <a href="http://7andi.com">7andi.com</a>]</li> <li>• Not met: Frequency and triggers for engagement: The Company describes the main engagement methods with all stakeholders groups. However, it is not explicit the frequency of this engagement. [Stakeholders engagement, 2018, Mar 2018: <a href="http://7andi.com">7andi.com</a>]</li> <li>• Not met: Workers in AG SC engaged</li> <li>• Not met: Communities in the AG SC engaged</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Analysis of stakeholder views and company's actions on them</li> </ul>

## B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Identifying risks in own operations</li> <li>• Not met: Identifying risks in AG suppliers</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Ongoing global risk identification</li> <li>• Not met: In consultation with stakeholders</li> <li>• Not met: In consultation with HR experts</li> <li>• Not met: Triggered by new circumstances</li> <li>• Not met: Explains use of HRIAs or ESIA (inc HR)</li> </ul>
B.2.2	Assessing: Assessment of risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Salient risk assessment (and context)</li> <li>• Not met: Public disclosure of salient risks</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
	identified (salient risks and key industry risks)		Score 2 • Not met: Both requirements under score 1 met
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Action Plans to mitigate risks • Not met: Including in AG supply chain • Not met: Example of Actions decided Score 2 • Not met: Both requirements under score 1 met
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: System to check if Actions are effective • Not met: Lessons learnt from checking effectiveness Score 2 • Not met: Both requirement under score 1 met
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Comms plan re identifying risks • Not met: Comms plan re assessing risks • Not met: Comms plan re action plans for risks • Not met: Comms plan re reviewing action plans • Not met: Including AG suppliers Score 2 • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

### C. Remedies and Grievance Mechanisms (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1.5	The individual elements of the assessment are met or not as follows: Score 1 • Met: Channel accessible to all workers: Seven & i Holdings has a help line for its own operation and another for Business Partners. Both help lines are operated by a third party under a service contract and a non-disclosure agreement to protect the privacy of people. The consultation desk accepts reports via e-mail, telephone, or post. The system is available to all workers and it is explained how to use in employee training. [Company Website, Compliance, 08/08/2019: <a href="http://7andi.com">7andi.com</a> ] Score 2 • Met: Number grievances filed, addressed or resolved: The Company discloses data provided from the third party that operates the grievances mechanism. In its website Seven & I Holdings describes how many cases are related to each issue of complaint such as working hours, human relations, labor contracts and others topics related to human rights. [Company Website, Compliance, 08/08/2019: <a href="http://7andi.com">7andi.com</a> ] • Not met: Channel is available in all appropriate languages • Met: Opens own system to AG supplier workers: The Company has a helpline exclusive for suppliers and business partners operated by a third part contract. [Company Website, Compliance, 08/08/2019: <a href="http://7andi.com">7andi.com</a> ]
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Grievance mechanism for community Score 2 • Not met: Describes accessibility and local languages • Not met: Expects AG supplier to have community grievance systems • Not met: AG supplier communities use global system



Indicator Code	Indicator name	Score (out of 2)	Explanation
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Engages users to create or assess system</li> <li>• Not met: Description of how they do this</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Engages with users on system performance</li> <li>• Not met: Provides user engagement example on performance</li> <li>• Not met: AG suppliers consult users in creation or assessment</li> </ul>
C.4	Procedures related to the mechanism(s)/channel(s) are publicly available and explained	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Response timescales: The Company states in its website that when receives a complaint from someone "the person is contacted four weeks after completion of the case by the third-party consultation desk to check that they have not suffered retaliation or disadvantageous treatment". However, there is no mention about timescale related to the resolution of the complaint. [Company Website, Compliance, 08/08/2019: <a href="http://7andi.com">7andi.com</a>]</li> <li>• Not met: How complainants will be informed</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Met: Escalation to senior/independent level: The Company states in its Website that "in the event of a serious violation or other such incident, a report will be provided immediately to the Representative Director ... and the necessary response measures will be taken. In addition, the CSR Department reports on the operational status of the internal reporting system to Seven &amp; i Holdings' CSR Management Committee and the Board of Directors". [Company Website, Compliance, 08/08/2019: <a href="http://7andi.com">7andi.com</a>]</li> </ul>
C.5	Commitment to non-retaliation over complaints or concerns made	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Public statement prohibiting retaliation: The Company discloses that has two helpline to receive complaints, while one is for receiving reports from employees of Group companies in Japan, the other is for reports from business partners. Employees and business partners are bound by operating regulations not to subject whistleblowers to disadvantageous treatment for having made a report. However, there is no evidence that the hotline can be used for external stakeholders and they are free of retaliation. [Company Website, Compliance, 08/08/2019: <a href="http://7andi.com">7andi.com</a>]</li> <li>• Met: Practical measures to prevent retaliation: The Company discloses in its Website that reports can be made anonymously and call four weeks later for the person who made the complaint to ensure that none retaliation have occurred. [Company Website, Compliance, 08/08/2019: <a href="http://7andi.com">7andi.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Has not retaliated in practice</li> <li>• Not met: Expects AG suppliers to prohibit retaliation</li> </ul>
C.6	Company involvement with State-based judicial and non-judicial grievance mechanisms	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Won't impede state based mechanisms</li> <li>• Not met: Complainants not asked to waive rights</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Will work with state based or non judicial mechanisms</li> <li>• Not met: Example of issue resolved (if applicable)</li> </ul>
C.7	Remedying adverse impacts and incorporating lessons learned	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Describes how remedy has been provided [Company Website, Building an Ethical Society and Improving Sustainability Together with Customers, 08/08/2019: <a href="http://7andi.com">7andi.com</a>]</li> <li>• Not met: Says how it would remedy key sector risks</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Changes introduced to stop repetition [Company Website, Building an Ethical Society and Improving Sustainability Together with Customers, 08/08/2019: <a href="http://7andi.com">7andi.com</a>]</li> <li>• Not met: Approach to learning from incident to prevent future impacts</li> <li>• Not met: Evaluation of the channel/mechanism</li> </ul>

## D. Performance: Company Human Rights Practices (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.1.b	Living wage (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Living wage in supplier code or contracts: The Company states that workers in supply chain shall be paid minimum wage or more in accordance with applicable local laws. However, to pay minimum wage is not enough for a living wage to workers. [Company Website, Business Partners Action Guideline, Apr 2017: <a href="http://7andi.com">7andi.com</a>]</li> <li>• Not met: Improving living wage practices of suppliers</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> <li>• Not met: Provides analysis of trends demonstrating progress</li> </ul>
D.1.2	Aligning purchasing decisions with human rights	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Avoids business model pressure on HRs (purchasing practices)</li> <li>• Not met: Positive incentives to respect human rights (purchasing practices)</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> </ul>
D.1.3	Mapping and disclosing the supply chain	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Identifies suppliers back to manufacturing sites (factories or fields)</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Discloses significant parts of SP and why</li> </ul>
D.1.4.b	Prohibition on child labour: Age verification and corrective actions (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Child Labour rules in codes or contracts: The Company states in its Business Partners Guideline that human rights should be respected and shall be no use of child labor. Also, strict controls shall be placed on the information and personal data obtained in the course of business. However, the Company does not provide information about the existence of a remediation program if some worker on irregular age is find. [Company Website, Business Partners Action Guideline, Apr 2017: <a href="http://7andi.com">7andi.com</a>]</li> <li>• Not met: How working with suppliers on child labour</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> <li>• Not met: Analysis of trends in progress made</li> </ul>
D.1.5.b	Prohibition on forced labour: Debt bondage and other unacceptable financial costs (in the supply chain)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Debt and fees rules in codes or contracts: In its Business Partners Guideline, the Company discloses that not only its business partners themselves, but also the suppliers from which business partners procure the products handled in SEVEN &amp; i Group, understand, make know and implement the measures in the guideline and contracts may be terminated if any acts in violation of the Guidelines are discovered. In addition, the Company states that employers must not force workers to make financial deposit. [Company Website, Business Partners Action Guideline, Apr 2017: <a href="http://7andi.com">7andi.com</a>]</li> <li>• Not met: How working with suppliers on debt &amp; fees</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> <li>• Not met: Analysis of trends in progress made</li> </ul>
D.1.5.d	Prohibition on forced labour: Restrictions on workers (in the supply chain)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Free movement rules in codes or contracts: Seven &amp; I Holdings discloses in its Business Partners Guideline (Guideline that works for suppliers) that "all workers shall be engaged in their work of their own free will, and there shall be no forced labor. Workers shall not be unduly required to hand over their identification certificates". [Company Website, Business Partners Action Guideline, Apr 2017: <a href="http://7andi.com">7andi.com</a>]</li> <li>• Not met: How working with suppliers on free movement</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> <li>• Not met: Provides analysis of trends demonstrating progress</li> </ul>



Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.6.b	Freedom of association and collective bargaining (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: FoA &amp; CB rules in codes or contracts: The Company explicitly list in its Business Partners Guideline that workers' rights must be respected such as freedom of association and the right to organize and collective bargaining. However no evidence found about prohibition of intimidation or retaliation against union members or representatives. [Company Website, Business Partners Action Guideline, Apr 2017: <a href="http://7andi.com">7andi.com</a>]</li> <li>Not met: How working with suppliers on FoA and CB</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> <li>Not met: Provides analysis of trends demonstrating progress</li> </ul>
D.1.7.b	Health and safety: Fatalities, lost days, injury rates (in the supply chain)	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: Sets out clear Health and Safety requirements: The Company states in its Business Partners guideline that "all individuals engaged in business activities shall be employed in a proper manner in a sanitary, functional, and employee-friendly work environment in consideration of safety and health" [...] "It shall be ensured that workplace buildings have sufficient strength to guarantee employees' safety, and that permissions and approvals under the local building standards related laws and regulations have been obtained, and that buildings have been properly inspected and passed examinations". [Company Website, Business Partners Action Guideline, Apr 2017: <a href="http://7andi.com">7andi.com</a>]</li> <li>Not met: Injury Rate disclosures</li> <li>Not met: Lost days or near miss disclosures</li> <li>Not met: Fatalities disclosure</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: How working with suppliers on H&amp;S</li> <li>Not met: Provides analysis of trends demonstrating progress</li> </ul>
D.1.8.b	Land rights: Land acquisition (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Rules on land &amp; owners in codes or contracts</li> <li>Not met: How working with suppliers on land issues</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> <li>Not met: Provides analysis of trends demonstrating progress</li> </ul>
D.1.9.b	Water and sanitation (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Rules on water stewardship in codes or contracts: Although the Company states in its Business Partners Guideline that "hygienic restrooms and drinking water shall be available for workers and their use during work hours shall not be restricted", there is no reference about safe water to external uses, such as communities around the Company and suppliers operations. [Company Website, Business Partners Action Guideline, Apr 2017: <a href="http://7andi.com">7andi.com</a>]</li> <li>Not met: How working with suppliers on water stewardship issues</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> <li>Not met: Provides analysis of trends demonstrating progress</li> </ul>
D.1.10.b	Women's rights (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Women's rights in codes or contracts</li> <li>Not met: How working with suppliers on women's rights</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> <li>Not met: Provides analysis of trends demonstrating progress</li> </ul>

## E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity threshold were found, and so the score of 8.28 out of 80 points scored in themes A-D & F has been applied to produce a score of 2.07 out of 20 points for theme E.

## F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	1.24 out of 4	Out of a total of 42 indicators assessed under sections A-D of the benchmark, Seven & I Holdings made data public that met one or more elements of the methodology in 13 cases, leading to a disclosure score of 1.24 out of 4 points.
F.2	Recognised Reporting Initiatives	0 out of 2	The individual elements of the assessment are met or not as follows: Score 2 <ul style="list-style-type: none"> <li>• Not met: Company reports on GRI</li> <li>• Not met: Company reports on SASB</li> <li>• Not met: Company reports on UNGPRF</li> </ul>
F.3	Key, High Quality Disclosures	0 out of 4	Seven & I Holdings met 0 of the 8 thresholds listed below and therefore gets 0 out of 4 points for the high quality disclosure indicator. Specificity and use of concrete examples <ul style="list-style-type: none"> <li>• Not met: Score 2 for A.2.2 : Board discussions</li> <li>• Not met: Score 2 for B.1.6 : Monitoring and corrective actions</li> <li>• Not met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers</li> <li>• Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s)</li> </ul> Discussing challenges openly <ul style="list-style-type: none"> <li>• Not met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts</li> <li>• Not met: Score 2 for C.7 : Remedying adverse impacts and incorporating lessons learned</li> </ul> Demonstrating a forward focus <ul style="list-style-type: none"> <li>• Not met: Score 2 for A.2.3 : Incentives and performance management</li> <li>• Not met: Score 2 for B.1.2 : Incentives and performance management</li> </ul>

### Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2019 Key Findings report and technical annex for more details of the research process.

The Benchmark is made available on the express understanding that it will be used solely for general information purposes. The material contained in the Benchmark should not be construed as relating to accounting, legal, regulatory, tax, research or investment advice and it is not intended to take into account any specific or general investment objectives. The material contained in the Benchmark does not constitute a recommendation to take any action or to buy or sell or otherwise deal with anything or anyone identified or contemplated in the Benchmark. Before acting on anything contained in this material, you should consider whether it is suitable to your particular circumstances and, if necessary, seek professional advice. The material in the Benchmark has been put together solely according to the CHRB methodology and not any other assessment models in operation within any of the project partners or EIRIS Foundation as provider of the analyst team.

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As CHRB Ltd, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for

human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.