

Materiality

# 2



## Evolving as a Regional Revitalization Base Close to People



### Social Background and Issues to Recognize

With the demographic changes seen in Japan's declining birthrate, aging, and declining population, it is becoming increasingly important to revitalize regional economies as the population shifts between urban and rural areas. Meanwhile, besides earthquakes, recent years have also seen more frequent and severe typhoons and other natural disasters, which require greater resiliency. Both the changes to our fabric of society and the worsening of natural disasters pose a significant impact as a company that operates convenience stores in all prefectures nationwide, to our business. Thus, we cannot overlook these issues. The Company contributes to the growth of local communities, remains close to people, and operates stores that are hubs of safety and security for urban and suburban residents. We recognize that in the event of disasters, one of our missions is to strive to provide a stable supply of goods.

### Vision

**Social Contribution Policy**

Through this policy, FamilyMart works for balanced development at the international and regional levels, and for greater spiritual affluence in society.

1. As a company with international operations, we actively seek to help enrich the global community and support environmental protection.
2. To meet the expectations of local communities and win their trust, we take care to build links and prosper in harmony with them.
3. As part of our role in helping create safe, secure neighborhoods, we take various measures to help local parents keep their children out of trouble.
4. We support the individual efforts of our employees to get involved in social contribution activities.

### Measures Taken

- Contributing to create safe, secure neighborhoods
- Supporting the development of the next generation
- Responding to an aging society

## Contributing to Create Safe, Secure Neighborhoods

### Issues to Recognize

With the changing demographics, society needs measures to ensure that everyone can live a healthy life without being isolated from their community. In the event of a natural disaster, which are becoming more frequent and more severe, the convenience stores serving as safe, secure places residents can rely on are expected to fulfill roles that complement those of the local government in watching over children and senior citizens, responding to disasters, and other ways.

### Management Approach

The close community ties FamilyMart enjoys through brick-and-mortar stores enable us to contribute to neighborhoods that are safe and secure for residents of all ages. Stores also serve as safe and secure neighborhood hubs that are trusted by local communities, and in this capacity, we work with national and municipal bodies in the event of large-scale natural disasters, providing relief through store management that aims to maintain stable supplies of goods.

### Key Accomplishments and Performance in FY2020

- Comprehensive agreements: **46** prefectures, **3** ordinance-designated cities, and **17** municipalities
- Watch-over agreements: **6** prefectures, **1** ordinance-designated city, and **10** municipalities
- Donations of disaster relief money: **Approx. 35 million yen**

### Targets and KPIs

- Respond promptly after disasters or emergencies to cooperate with local authorities
- Promote joint projects based on comprehensive agreements
- Strengthen store roles as safe, secure neighborhood hubs

### Future Activities

- Join community problem-solving projects, such as those of social welfare councils
- Work with local government from each Area Division
- Ongoing cooperation in local crime and disaster prevention

### Community Development in Conjunction with Municipalities

As a pillar of local communities, we have concluded comprehensive agreements with 46 prefectures, three ordinance-designated cities, and 17 other municipalities (as of the end of February 2021) to collaborate in many areas such as caring for children, supporting senior citizens, tourism and other promotion, and environmental activities. The agreements promote efforts leveraging close mutual ties and collaboration to respond promptly and appropriately to a variety of local issues to revitalize local communities and improve services for residents.

Specifically, the collaborations are building a system of community-based management for store operations to promote close local ties, development and sales of original goods representing prefectural specialties, promotion

of tourism, support of senior citizens and individuals with disabilities, regional disaster preparedness, and other activities. Additionally, we have also signed a watch-over agreement with six prefectures, one ordinance-designated city, and 10 other municipalities (as of the end of February 2020) to support activities for local children and senior citizens to live safely and securely. When children ask for help, stores call their family, school, or the police as needed. Stores also assist in early discovery, protection, and reporting of senior citizens who have wandered due to dementia and take action to prevent certain types of fraud that occurs more often recently. In these ways, we immediately work with the community if we find something unusual, showing the care, attention, and regard that only physical stores can offer.

### Collaboration with the Government and Municipalities

Having earned “designated public institution” status from the prime minister, FamilyMart is expected to fulfill key roles in disaster prevention, response, and recovery. We have developed emergency action plans following the Basic Act on Disaster Management. Specifically, to provide a stable supply of food, water, and daily necessities as a lifeline in disaster-affected areas, we have developed action plans that can quickly narrow down the products to supply and switch distribution routes based on priority levels. In this way, the system in place can provide emergency relief supplies using the manufacturing and logistics networks that support our stores across the country. In store operations as well, arrangements are in place to enable stores in affected areas to resume business quickly

using small power generators and other equipment deployed at sales offices nationwide since fiscal 2019, which can supply power to stores after power outages.

We have also concluded disaster relief supply agreements with most prefectures, and with municipalities, agreements to assist those who cannot easily return home. In this way, the needs of these government bodies in disasters guide our relief efforts. In FY2020, based on the Agreement on the Supply of Disaster Relief Supplies with Kumamoto Prefecture, we delivered relief supplies during the torrential rains in July 2020.

Having recovery measures in place under normal circumstances will continue to ensure preparedness, and in the event of disaster, we will contribute to regional recovery.

### After Major Disasters: Relief Fundraising, Employees in Relief Activities

In the event of a large-scale natural disaster, we will switch our in-store fund-raising to a disaster relief fund, provide relief supplies, and send our employees directly to the disaster-affected areas as a support team. We will make company-wide efforts for recovery.

We work to reopen stores and join relief activities so that those in affected areas can return to their normal lives as soon as possible.

#### Donations of Relief Money from 2019 to 2021

Fiscal year	Campaign	Amount (yen)
2019	Donation for Typhoon No. 15 in 2019	9,558,497
	Donation for Typhoon No. 19 in 2019	52,695,430
	Donation for the fire at Shurijo Castle	9,084,197
2020	Donation for the July 2020 Torrential Rain Disaster Relief	34,795,224
2021	Donation for disaster relief due to heavy rains since July 1, 2021	1,040,418
	Donation for the August 2021 Torrential Rain Disaster Relief	19,856,520

### Safety Station Activities

Safety Station activities help keep neighborhoods safe, and as a member of the Japan Franchise Association (JFA), FamilyMart has participated since 2000. Originally started in response to an appeal from the National Police Agency, the program brings together national and municipal organizations and community members to prevent crime, be prepared for disasters, and ensure safety routinely. Stores are a safe place for wandering senior citizens with dementia or women and children in need, and they prohibit sales of cigarettes and alcohol to minors and encourage late-night visitors to return home.

In 2020, a total of 279 stores (all stores in 47 prefectures) received commendations from JFA for preventing certain types of fraud, among other efforts.

Stores will continue to work closely with communities to serve as safe and secure neighborhood hubs.



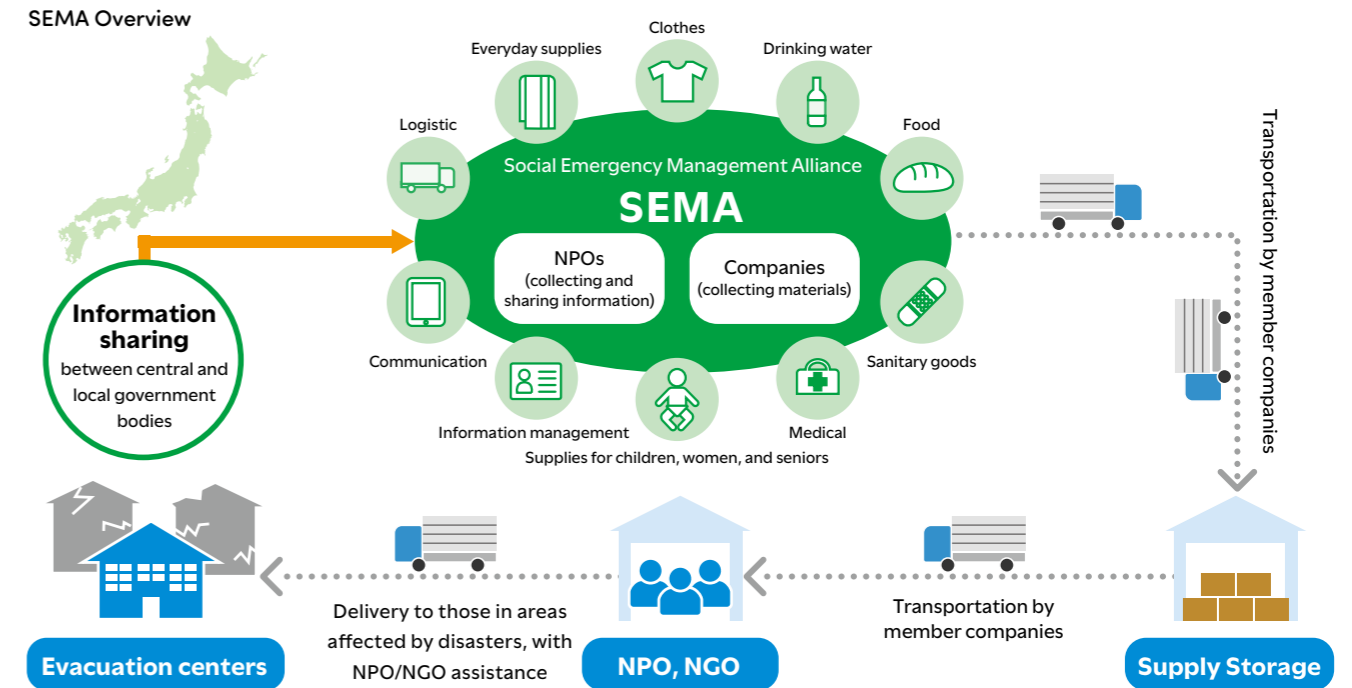
### Disaster Relief through a Corporate-NPO Alliance

Launched in August 2017, the Social Emergency Management Alliance (SEMA)\* hopes to save every last person affected as soon as possible after large natural disasters strike in Japan, where these events are relatively common. We have supported this mission since becoming an early member.

SEMA believes that prompt recovery after major disasters requires coordinated support by companies and organizations. The alliance maintains an inventory of members' goods and

services, which is used in the rapid delivery of relief package to areas affected by disasters. By sharing information with public agencies and coordinating support, the alliance also seeks to reduce omissions and waste in support efforts, and to reduce the burden on municipalities in affected areas.

\*Social Emergency Management Alliance (SEMA): Consists of a corporate alliance of private-sector companies and a CSO alliance of citizens' groups. As of October 26, 2020, members included 56 companies and seven citizens' groups.



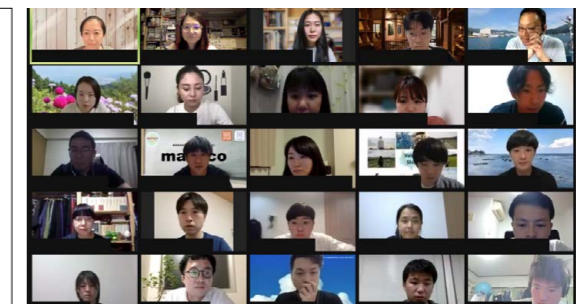
### Career Support Program for Future Generations in Disaster-Affected Areas

Together with U.S.-Japan Council Japan (publicly funded), we held a Career Mentoring Program for high school girls in Tohoku since 2013 to support the recovery from the Great East Japan Earthquake. A total of 1,200 students have started their careers as future leaders.

In 2021, 10 years after the Great East Japan Earthquake, we held a new program, TOMODACHI FamilyMart SDGs Leadership

Program in Tohoku, and are working on training social workers.

Targeting young people who will work on solving local issues and take action in the three Tohoku prefectures now moving from reconstruction to the next step, the program will support them in building communities that support each other across generations and engage in community-based activities.



## Supporting the Development of Children and Youth / Responding to an Aging Society

### Issues to Recognize

With the accelerating changes in the living environment surrounding families and communities, efforts are being made to improve the environment for the healthy development of children and to enhance support for senior citizens. In terms of dietary habits, there has been an increase in the number of elderly people living alone and children in dual income families eating alone. The social isolation of seniors is viewed as a problem, as are the effects on children's mental and physical development. In addition, looser community ties are also viewed as a social issue.

### Management Approach

Supporting families with children and helping to give kids a healthy childhood are goals we actively pursue, knowing that children will bear social responsibilities in the future. We therefore promote environments where our corporate employees as well as stores and store staff nationwide can make the most of brick-and-mortar stores and their professional knowledge. In addressing senior needs as well, we are contributing to regional economic revitalization by creating opportunities for social participation, addressing areas where shopping is inconvenient, and promoting local employment.

### Key Accomplishments and Performance in FY2020

- Number of applications for the 2020 Thank-You Letter Contest: **about 40,000**
- *Famima Academy* visiting lectures and company visits: **about 30**
- *Famima Circle* community exchange meeting

### Targets and KPIs

- Raise awareness of our regional revitalization programs
- Improve participant satisfaction in our programs
- Develop and introduce new regional revitalization programs
- *Famima Academy* visiting lectures and company visits: **about 50**

### Future Activities

- Bolster partnerships with local schools and social welfare organizations
- In existing programs, help support adaptation to new conditions and regional issues/needs

### Famima Academy Visiting Lectures and Company Visit

For children, the leaders of the future, we hold the *Famima Academy*, in which FamilyMart employees visit schools to give classes as instructors and students visit our company. The program targets a wide range of grades, from elementary school to high school. The content of the classes is not standard but is tailored to the needs of the schools and students. In addition to classes on products /services unique to convenience stores and the environment, we introduce the

SDGs with specific examples from stores. We also offer career education programs on the themes of what it is to work and what a job is. During COVID-19, we used an online format to prevent the spread of the infection.

In addition to promoting the development and achievement of tasks for each student, the program also improves the abilities and motivation of the employees in charge of the instructors.



### Thank-You Letter Contest Supported by the Ministry of Education, Culture, Sports, Science and Technology

We have been sponsoring the elementary school student Thank-You Letter Contest nationwide since 2009. In 2019, the project was recognized for its contribution to Japanese language and ethical education and became a project supported by the Ministry of Education, Culture, Sports, Science and Technology. To date, about 400,000 applications have been received, and a total of 19,500 elementary schools have participated. For the Grand Prize, we will hold an award ceremony (online format from FY2020) at the elementary school where the awardee attends and our employees and awardee's families will celebrate together. Our stores and store staff across Japan work together with local communities centered on schools, to nurture the rich sensibilities of children and support their spiritual growth.



Awards ceremonies held online



The 2020 Awards

### Fundraising for the Connecting Dreams Foundation: NGO/NPO Support and Cooperation

To play the role of a bridge between customers and NGOs/ NPOs engaged in social activities, we conduct the FamilyMart Connecting Dreams Foundation in-store fund-raising campaign. Donations collected from customers are combined with our corporate matching gifts\* for use in activities such as development of the next generation and environmental conservation in Japan and around the world. In February 2021, we added the NPO National Children's Cafeteria Support Center Musubie to our donation list to contribute to the revitalization

of community interaction and the resolution of social issues through children's cafeterias. When a large-scale disaster occurs in Japan or overseas, we switch to a disaster relief fund to help support the affected areas. Famiport terminals at stores provide another way to donate to customers' preferred organization from 15 that are registered (as of the end of February 2021).

\*Matching gift: Corporate donations added to an amount calculated by multiplying the total amount of customer donations by a certain rate.

### Holding of Famima Circle Local Gatherings

With the aim of helping to resolve issues faced by senior citizens, we hold seminars on such topics as prevention of special fraud, voluntary return of driver's license, and prevention of frailty (decline in vitality due to aging), which the police and local governments are working on. Although this

initiative utilized the eat-in area of stores, during the COVID-19 pandemic, to avoid participants congregating, we held the *Digital Famima Circle* online. This initiative has led many people to participate in online events for the first time, helping to bridge the digital divide issue.

### Contributing to Reassuring Neighborhoods through Dementia Supporter Training

As the population ages, more people are living with dementia. We encourage store managers, store staff, and corporate employees to acquire "Dementia Supporter" training in order to support patients and their families with a correct knowledge and understanding of dementia and apply this stance in store operations. As of February 2021, we have 974 employees certified

as Dementia Supporters. We will continue to hold dementia support training courses to increase the number of those who have obtained the certification, while deepening cooperation with local governments to contribute to the creation of a community where people can live with peace of mind.