



*Sustainability!*  
*with Sustainability!*      *with Sustainability!*      *with Sustainability!*

# Sustainability Report 2022

Toward a Sustainable Society

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# Sustainability



"FamilyMart, Where You Are One of the Family"

In being close to all local people like family, we hope to contribute to creating a society where everyone can live with peace of mind.

No matter one's generation, everyone can live a better life being their best self. It is something we will continue to support while building a close rapport with everyone.

"with Sustainability!"

This is the FamilyMart heart.

## *with Sustainability!*

## Engagement Book *with Sustainability!* 2022

This report introduces the key points of FamilyMart's sustainability initiatives in an easy-to-understand manner. Please take a look.



[▶ go to download page](#)

## Sustainability Initiatives

An introduction to FamilyMart's core sustainability activities.



## Sustainability as Corporate Responsibility

Message from the top management of FamilyMart and its approach to sustainability, as well as related information and data.



### Sustainability Management at FamilyMart

This summarizes what is important in promoting sustainability activities, such as how to proceed with sustainable activities, the issues at hand, and what goals we aim to achieve.

[FamilyMart's Approach to Sustainability Management](#)

[Sustainability Management](#)

Material issue 1



**Contributing to the Future of the Earth and Its Regions through Environmental Consideration**

- ▶ Social Context and Recognition of Issues
- ▶ Continuous Improvement of Environmental Management System
- ▶ Reduction of Food Loss and Waste
- ▶ Climate Change Mitigation and Adaptation
- ▶ Use of Sustainable Resources and Prevention of Environmental Pollution

Material issue 2



**Evolving as a Regional Revitalization Base Close to People**

- ▶ Social Context and Recognition of Issues
- ▶ Development and Revitalization of Local Communities
- ▶ Disaster Countermeasures and Support for Disaster-affected Areas
- ▶ Supporting the Development of the Next Generation
- ▶ NGOs / NPOs Support and Cooperation
- ▶ Collaboration with the Government and Municipalities

Material issue 3



**Creating Safe and Reliable Products and Services to Bring Convenience and Richness to Everyday Life**

- ▶ Social Context and Recognition of Issues
- ▶ Providing Products and Services That Enrich Lives
- ▶ Promotion of Digitalization to Improve Convenience
- ▶ Prompt Response to Customer Feedback

Material issue 4



**Working with Suppliers to Pursue a Sustainable Supply Chain**

- ▶ Social Context and Recognition of Issues
- ▶ Promotion of Fair and Transparent Business Activities
- ▶ Our Responsibilities to Provide Safe and Reliable Products / Services
- ▶ Building Responsible Supply Chain Management / Promoting Sustainable Ingredient Sourcing

Material issue 5



**Building a Rewarding Work Culture with Motivated Employees**

- ▶ Social Context and Recognition of Issues
- ▶ “with Sustainability! Activities” with Employees
- ▶ Diversity and Inclusion
- ▶ Human Resource Development Initiatives
- ▶ Creating a Safe, Healthy and Comfortable Workplace Environment



**Our Foundation for Sustainable Growth**

The important rules that govern FamilyMart’s sustainability efforts.

Corporate Governance ▶

Risk Management and Compliance ▶

Joint growth of franchised stores and headquarters ▶

Respect for Human Rights ▶



**Sustainability Library**

View past data from FamilyMart’s sustainability reports.

Editorial Policy ▶

ESG Data ▶

Download Reports ▶

Past Reports ▶

GRI Content Index ▶

# Top Message



**Continuing to be FamilyMart,  
Where You Are One of the Family.  
FamilyMart will continue to make progress  
toward the realization of a sustainable society.**

## FamilyMart Continues to Move toward a Sustainable Society

Frequent extreme weather events, pandemic outbreaks, and problems in the food and energy supplies essential for daily life due to the Ukraine issue have increased anxiety factors in society that were previously unimaginable.

Amidst such drastically changing social trends, FamilyMart is also experiencing three drastic changes: accelerated digitalization, supply chain disruptions due to COVID-19 and the Ukraine issue, and a dramatic shift in consumer philosophy. This last change is particularly noticeable in the up-and-coming Generation Z, which is keenly focused on achieving a sustainably society. The sea change of their growing questioning of existing values points to a need to address sustainability and SDGs as a common global goal to achieve a better life for all.

FamilyMart is committed to delivering convenience and abundance to every area of our daily lives. At the same time, we are working to solve social issues by making the most of our contacts with a wide range of stakeholders, including customers, business partners, and local communities, and by maintaining a close relationship with our local communities. We believe it is our mission and responsibility to meet the expectations of all stakeholders and contribute to the creation of sustainable communities and society.

## Our Unique Approach to SDGs

FamilyMart has formulated a new medium-term management plan. In this plan, the fiscal 2022 through 2024 have been positioned as “three years for achieving renewed growth”. In this time, we will create a favorable environment for growth with a focus on strengthening our convenience store business and creating new business initiatives.

To strengthen our convenience store business, we will introduce AI and robots to save manpower and energy in order to strengthen store infrastructure. As we also expand and promote Famimaru, our environmentally friendly private brand for products, we will further enhance information sharing through our own FamiPay app.

In terms of expanding new businesses, FamilyMart will accelerate its use of media in stores with the installation of digital signage we refer to as “FamilyMart Vision”, or FMV. We are planning to broadcast SDG educational content via FMV to 15 million customers per day.

FamilyMart will further promote efforts to address social issues by focusing on our unique SDG activities, contributing to the

future of communities and the earth through environmental considerations, evolving into a regional revitalization center that is close to the community and fostering an organizational culture that makes the most of diversity.

## Our Five Material Issues

To promote sustainable corporate management such as initiatives for SDGs, FamilyMart has been promoting initiatives for the five material issues (materialities) it has prioritized and set goals for. They are Environmental Awareness, Regional Revitalization, Attractive Products and Services, Trustworthy Supply Chains, and Building a Rewarding Work Culture with Motivated Employees.

These materialities are linked to our medium-term management plan, and we will enhance their feasibility throughout the company.

With regard to specific measures, for Environmental Awareness, we will first establish the FamilyMart Environmental Vision 2050 to promote the reduction of greenhouse gases (CO<sub>2</sub> emissions), take measures against plastic and reduce food loss, and make diligent efforts to reduce electricity use.

In terms of Regional Revitalization, we will promote the Famima Children's Cafeteria and, for the elderly, Famima Circle, thereby contributing to the promotion of interactions among local residents. We will also expand the scope of the Famima Food Drive project, which simultaneously reduces food loss and encourages local residents to support each other's food needs.

For Attractive Products and Services, we will enhance those products and service that improve health and welfare, while at the same time improving convenience through digitalization.

To establish Trustworthy Supply Chains, we aim to establish good partnerships with suppliers based on fair and transparent relationships in order to provide safe and reliable products and services, and to procure sustainable raw materials.

Finally, for Building a Rewarding Work Culture with Motivated Employees, we promote diversity and inclusion based on respect for human rights in order to realize a society where diversity is accepted and it is easy for everyone to live a vibrant and fulfilling life.

We believe that faithfully and steadily addressing these materialities is the very role that FamilyMart can play in relation to the SDGs.

## Our Motto Continues To Be FamilyMart, Where You Are One of the Family

Since FamilyMart was establishment and just as our name suggests, FamilyMart considers local communities as part of our family, endeavoring to provide convenience and implement initiatives to solve local issues.

We will continue to view these changing times as an opportunity, and in line with our original corporate message of Family Mart, Where You Are One of the Family, we will continue to walk with and alongside our stakeholders on activities that will realize a sustainable society.

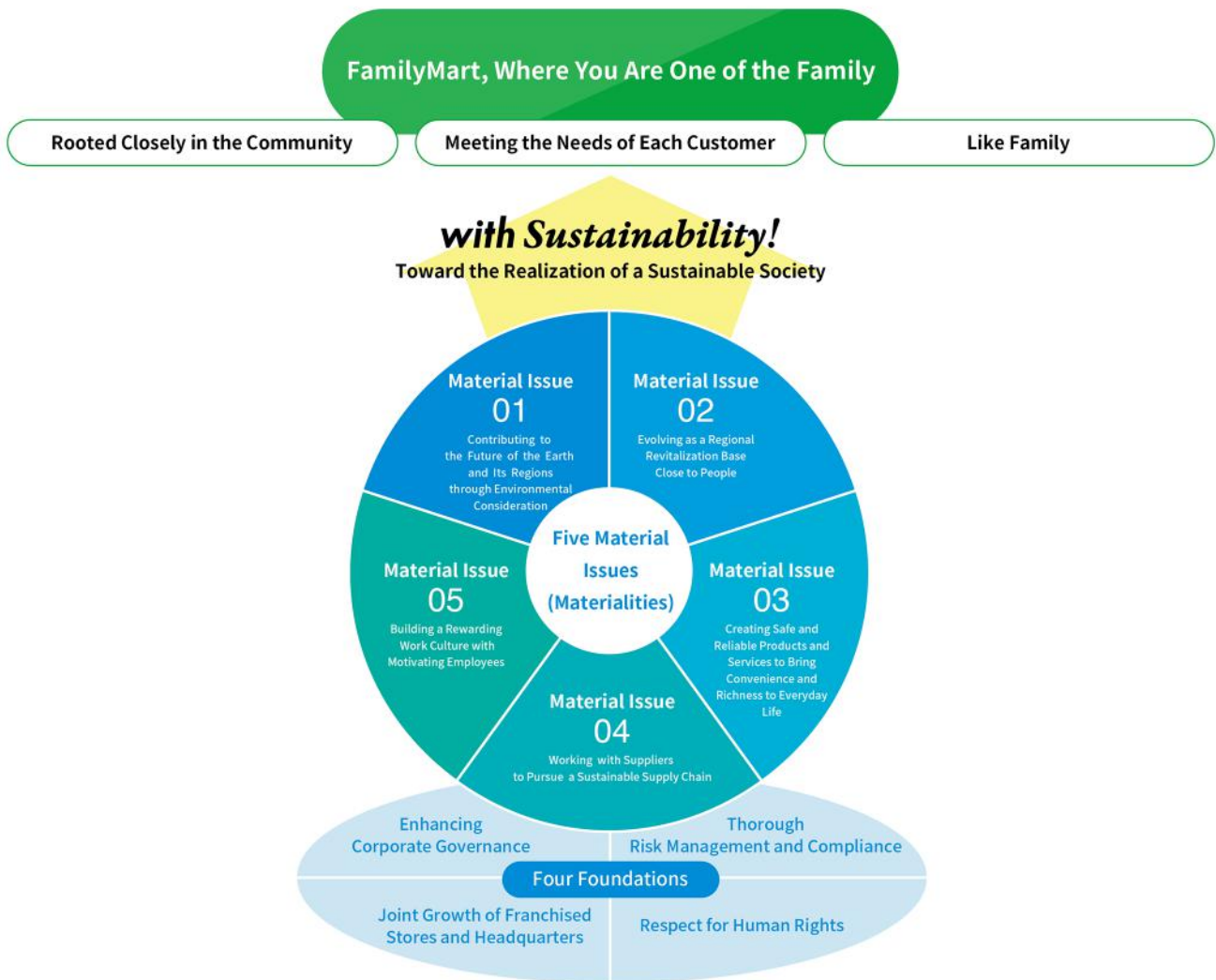


Representative Director and President

# FamilyMart's Approach to Sustainability

## Sustainability Activities, Together with All Stakeholders *with Sustainability!*

We will continue to faithfully and steadily promote FamilyMart's unique sustainability initiatives toward the realization of a sustainable society by working as partners with our customers, franchised stores, business partners, and all our other stakeholders to value the concept of “with Sustainability!”





## Message from the Competent Director

“FamilyMart, Where You Are One of the Family”

Our corporate message expresses FamilyMart’s desire to walk in tandem with all our stakeholders.

FamilyMart is working earnestly to become a store that is

- ◆Rooted closely in the community
- ◆Meeting the needs of each customer
- ◆Like family

While honoring these three concepts and providing convenience, we are also working to solve local issues.



This stance of ours remains unchanged even when it comes to the major challenge of achieving sustainability. FamilyMart believes that our mission and purpose is to create sustainable communities and a sustainable society in our own way, and have specified five material issues (materialities) and four foundations (such as respect for human rights). To realize the ideas in each, it is essential for us to work as partners with all our stakeholders.

We will continue to promote activities to achieve sustainability based on our corporate message of "FamilyMart, Where You Are One of the Family."

Sustainability Committee Chair

Executive Officer, CAO and General Manager of the Administrative Division

Toshiyuki Kakimi

## Expert Comment

Of all industries, convenience stores are probably the closest to consumers and have a complex supply chain because they handle a wide variety of merchandise. For this reason, it is an industry in which consumer changes can immediately affect future business. At the same time, the convenience store industry can directly communicate messages for the next era to consumers.

In this respect, FamilyMart's sustainability initiatives can be said to be an attempt to respond to current trends and market changes, including the latest in SDGs and ESG investment. Above all, its efforts to ensure that employees, including management and managers, are united in their commitment to making a solid contribution to society while increasing profits and implementing measures, are highly commendable.

In the coming years, demands placed upon companies for sustainability will only increase, including for matters such as decarbonization and de-plasticizing, business and human rights in the supply chain, diversity and inclusion, and biodiversity. I hope that FamilyMart will continue to be a company that builds the future, and I support them wholeheartedly.

SDG Partners, Inc.  
President and CEO  
Kazuo Tase



# Sustainability Management

# Sustainability Management



## Basic Policy ▶

FamilyMart's Sustainable Basic Policy can be found on our corporate website.

## Sustainability Promotion System ▶

Information on FamilyMart's Sustainability Promotion System can be found on our corporate website.

## Identification of Material Issues ▶

Information on FamilyMart corporate website, you will find Material Issues.

## Stakeholder Engagement ▶

Information on FamilyMart corporate website, you will find Stakeholder Engagement.

## Collaboration with International Society ▶

Information on FamilyMart corporate website, you will find Collaboration with International Society.

# Basic Policy

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- ▼ **Human Rights Policy**
- ▼ **Sustainability Policy**
- ▼ **Sustainability Procurement Principles**
- ▼ **Supply Chain CSR Code of Conduct**
- ▼ **Environmental Policy**
- ▼ **Biodiversity Conservation Policy**
- ▼ **Social Contribution Policy**

Convenience stores play an indispensable role in people's lives as an integral part of social and lifestyle infrastructure. FamilyMart has a nationwide network that exceeds 16,000 stores servicing more than 15 million customers each day, and maintains a workforce of over 200,000 employees.

Under the slogan of "FamilyMart, Where You Are One of the Family," the Company and its stakeholders seek to move forward in partnership, based on a relationship of trust.

With this in mind, our mission is to exceed the expectations of customers by helping to resolve social issues in each region against the backdrop of a rapidly changing society. Our goals are to provide a better life for customers as well as local communities and to ensure that each day has fun and fresh appeal through the supply of our products and services.

## Human Rights Policy

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FamilyMart strives to always stay relevant to customers and the communities. Working together with our franchised stores and business partners, we provide products and services that respond to the ever-changing demands of the society.

Instilled in our corporate message, "FamilyMart, Where You Are One of the Family," is our earnest wish to connect with our stakeholders like a family and walk alongside them all the way. We acknowledge the importance of this connection between people in our business practices.

Based on these thoughts, as a signatory of the United Nations Global Compact, we comply with its ten principles and respect international norms on human rights, including the United Nations Guiding Principles on Business and Human Rights (the "UNGP"), OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work. We also have established FamilyMart's Human Rights Policy as our basic policy for respect on human rights.

In order to implement this policy, the Sustainability Committee, an advisory body to the president, will cooperate with all divisions to promote human rights initiatives under the supervision of the chairman.

## 1. Policy scope

We operate on the basis of this policy which strongly recognizes that all executives and employees of FamilyMart Co., Ltd. and affiliates possess fundamental human rights. They must be respected and simultaneously must respect the fundamental human rights of all stakeholders.

We acknowledge that our activities and the activities of our affiliates and business partners may have adverse impact on the human rights of our stakeholders such as our customers and regional communities.

Therefore, our business partners as well as their concerned parties are expected to understand and support this policy. We will also continue to work closely with them to promote the respect for human rights, by encouraging constant communication and thorough sharing of information.

## 2. Significant human rights issues

As a sustainable company operating in a diverse society, we consider the following as significant human rights issues.

- Prohibition of human trafficking, forced labor, and child labor
- Ensuring mental and physical health, and safety
- Prohibition of prejudice or discrimination on the basis of race, skin color, nationality, language, religion, thought, age, sex, sexual orientation, gender identity, with or without disabilities, property, employment type, etc.
- Prohibition of all harassment, bullying and unfair treatment
- Freedom of association of workers and respect for collective bargaining rights
- Ensuring minimum wages and managing proper working hours
- Provision of safe and reliable products and services to consumers, and disclosure of important information regarding said products and services
- Protection of privacy

## 3. Human rights due diligence

### ■ Policy

We strive to develop proper human rights due diligence system based on the UNGP, and identify, evaluate, prevent, mitigate, and correct negative impacts of our activities on human rights, while placing value on dialogue with stakeholders.

Furthermore, we will comply with the laws and regulations in the countries and regions in which we operate. We will respect internationally recognized human rights to the greatest extent possible in the circumstances, even when faced with conditions that conflict with international human rights principles.

## ■ Implementation

Regarding human rights due diligence, we and our business partners will continuously implement and improve on the following:

1. Understand and comply with laws and regulations regarding human rights.
2. Evaluate adverse human rights impact of current business practices on a regular basis, and when starting new businesses.
3. Appropriately communicate the identified human rights violations to those who will be directly affected (includes possibility of being affected) or their representatives, in order to take preventive and mitigating measures.
4. Establish appropriate and effective grievance mechanisms, and provide relief and corrective action through appropriate procedures and dialogue, in the event of our business activities causing or evidently contributing to human rights violations.
5. Prevent reoccurrence of human rights violations by evaluating and verifying the effectiveness of current measures, while taking both internal and external opinions into consideration.

## ■ 4. Information disclosure

We disclose the progress of our human rights activities through our website and other communication channels.

## ■ 5. Understanding, promoting, and penetration

In order to promote and integrate this policy into all our business activities, we strive to appropriately and efficiently educate and raise awareness of all executives and employees.

We will also communicate this policy to our business partners and their concerned business parties, and ensure their understanding and thorough implementation.

Established October 2020

Revised September 2021

## Sustainability Policy

We at FamilyMart always aim to continue to provide new value in the world and to be a presence trusted by our customers.

In order to realize these goals, we are working to create a sustainable society in cooperation with our stakeholders, and have established the following basic policies.

1. We get involved in activities that lead to the development of local communities and contribute to better lives for everyone.
2. We provide products and services with consideration for safety, reliability, and health and construct the supply chain in accordance with fair business practices with our business partners.
3. We endeavor to give consideration to the global environment, nature, and biodiversity, prevent global warming, and form a recycling-oriented society.
4. We endeavor to support the development of the next generation together with local communities so that the children who will be responsible for the future can grow up healthily and happily.
5. We respect people and their rights regardless of their race, skin color, nationality, language, religion, thought, age, sex, sexual orientation, gender identity, with or without disabilities, property, employment type, etc. and promote business activities which offer job satisfaction and enable all of the people involved in the business to be successful.
6. We comply with international norms and the laws and norms in the countries and regions in which we develop our businesses, and carry out our business activities faithfully.

Established September 2017

Revised September 2021

▶ Sustainability Promotion System

## Sustainability Procurement Principles

In its business activities, FamilyMart accepts the social responsibility of working toward realizing a sustainable society such as preserving the global environment and protecting human rights.

For this purpose, we are pursuing business activities that are based on the spirit of mutual development (CO-GROWING) in line with fair rules for producers and business partners, realizing sustainable growth and focusing on the principles below.

1. We preserve biodiversity, eliminate natural resource transactions, gathering, and fishing conducted illegally.
2. We reuse renewable resources to protect natural resources at extreme risk of depletion.
3. As the safety, security and health of customers is the highest priority, we work to secure the traceability of agricultural, livestock and marine products and disclose information to customers that is easy to understand.
4. We comply with laws and social norms and aim at a sustainable society together with producers and business partners who take social responsibility, including human rights, workers, health and safety, and global environmental preservation.

Established February 2018



# Sustainability Action Guidelines for Supply Chain

## 1. Comply with laws and regulations

We comply with international norms as well as the laws and norms of countries and regions where we conduct business and engage in conscientious business activities.

## 2. Human rights

We respect individuals and their rights regardless of race, skin color, nationality, language, religion, thought, age, sex, sexual orientation, gender identity, with or without disabilities, property, employment type, etc. and we do not participate in human rights abuses.

We commit to the health and safety of our employees by providing a comfortable working environment. In addition, we also prohibit discrimination, inhumane treatment and forced labor in hiring and employment.

## 3. Fair business

In accordance with sound business custom when doing business, we conduct business based on appropriate conditions and work against corruption in all forms including extortion and bribery.

## 4. Environment

We strive to preserve the environment, nature and biodiversity, and prevent pollution, addressing climate change through measures such as reducing greenhouse gas emissions and reducing energy consumption. We are also working towards creating a sustainable society by reducing, properly disposing of and recycling waste, as well as cutting back and optimizing our resource consumption.

## 5. Product quality & safety

We provide products and services that are safe, reliable and healthy for customers, and in the case of accidents or defects, respond by quickly disclosing information and notifying competent authorities.

## 6. Synergy with local communities

We connect with activities related to development of local communities, we contribute to a better regional life through being environmentally responsible for impacts around business sites and plants.

## 7. Supply chain system maintenance

Based on social norms and in response to social demands, we are working to build a sustainability promotion system and internal control systems, as well as maintain risk control systems. We are also increasing sustainability awareness of and dissemination in our own supply chain.

Established February 2018

Revised September 2021

## Environmental Policy

FamilyMart will work earnestly to become a store that is rooted closely and evolves as an integral part of the local community. We will foster close ties with business partners like a family, and want customers to feel part of the neighborhood family.

We will contribute to the sustainable development of local communities through environmentally conscious initiatives that are based on our principles. To promote this, we periodically evaluate the environmental impact of our business activities and set environmental goals, and improve our environmental performance.

Moreover, we have set the following policy to continuously remedy of the environmental management system, and also work on preventing pollution and protecting the environment.

### I. Caring for the environment through our business activities

(1) Continue providing high-quality products and services that impress customers by always keeping in mind environmental considerations, safety, and reassurance when developing and selecting products and services.

(2) For product delivery we aim to build and operate a continually efficient delivery system while at the same time promoting the use of low-polluting delivery vehicles.

(3) In our stores we are introducing equipment and materials that contribute to conserving energy and materials. We also strive to appropriately maintain our equipment and properly dispose of used equipment.

(4) During store operation we engage in environmental activities that always take into consideration the community, society, and nature.

Further, the waste generated by our stores is properly processed and recycling promoted.

(5) All offices undertake energy and resource conservation, recycling, and the proper disposal of waste while promoting waste reduction.

In addition, vehicles with a low environmental load are being introduced for use as company vehicles and employees always drive keeping the environment and safety in mind.

## II. Respecting environmental laws and regulations

Fulfill our duty to observe the environmental laws, regulations, and related requirements.

## III. Organizations and awareness-raising

Create an organization and operation system for the Environment Management System. Further, we conduct awareness activities to make the environmental policy known to everyone in the organization and improve consciousness of environmental preservation and consideration.

Established November 1998

[▶ Click here for more information](#)

## Biodiversity Conservation Policy

Biodiversity supports our existence and livelihood, bringing with it the blessings of a diverse array of ecosystems. FamilyMart's business activities are carried out with the intent to create harmony with the natural environment, and to create a sustainable society through efforts to both reduce its negative impact on and protect biodiversity.

1. When formulating Companywide or segmental business plans, we take into account their impact on related ecosystems and local communities both in Japan and overseas.
2. When developing products and services, we strive to procure materials with care toward protecting ecosystems and utilize environmentally friendly packaging.
3. During store construction and renovation, we work continuously to utilize energy-saving methods and conserve resources to reduce the burden these activities have on the environment.
4. From a store management standpoint, we are committed to recycling and the proper disposal of waste, waste oils, wastewater, and related materials. We also work to protect local ecosystems through environmental beautification activities.
5. We communicate with NGOs and NPOs, education and research institutions, and local governments to expand biodiversity, build relationships, and promote cooperation.
6. We provide environmental education for franchisees and employees and strive to raise awareness in order to create a society that fosters biodiversity.

Established May 2010

## 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 contribute to realizing a prosperous global community and to activities that protect and nurture the environment.
2. To meet the expectations of local communities and win their trust, we take care to build links and live in harmony with them.
3. As part of our role in helping create safe, secure neighborhoods, we support the sound development of youth.
4. We support the individual efforts of our employees to get involved in social contribution activities.

Established March 2007

[▶ Click here for more information](#)

# Sustainability Promotion System

FamilyMart has established the Sustainability Committee to oversee company-wide sustainability activities across the board, approving activity plans and managing progress.

In promoting sustainability, FamilyMart departments, offices, area divisions, and store regeneration divisions develop specific sustainability activities through their respective operations based on FamilyMart’s Basic Policy, medium- to long-term plans, and Sustainability Committee decisions.



## Fiscal 2022 Sustainability Committee Members

<b>Chair</b>	CAO* and General Manager of the Management Division
<b>Members</b>	General Managers of the Store Operations & Affairs Division, Merchandising Division, Supply Chain & Quality Management Division, Corporate Planning Division, and Marketing Division; General Manager of Creative Office & 8; General Managers of the Store Construction & Asset Management Department, Store Operation Administration Department, Merchandising Administration Department, Manufacture Infrastructure Development Department, Logistics Planning Department, Corporate Planning Department, and Corporate Communications Department; Assistant General Manager of Creative Office & 8; and the Standing Corporate Auditor.

\*Chief Administrative Officer

### Related Links

▶ Corporate Governance

▶ Risk Management

▶ Compliance

# Identification of material issues

## Identification Process of Material Issues

Due to the fact that FamilyMart operates convenience stores with a close connection to people's lives, we believe it is important to adapt to social changes and steadily respond to the needs and expectations of stakeholders. We therefore identified our material issues for the first time in fiscal 2017 to reassess and manage the social impact of our business. In fiscal 2019 following adoption of a corporate structure focused solely on convenience store business, we reviewed our external environment, social issues, and stakeholder needs and expectations, as we reexamined the material issues. The process of reviewing the five material issues we identified and four foundations supporting solutions brought clarity to our policy of addressing social issues through our business to achieve the SDGs, which in turn makes the FamilyMart Basic Principles a reality.

In fiscal 2022, we are making our sustainability activities more effective through PDCA cycles guided by the Sustainability Committee, as the Sustainability Promotion Department works with relevant divisions on targets and KPIs set based on medium-to long-term environmental targets in FamilyMart Environmental Vision 2050 and material issues.

## Material Issues Revision and Identification Process

### STEP 1

### Figure out, organize, and extract issues

Analyze the internal and external environment and extract issues relevant to FamilyMart.

#### Analysis of external environment

Comprehensively analyze SDGs and other international standards, norms, and initiatives, ESG evaluations, customer demands, activity indicators of benchmark companies, etc.

- **Major analysis indicators:**SDGs, Paris Agreement, United Nations Global Compact, ISO 26000, GRI Standards, SRI/ESG evaluations, SASB, industry targets, etc.

#### Analysis of internal environment

Analyze FamilyMart's Corporate Message, norms, business strategy, etc.

- Corporate Message, business plan, policies, etc.

**STEP2**

## Evaluate Materiality

Evaluate and verify the Materiality of the extracted issues' impact on society and on FamilyMart and identify material issues (in draft form).



**STEP3**

## Evaluate Appropriateness

Discuss views with departments confer on each issue, ask for advices from external experts, and evaluate appropriateness as well as consistency of resolution to create final draft of Material Issues Matrix.

**STEP4**

## Identify Material Issues

The “final draft of Material Issues Matrix” created in STEP 3 was classified into five major themes and four basic themes that support each resolution, considering the relationship with the basic philosophy, contribution to the SDGs, penetration into internal and external of the company, explicitness, etc. They were approved by the Management Meeting and identified after confirmation by the Board of Directors.

**STEP5**

## Set Material Issue Targets and KPIs

For each material issue theme, proposed targets and KPIs were studied by relevant departments and the Sustainability Promotion Department in view of industry trends, needs of stakeholders and society, and our progress in relevant activities. Decisions were reached after discussion and determination of suitability by the Sustainability Committee. This will be followed by regular reports and reviews of our progress toward targets, as we make these efforts more effective.

# Material Issues in FamilyMart

## 1 Contributing to the Future of the Earth and Its Regions through Environmental Awareness



### Challenges FamilyMart should take on

- ▶ Continuous Improvement of Environmental Management System

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- ▶ Reduction of Food Wastage

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- ▶ Climate change mitigation and adaptation

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- ▶ Use of Sustainable Resources/Prevention of Environmental Pollution

## 2 Evolving as a regional revitalization base close to people



### Challenges FamilyMart should take on

- ▶ Development and Revitalization of Local Communities

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- ▶ Disaster Countermeasures and Support for Disaster-affected Areas

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- ▶ Supporting the Development of the Next Generation

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- ▶ NGOs/NPOs Support and Cooperation

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- ▶ Collaboration with the Government and Municipalities

## 3 Creating safe and reliable products and services to bring convenience and richness to everyday life



### Challenges FamilyMart should take on

- ▶ Providing Products and Services That Enrich Lives

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- ▶ Promotion of Digitalization to Improve Convenience

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- ▶ Prompt Response to Customer Feedback

## 4 Working with suppliers to pursue a sustainable supply chain



### Challenges FamilyMart should take on

- ▶ Promotion of Fair and Transparent Business Activities

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- ▶ Our Responsibilities to Provide Safe and Reliable Products / Services

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- ▶ Building Responsible Supply Chain Management / Promoting Sustainable Ingredient Sourcing

## 5 Building a Rewarding Work Culture with Motivated Employees



### Challenges FamilyMart should take on

- ▶ “with Sustainability! Activities” with Employees

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- ▶ Diversity and Inclusion

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- ▶ Initiatives on Human Resources Development

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- ▶ Creating a Safe, Healthy, and Comfortable Workplace Environment



# Stakeholder Engagement

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## Stakeholders of FamilyMart

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FamilyMart aims to contribute to the construction of a sustainable society, and we believe that it is necessary and essential to actively and continuously engage in constructive dialogue and collaboration with all of our stakeholders. Based on this way of thinking, we have established opportunities to directly receive the needs and expectations of all of our stakeholders regarding the responsibility and role that the Company should fulfill with respect to society through its business activities. We take into account the valuable opinions and requests we have received by utilizing them for revision of our material issues and improvement of our business activities, which in turn leads to higher quality product development and services and improvement of our brand management.

Promotion of this kind of engagement is useful for the construction of good relationships with all of our stakeholders and is a foundational activity that supports our evolution into a company that is even more trusted by society.

From fiscal 2020 to 2021, we were able to create an extremely large number of opportunities for engagement and we received many opinions and requests. Below we describe the status of implementation of engagement with the main stakeholders of the Company.

## FamilyMart's Stakeholder Engagement

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## Customer

### Method / Content

- Sales channels including stores, online shopping, and Automatic Super Delice (ASD)
- Receiving and responding to customer feedback at the Customer Service Office
- Sending information tailored to users via the “FamiPay” app
- Information dissemination through website, communication through SNS

### Achievement and Evaluation

- **16,600 stores** in Japan, with **15 million customers** per day
- Feedback to the Customer Service Office: **104,282 calls/messages** (fiscal 2021)
- Downloads of “FamiPay” app: **12.57 million** (as of May 2022)
- Official twitter account (@famima\_now): **Approx. 4.3 million followers** (as of May 2022)

### Response / Plan

- Develop and improve the quality of products and services that meet consumer needs
- Improve store management quality, including product lineup, customer interactions, and cleanliness
- Increase communication opportunities using in-store equipment and digital technology



## Local community



## NGOs/NPOs

### Method / Content

- Revitalize local communities through providing support for children and the elderly
- Work on solutions for social challenges with NGOs/NPOs
- SDG awareness activities targeted at students from elementary schools to high schools
- Dialogue with the local community through daily store operations
- In-store fund-raising activities to support NGOs/NPOs and disaster recovery

### Achievement and Evaluation

- Problem-solving focused sustainability activities by collaborating with local municipalities, NGOs/NPOs, and schools
- “Thank You Letter Contest”, a program supported by the Ministry of Education, Culture, Sports, Science and Technology: Held **13 times**, a total of **24,211 schools** participated with **431,187 submissions**
- Nationwide expansion of Famima Food Drive: **1,550 stores** (as of July 2022)
- Famima Academy (online workshop by employees): **68 sessions** (fiscal 2021)
- Deterrent of communications fraud and initiatives on preparation for disasters/support for when disasters happen
- Fund-raising results at stores in fiscal 2021: **Approx. 450 million yen**

### Response / Plan

- Expand community-based events/programs using stores and online
- Continue to increase the number of participating stores and encourage the development of cooperative partners to further enhance the food donation program
- Choosing employees from a wide range of divisions as lecturers and increase the quality of programs that meet the needs of the schools
- Continue to serve customers with consideration for each customer
- Effective use of in-store fund-raising and corporate donations for addressing social issues



## Franchised Stores/Store Staff

### Method / Content

- Communications with stores through online events and direct visits by top management personnel
- Store visits by supervisors
- Hold management policy/product policy briefings using online
- Strengthen and enhance various support systems for store managers and store staff
- Consultation and visits by the Franchisee Relations Office

### Achievement and Evaluation

- Deepening the dialogue through weekly visits by supervisors
- Advice, evaluation, and guidance on store management, and periodic confirmation of the status of practices
- Provide free health exam support services to store managers and store staff
- Number of consultations to the Franchisee Relations Office: **3,146** (fiscal 2021)
- Store visits by consultants: **1,783** (fiscal 2021)

### Response / Plan

- Building a deeper relationship of trust between Franchised Stores and headquarters
- Promote efficiency in store operations, expand support, and improve profitability
- Streamlining store operations and promoting digital transformation



## Suppliers

### Method / Content

- Information sharing, collaboration and implementation of sustainability policies and product policies
- Promoting sustainable procurement in the supply chain
- Operation and response of supplier consultation service

### Achievement and Evaluation

- Disseminate our sustainability policies to **482 business partners** (annually)
- Conduct SAQs (self-check surveys) of **63 business partners**
- Conduct monitoring audits of **10 business partners**

### Response / Plan

- Increase understanding of and support for FamilyMart's sustainability policies
- Expand targets for SAQs and monitoring audits
- Improve response rate to supplier surveys



## Employees

### Method / Content

- Conduct diversity penetration surveys and LGBTQ education
- Strengthen support for goal achievement through the implementation of forward sessions\*<sup>1</sup>
- Various support systems for employee training/self-development, childcare and nursing care, etc.
- Promote support for people with disabilities and expand their field of work
- Promotion of health management

### Achievement and Evaluation

- Diversity penetration survey: **88%** response rate (January 2022)
- LGBTQ initiatives: ALLY\*<sup>2</sup> stickers distributed: **1,425** (June 2022)
- Short-term childcare leave\*<sup>3</sup> (suku suku kyuka) taken: **60%** (fiscal 2021)
- Expand hiring of people with disabilities to Nagoya, Osaka, and Ikebukuro offices
- Employment rate of people with disabilities: **2.51%** (calculated as of June 1, 2022)
- Health awareness survey response rate: **95%** (September 2021)

### Response / Plan

- Promote diversity and inclusion
- Enhanced education and training menu to provide growth opportunities
- Expansion of various systems related to health, welfare, etc. adapted to different life stages
- Expand network in collaboration with the regional employment support offices and accept visits and on-the-job training
- Promote maintenance of mental and physical health

\*<sup>1</sup> A meeting of a manager and employee to work together for the purpose of improving the degree of certainty that employees will achieve their goals and enhancing communication between them through future-oriented examination and consultation of methods and measures towards achieving an employee's performance goals.

\*<sup>2</sup> A person who has an understanding of LGBTQ issues and proactively takes action to support them.

\*<sup>3</sup> Childcare leave with pay that can be taken by any gender until their children go to elementary school (up to 5 days a year regardless of the number of children and can be taken with a unit of 1 day).

# Collaboration with International Society

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## Our Support for Global Initiatives

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### The United Nations Global Compact



#### Activities:

The United Nations Global Compact is a global initiative to realize sustained growth in the international community based on ten principles in the four areas of human rights, labor, environment, and anti-corruption. Participating companies and organizations are required to work for a better world. We signed the United Nations Global Compact in September 2017 and created our Human Rights Policy based on these principles.

### Task Force on Climate-related Financial Disclosures (TCFD)



#### Activities:

TCFD is a task force established by the Financial Stability Board (FSB) at the request of the G20 Finance Ministers and Central Bank Governors. It aims to achieve correct capital allocation, a more efficient financial market, and a sustainable and stable economy by examining ways to disclose companies' risks and opportunities related to climate change, thus enabling investors to make appropriate assessments. FamilyMart endorsed TCFD's Final Report in February 2020. Following TCFD's recommendation, we will disclose information on four core elements of how organizations operate: governance, strategy, risk management, and metrics and targets.

## Science Based Targets Initiative(SBT)



### Activities:

This is a joint initiative of international NGOs, namely the CDP, the UN Global Compact, the World Resources Institute (WRI), and the World Wide Fund for Nature (WWF). This initiative aims to promote the establishment of science-based targets (SBT) to reduce greenhouse gas emissions. The aim is to reach the Paris Agreement’s goal of limiting the global average temperature increase due to climate change to a maximum of less than two degrees Celsius above the pre-Industrial Revolution level. In March 2020, our greenhouse gas reduction targets received SBT certification.

## Japan Climate Initiative

### Activities:

This is a network for Japanese companies, local governments, NGOs, and other organizations actively engaged in measures against climate change. The network is for the communication of information and the exchange of opinions. Companies that agree with its aim, “Joining the front line of the global push for decarbonization from Japan” participate in this initiative.

## Decarbonized Management Promotion Network

### Activities:

This initiative hosts study sessions and opportunities to exchange information as a part of the Ministry of the Environment's program to promote corporate value enhancement through decarbonized management. The aim is to promote and support companies’ efforts to reduce greenhouse gas emissions throughout their supply chains and to realize decarbonized management.

## Japan Clean Ocean Material Alliance (CLOMA)

### Activities:

CLOMA seeks to solve the problem of marine plastic waste, a new global issue. It does it by promoting the sustainable use of plastic products as well as the development and adoption of alternative materials. They aim to accelerate innovation through collaboration between the public and private sectors.



Clean Ocean Material Alliance

## Green Purchasing Network

### Activities:

This network promotes green purchasing in all areas to build a social system based on sustainable production and consumption. It aims to promote the greening of all products and services and make all organizational purchasers and individual consumers green.



## Japan Food Safety Management Association (JFSM)

### Activities:

The association aims to improve food safety, quality control, and reliability assurance of food-related businesses. It does this by establishing, handling, and standardizing food safety management standards and certification schemes. It also develops human resources involved in these areas.

## Japan Retailers Association

### Activities:

This is an industry association comprised of various retailers in Japan and conducts various activities to develop the retail industry. Its activities include research on related social issues, such as business continuity planning (BPC), labor shortage, declining birthrate, and the aging population.

## Japan Franchise Association

### Activities:

This association consists primarily of companies that operate a franchise business to promote the sound development of the franchise system. It also addresses various social issues that require efforts from the entire industry.

## To Achieve Sustainable Development Goals (SDGs)

The Sustainable Development Goals (SDGs), adopted at the UN Summit in September 2015 as international objectives for a sustainable and better world by 2030, aim to achieve goals that address various issues. Issues include poverty and hunger, health and welfare, sustainable production and consumption, and climate change. As a company that constantly generates value, FamilyMart will contribute to society's sustainable development, solve social issues, reduce its impact on the environment, and work toward achieving the SDGs.



## The Promotion of ISO 26000

ISO 26000 (Guidance on social responsibility) is an international standard that was established on November 1, 2010, after discussion amongst stakeholders with various backgrounds from over 90 different countries and regions.

Our Sustainability Policy references the 7 Core Subjects established by ISO 26000. As we move forward, we will remain aware of our social responsibility and promote sustainability efforts through our business.



7 Core Subjects of ISO 26000



	Sustainability Policy	Related 7 Core Subjects
-	preamble	Organizational governance
1	We get involved in activities that lead to the development of local communities and contribute to better lives for everyone.	Community involvement and development
2	We provide products and services with consideration for safety, reliability, and health and construct the supply chain in accordance with fair business practices with our business partners.	Consumer issues Fair operating practices
3	We endeavor to give consideration to the global environment, nature, and biodiversity, prevent global warming, and form a recycling-oriented society.	The environment
4	We endeavor to support the development of the next generation together with local communities so that the children who will be responsible for the future can grow up healthily and happily.	Community involvement and development
5	We respect people and their rights regardless of their race, nationality, religion, gender, etc. and promote business activities which offer job satisfaction and enable all of the people involved in the business to be successful.	Human rights Labour practices
6	We comply with international norms and the laws and norms in the countries and regions in which we develop our businesses, and carry out our business activities faithfully.	Fair operating practices

# Efforts Regarding Material Issues



## Material issue 1: Contributing to the Future of the Earth and Its Regions through Environmental Consideration

- ▶ Social Context and Recognition of Issues
- ▶ Continuous Improvement of Environmental Management System
- ▶ Reduction of Food Loss and Waste
- ▶ Climate Change Mitigation and Adaptation
- ▶ Use of Sustainable Resources and Prevention of Environmental Pollution



## Material Issue 2: Evolving as a Regional Revitalization Base Close to People

- ▶ Social Context and Recognition of Issues
- ▶ Development and Revitalization of Local Communities
- ▶ Disaster Countermeasures and Support for Disaster-affected Areas
- ▶ Supporting the Development of the Next Generation
- ▶ NGOs/NPOs Support and Cooperation
- ▶ Collaboration with the Government and Municipalities



**Material Issue 3:  
Creating Safe and Reliable Products  
and Services to Bring Convenience  
and Richness to Everyday Life**

- ▶ Social Context and Recognition of Issues

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- ▶ Providing Products and Services That Enrich Lives

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- ▶ Promotion of Digitalization to Improve Convenience

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- ▶ Prompt Response to Customer Feedback



**Material Issue 4:  
Working with Suppliers to Pursue a  
Sustainable Supply Chain**

- ▶ Social Context and Recognition of Issues

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- ▶ Promotion of Fair and Transparent Business Activities

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- ▶ Our Responsibilities to Provide Safe and Reliable Products / Services

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- ▶ Building Responsible Supply Chain
- ▶ Management / Promoting Sustainable Ingredient Sourcing



### **Material Issue 5: Building a Rewarding Work Culture with Motivated Employees**

▶ **Social Context and Recognition of Issues**

▶ **“with Sustainability! Activities” with Employees**

▶ **Diversity & Inclusion**

▶ **Human Resource Development Initiatives**

▶ **Creating a Safe, Healthy and Comfortable Workplace Environment**

#### Related Links

▶ **Towards the Achievement of Sustainable Development Goals (SDGs)**

▶ **Identification process of Material Issues**

# Material issue 1: Contributing to the Future of the Earth and Its Regions through Environmental Consideration



## Social Context and Recognition of Issues

The global environment is facing a serious crisis due to global warming, ocean pollution and deforestation. Under these conditions, international consensus on Sustainable Development Goals (SDGs) has accelerated adoption of targets and frameworks aimed at mitigating or adapting to climate change and encouraging a recycling-oriented society. Companies are expected to do more.

Environmental issues also have a significant impact on our business. As a company that contributes to the SDGs, we also hope to contribute to achieve a sustainable society by proactively working toward solving environmental issues.



## Vision

FamilyMart stores are rooted in the local communities they serve and aim to contribute to the creation of both a sustainable community and a sustainable society while providing products and services that will make customers feel like part of the neighborhood. Based on this concept, we will use our environmental management system to not only comply with environment-related laws and regulations, but also to set sustainability goals and address environmental issues.

## Specific Initiatives



**Continuous Improvement of Environmental Management System** ▶

**Climate Change Mitigation and Adaptation** ▶

**Reduction of Food Loss and Waste** ▶

**Use of Sustainable Resources and Prevention of Environmental Pollution** ▶

## Basic Approach



As a company that conducts business centering on stores, environmental issues are particularly important since they are closely connected to and have a great impact on our daily lives.

In March 1999, FamilyMart obtained ISO 14001 certification for all its stores and business establishments and has since promoted the development of environmentally friendly convenience stores in conformance with the environmental management system.

We intend to strengthen the environmental management system and further promote environmental efforts.

**Environmental Policy** ▶

**Medium-to Long-term Goals** ▶

## Value Creation



FamilyMart has a store network across the country and promotes environmental efforts throughout the supply chain in collaboration with local communities and business partners. We will spread more stable and efficient environmental measures through our business, which cover store equipment, sales activities, and beautification of the community environment.

## Operational Structure

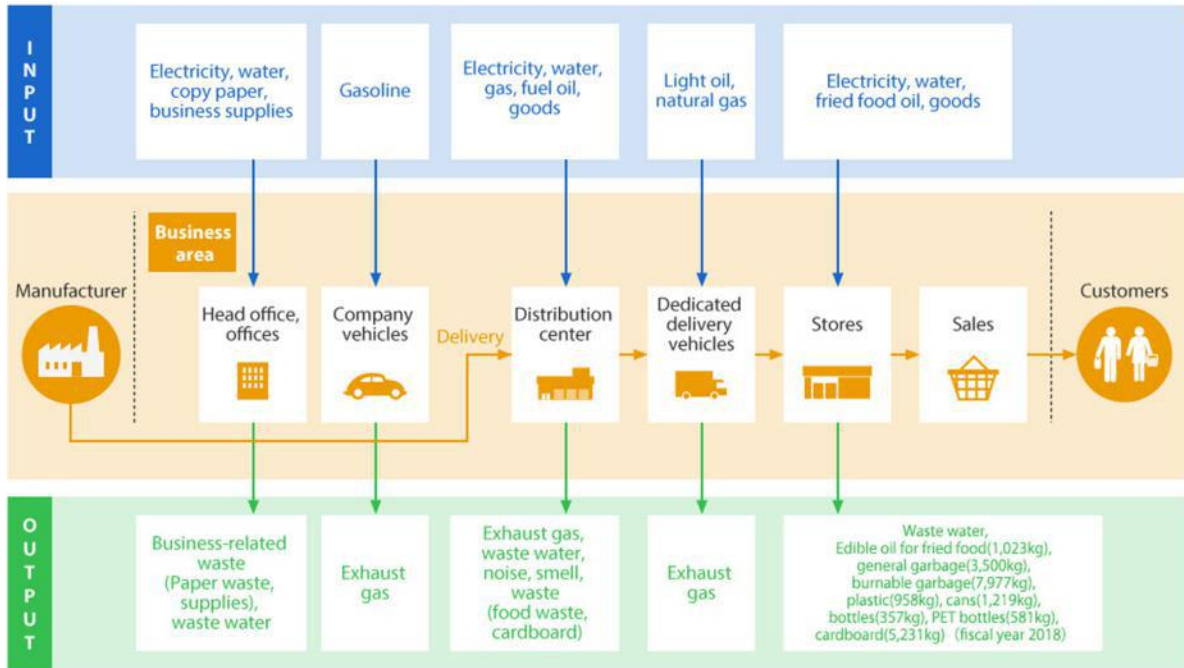


Within FamilyMart, the Sustainability Promotion Department collaborates with departments, offices, regions and districts to promote efforts based on sustainability implementation plans. On maintaining and improving the environmental management system at stores, supervisors (SV) provide consulting through periodic visits to the stores and communicate guidelines and improvement measures relating to the environmental management system.

## FamilyMart Material Flow



FamilyMart impacts the environment in various ways during the course of its business operations, such as through CO<sub>2</sub> emissions and the generation of waste and wastewater. By monitoring and reducing our environmental impact, we are contributing to help creating a sustainable society while pursuing further development of our business.



## Third-Party Verification of Waste Emissions

FamilyMart underwent third-party verification by Japan Audit and Certification Organization for Environment and Quality (JACO) regarding the publication of our waste emissions data. For fiscal 2021, the audit determined that amount of waste generated by stores on a daily basis was 280,936 tons, of which 60,415 tons was food waste. Based on these results, we will continue our efforts to improve the accuracy of our published figures and enhance trust both internally and externally.

環境データ 第三者検証報告書

株式会社ファミリーマート 御中

2022年8月31日

株式会社 日本環境認証機構  
東京都港区赤坂 2-2-19  
代表取締役社長 小野寺 浩幸

JACO

株式会社日本環境認証機構（以下、JACO）は、株式会社ファミリーマート（以下、「組織」といふ）により報告された環境データのうち、組織から要請のあったものに対して、独立した立場から検証を行った。検証の目的は、報告情報の信頼性および正確性など、報告情報の信頼性を検証した結果についてその見解を述べることにあつた。

検証は、国際保証業務基準（ISAE）第 3000 号に準じた JACO 検証基準を基本に、組織と合意した手順により、限定的保証業務として行った。限定的保証業務で実施される手続は、合理的保証業務よりもその種類と頻度が多様であり、その範囲が狭い。その結果、限定的保証業務で得られる保証の水準は、合理的保証業務が実施されていたと見られるよりも低くなる。

【検証内容の概要】

JACO は、組織との合意に基づいて、2021 年度（2021 年 3 月 1 日から 2022 年 2 月 28 日まで）における環境データに対して、以下の検証を実施した。

検証対象	検証方法
組織における店舗（直営・FC） [2022 年 2 月 28 日時点で 15,646 店舗] の事業活動に伴う、以下の環境データ： - 店舗から日常的に排出される廃棄物量 - 食品廃棄物量	策定された関連資料の確認、責任者及び担当者へのヒアリング又は書類による確認、データ入手方法の確認、報告されたデータと根拠資料との交差による検証を実施した。

【検証の結果】

JACO が実施した手続き及び入手した証拠に基づいて、組織の環境データが、組織の算定基準に照らして適正では無いと確信する事項は、全ての重要な点で見つかりなかった。

検証された環境データ

- 店舗から日常的に排出される廃棄物量 280,936 t、食品廃棄物量 60,415 t

【独立性と品質管理】

当社は、誠実性、客観性、職業的専門家としての能力と正当な注意、守秘義務、及び職業的専門家としての行動に関する基本原則に基づく独立性及びその他の要件を含む、国際会計士倫理基準審議会の公表した「職業会計士の倫理規程」を遵守した。また、当社は、国際品質管理基準第 1 号「財務諸表の監査及びレビュー」並びにその他の保証及び関連サービス業務を行う事務所の品質管理」に準拠して、倫理要件、職業的専門家としての基準及び適用される規則の要件の遵守に関する文書化された方針と手続を含む、包括的な品質管理システムを維持している。

以上

【検証の独立性、客観性】 組織と JACO 検証チームは、特定の利害関係がなく、独立した立場で検証を行った。

Environmental Data  
Independent Verification Report

To: FamilyMart Co., Ltd.

August 31, 2022

Japan Audit and Certification Organization  
for Environment and Quality (JACO)  
2-2-19 Akasaka Minato-ku, Tokyo, Japan  
President H. Onodera

JACO

Japan Audit and Certification Organization for Environment and Quality (JACO) has been engaged by FamilyMart Co., Ltd. (hereinafter referred to as "the Organization") to conduct independent verification of its environmental data prepared under the responsibility of the Organization. The aim of this verification is to consider the accuracy of environmental data and to provide a verification opinion.

Verification was conducted as limited assurance according to the procedure agreed with the Organization based on JACO verification standards in accordance with International Assurance Business Standard (ISAE) 3000. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Summary of verification

With regard to the following Environmental Data for the fiscal year 2021 (March 1, 2021 to February 28, 2022), verification was conducted.

Verification scope	Sampling sites
The Environmental Data of business activities at the Organization's stores (company-owned and franchised) (15,646 stores as of February 28, 2022): - Wastes discharged from stores routinely - Food waste generated	Verification was conducted based on confirmation of related documents formulated, interviews with or inquiries to the responsible persons and persons in charge, confirmation of the method of obtaining data, and comparison between the reported data and its supporting documented information (evidence).

Conclusion

Based on the procedures we have performed and evidence we have obtained, nothing has come to our attention that causes us to believe that the Organization's Environmental Data is not prepared, in all material respects, in accordance with the methodology implemented by the Organization.

Verified Environmental Data:

- Wastes discharged from stores routinely: 280,936 tons and food waste generated: 60,415 tons

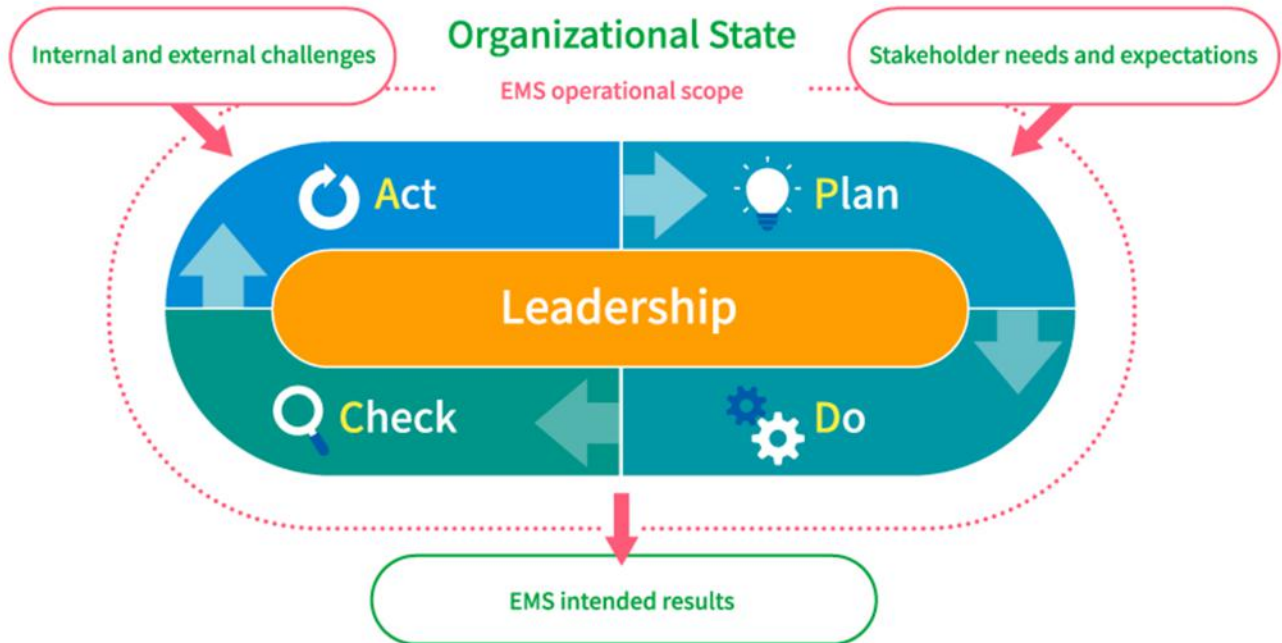
Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. JACO applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable regulatory requirements.

The Organization and JACO verification team did not have any specific conflicts of interest and carried out the verification on an independent basis.

# Continuous Improvement of Environmental Management System

## Environmental Management System



FamilyMart has established an ISO 14001-based environmental management system (EMS) at all our businesses consistent with our basic principles and sustainability/environmental policies.

The headquarters and all stores work together to continuously improve the EMS through a companywide framework under the president.

## Operational Structure

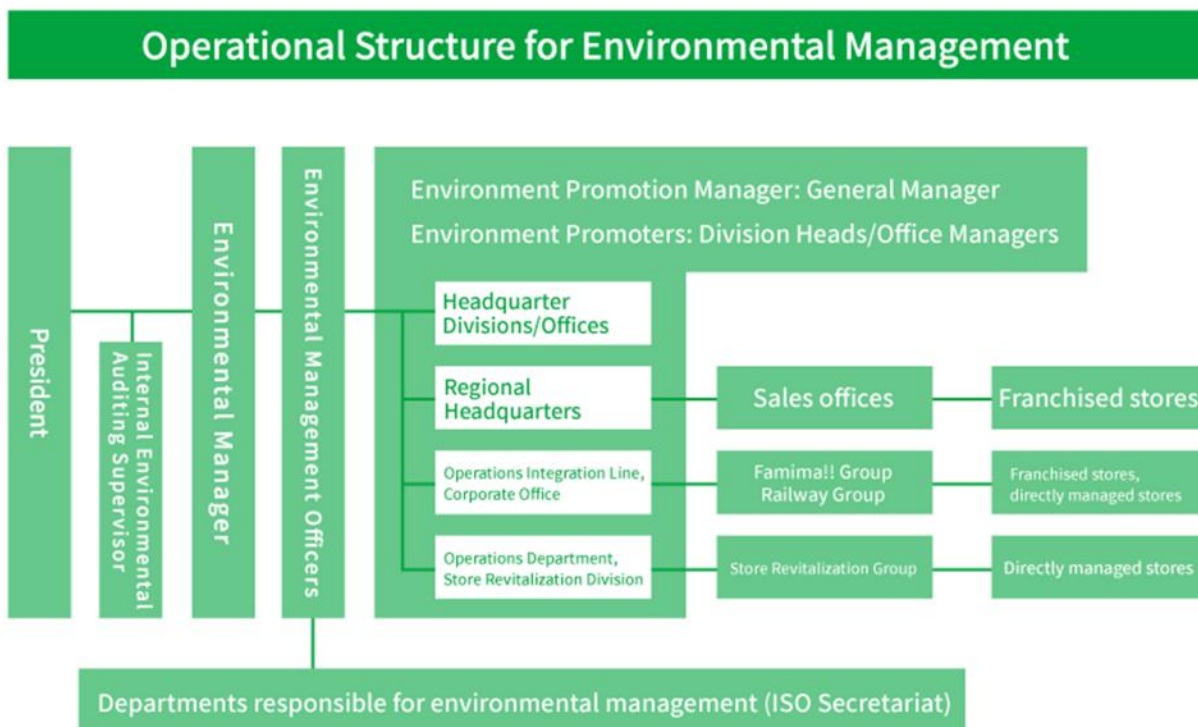
Since 1999, we have been pushing forward with environmental improvements in all stores and offices through the introduction of the companywide environmental management system headed by the president.

Apart from receiving environmental inspections by external institutions, internal environmental audits are conducted by employees of the Sustainability Promotion Department.

In fiscal 2021, we conducted internal environmental audits of all major head office departments, all regional offices, and all stores conducted. We also received renewed ISO 14001 certification following an audit by an external organization.







## Sustainability Committee

This committee is chaired by the Chief Administrative Officer (who is also the General Manager of the Management Division) with members consisting of the heads of each division. The committee meets once every six months.

The Sustainability Committee deliberates on matters submitted to it regarding FamilyMart's sustainability activities, such as verifying and assessing the status of achievements for sustainability implementation plans and drafting new measures.

## Environment Promoters

The person in charge of each division, as an environmental promoter, creates and carries out a sustainability implementation plan in line with FamilyMart's material issues. They also monitor the progress of environmental objectives each quarter and verify and correct the results of activities.

## Conducting internal and external environmental audits for certification renewal

An internal environmental audit of all FamilyMart stores and offices is conducted each year to check if the environmental management system is being properly and efficiently conducted based on the Plan-Do-Check-Act (PDCA) cycle. In addition, audits by an external auditing organization have been conducted regularly since our ISO 14001 certification was received in March 1999. A major environmental audit that is required every three years for ISO 14001 certification renewal was done in November 2021. This audit covered the offices that oversee stores and regions as well as core divisions of the head office. The audit was passed and our certification renewed.



Store audits by external organizations

## Management Review

A management review is conducted based on the audit results of the external environmental audit to plan further promotion of environmental protection activities.

## Environmental Training

FamilyMart conducts environmental education and awareness enhancement training to allow office managers and supervisors, as well as store managers and store staff, to promote activities in unison.

### ■ Store Environmental Education

The environmental education publication Eco Partner is issued three times a year for all FamilyMart store managers and store staff to explain environmental regulations and things that stores can do to reduce carbon dioxide emissions. From fiscal 2019 on, it has been distributed in digital format that is accessible for store staff and others improves environmental awareness and encourages thorough implementation of the activities. Self-assessment checklists are also distributed to stores, which helps us to keep improving environmental activities.

ecoパートナー（2022年度夏号）配信	
概要	ファミリーマートのISO14001の取り組みの一環として、環境教育ツール「ecoパートナー」を配信します。店舗スタッフの皆さんへの確実な教育のため、閲覧を促していただきますようお願いいたします。バックナンバーやその他情報は「お知らせ・POP」に配信しておりますので、合わせてご確認ください。
対象者	全スタッフ
節電チェックポイント	
エネルギー価格高騰の影響により電気代が上昇しています。電気代が高くなりやすい夏に向け、すぐ実行できる「節電チェックポイント」を確認して電気使用量を抑制しましょう。電気使用量を抑制することでCO2排出量の抑制にもつながります。	
節電チェックポイント	
通年	夏場のみ
①室外機の周りに物を置かないようにする	②中型アイスケースの稼働はロードラインより下にする
②店頭ドアを開けっ放しにしない（コロナ対応で適宜、開放）	③ウォークインの扉（倉庫側）を開けっ放しにしない
③ポットはピーク以外は必要最小限の台数にする	④夏場（6月～8月）の空調設定温度は26度にする
④フライヤー換気扇はこまめにオンオフする	⑤ロールカーテンを降ろして直射日光を遮る
⑤各種フィルターは週1回清掃をする	⑥リーチインに隣接する飲料は、先にウォークインで冷やす
⑥アイスケースの取込み口をふさがないようにする	⑦暑い日は日中、室外機の周りに水をまく（対応可能店舗のみ）
※従来の「節電10か条」の内容を見直し、新たに「節電チェックポイント」を作成しました。	

Store staff training tools as part of FamilyMart's ISO 14001 initiatives

### ■ Employee Environmental Education

Once a year education using an e-learning system is given to all employees and covers environmental laws and regulations related to store operation as well as basic knowledge relating to the environment.

### Related Links

▶ Basic Policy

# Reduction of Food Loss and Waste

- ▼ Reducing and Recycling Waste
- ▼ Reducing Product Food Waste
- ▼ Reducing Store Food Waste
- ▼ Reducing Food Loss through Product Development

## Management Approach

While poverty and hunger exist in the world, a lot of food is wasted and thrown away. Goal 12 of the SDGs is to halve global per food waste at the retail and consumption levels by 2030, and to reduce food losses in production and supply chains. In Japan, the Law for the Promotion of Food Loss Reduction will be enforced in October 2019, and retailers are expected to make further efforts.

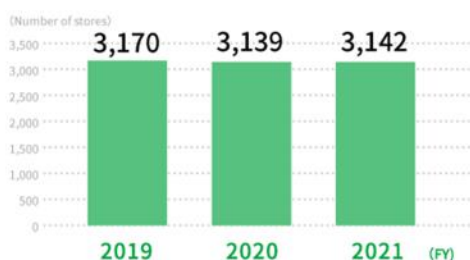
The generation of food loss has a significant impact on FamilyMart's business operations, not only in terms of environmental impact, but also in terms of costs associated with sorting and disposal. As food products account for the mainstay of our sales, we have positioned efforts to reduce food loss as one of our most important issues. By curbing the generation of food waste through improved accuracy of product ordering and promoting long-life products through improvements in containers and packaging as well as recycling food waste generated at stores, we will contribute to the transition to sustainable consumption and production patterns.

## Reducing and Recycling Waste

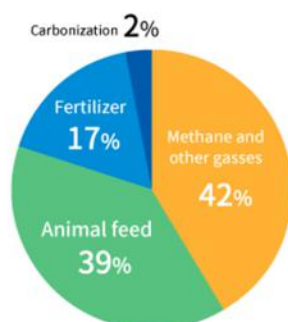
### Actively Promoting Food Recycling

We are actively promoting the recycling of food waste into animal feed and fertilizer by gradually expanding the use of waste disposal contractors that can recycle food waste.

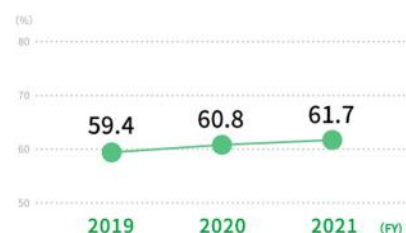
Change in Stores Conducting Food Recycling



Food Recycling Composition by Type (As of the end of February 2022)



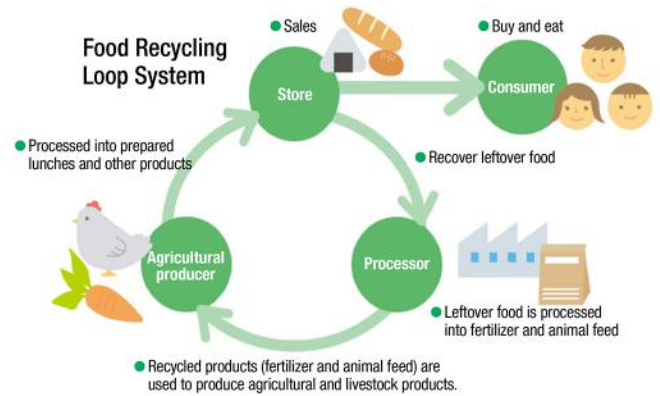
Change in Stores Conducting Food Recycling



## Food Waste Recycling Initiatives

The food waste generated by stores (prepared lunches, rice balls, and side dishes) are recycled into animal feed, fertilizer, and methane through our food waste recovery and recycling system. In 2008, the leftover food from stores in Tokyo and Kanagawa Prefecture was collected and efficiently transported to a pig farm with an animal feed factory. The pigs raised on the animal feed produced from this food waste were used in the production of prepared lunches and side dishes, and breads sold to customers. This creates a food recycling loop.

This recycling loop was expanded nationwide and as of February 2022 there are recycling loops in 6 areas and this has been certified as a Recycling Business Plan.



## Waste cooking oil recycling

Waste cooking oil used at FamilyMart stores for deep fryer products such as FAMICHIKI are collected by specialty contractors certified by their municipality and turned into 100% recycled products that include ink, soap, and additives for poultry feed. Some is used by stores as medicated hand soap, achieving closed-loop recycling.

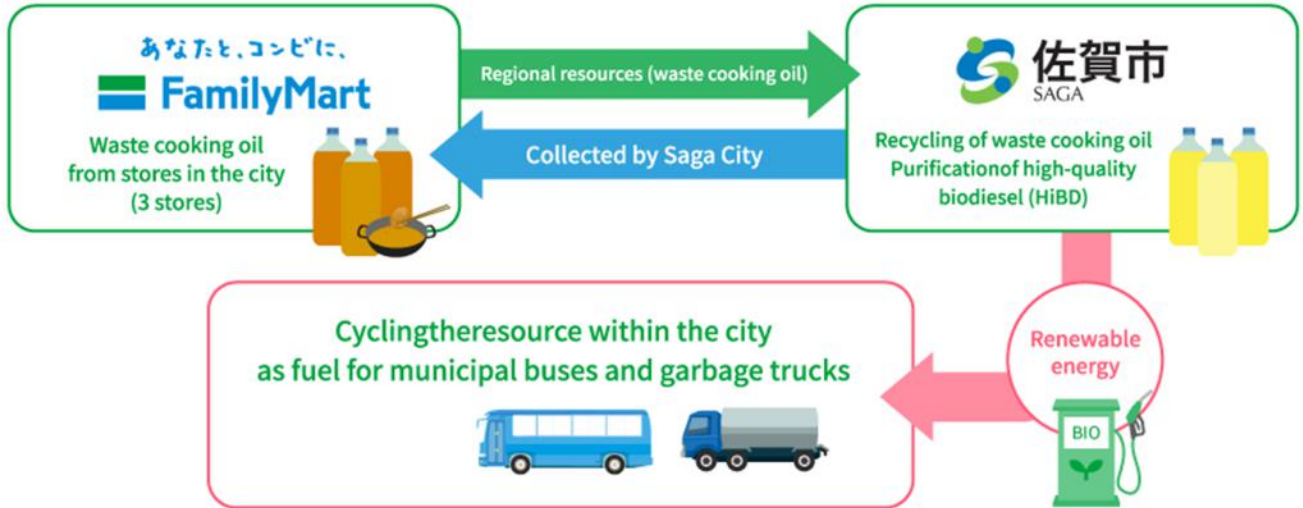
### Efforts with the government

Saga City collects waste cooking oil generated at FamilyMart stores in the city, recycling it into high-quality biodiesel fuel (HiBD) for use it as fuel for municipal buses.

### The FamilyMart stores participating in waste cooking oil recovery (as of February 2022)

Saga Kawasoemachi store  
 Saga Tafuse store  
 Saga Nabeshima 4-chome store  
 Saga Kanoie store  
 Saga Fuji store  
 Saga Nishiyoka store

### Local Resource Circulation (Example)



## Reducing Product Food Waste

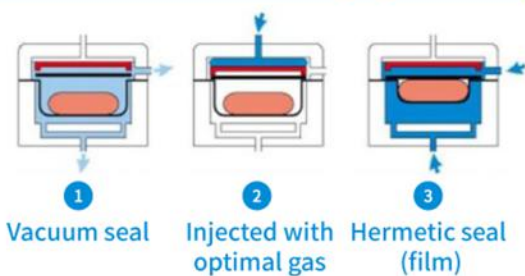
### Switching to Gas Flush Packaging

Gas flush packaging, which preserves freshness longer than conventional packaging, is being used for some of the products of the Mother's Kitchen prepared dish series.

Gas flush packaging fills the container with carbon dioxide and nitrogen to prevent oxidation.

This new technology extends the expiration date without sacrificing taste or increasing the amount of additives.

#### Gas Flush Packaging



## Reducing Store Food Waste

### Improving Ordering Accuracy and Enhancing Advance Sales of Seasonal Products

To curb occurrences of food wastage, stores are working to improve the accuracy of their routine product orders and reduce disposal of food past its sell-by date in order.

Since 2019, we have been enhancing advance sales of seasonal products (e.g., eel dishes, Christmas cakes, osechi dishes for New Year's, ehomaki rolled sushi) to optimize production numbers according to customer needs with the aim of achieving zero food waste.

### System for In-Store Discounted Prices

From July 1, 2021, barcode stickers were introduced for discounting rice balls, boxed lunches and other ready-to-eat meals nearing their sell-by date. This system simplifies the work of store staff and reduces food wastage.



## Reducing Food Loss through Product Development

### Products Using Irregular Ingredients

FamilyMart uses nonstandard ingredients (in size, shape, etc. and normally discarded) in our original products to help reduce food waste. Such product development emphasizes deliciousness to encourage many customers to give these products a try and will also contribute to a reduction in food waste.

#### ■ Goro Goro Kaniku Banana Milk

One of a series of dessert drinks, this one using a rich amount of banana pulp from mottainai bananas\* and Famimaru bananas that are considered nonstandard in size, shape, etc. (Released in limited quantities from August 1, 2022.)

\*One of Dole Japan's efforts to promote zero fruit waste. Dole calls this initiative Mottainai Banana because the bananas are fully edible but rejected as product because they do not meet size or shape standards for the Japanese market. These bananas are being used in various products.



# Climate Change Mitigation and Adaptation

- ▼ Product Initiatives
- ▼ Distribution Initiatives
- ▼ Store Operation Initiatives
- ▼ Supply Chain Initiatives
- ▼ Endorsement of TCFD Recommendations

## Management Approach

Global warming attributed to higher human emissions of carbon dioxide and other greenhouse gases (GHGs) has been linked to more frequent and intense extreme weather conditions around the world. The risks associated with climate change could have a significant impact not only on our daily lives and corporate activities but also on future generations, demanding even further corporate initiatives.

Most of our GHG emissions come from energy use in our stores. We will contribute to achieve a decarbonized society by actively using renewable energy in addition to thoroughly promoting energy conservation in our stores.

We will also take appropriate measures to deal with climate change and proactively disclose information.

## Product Initiatives

### Use of Plant-derived Biomass Plastic Containers with Environmentally Friendly Designs

Since April 2007, the Plant-derived biomass plastic (PLA) is used for the containers of our mainstay salad products.

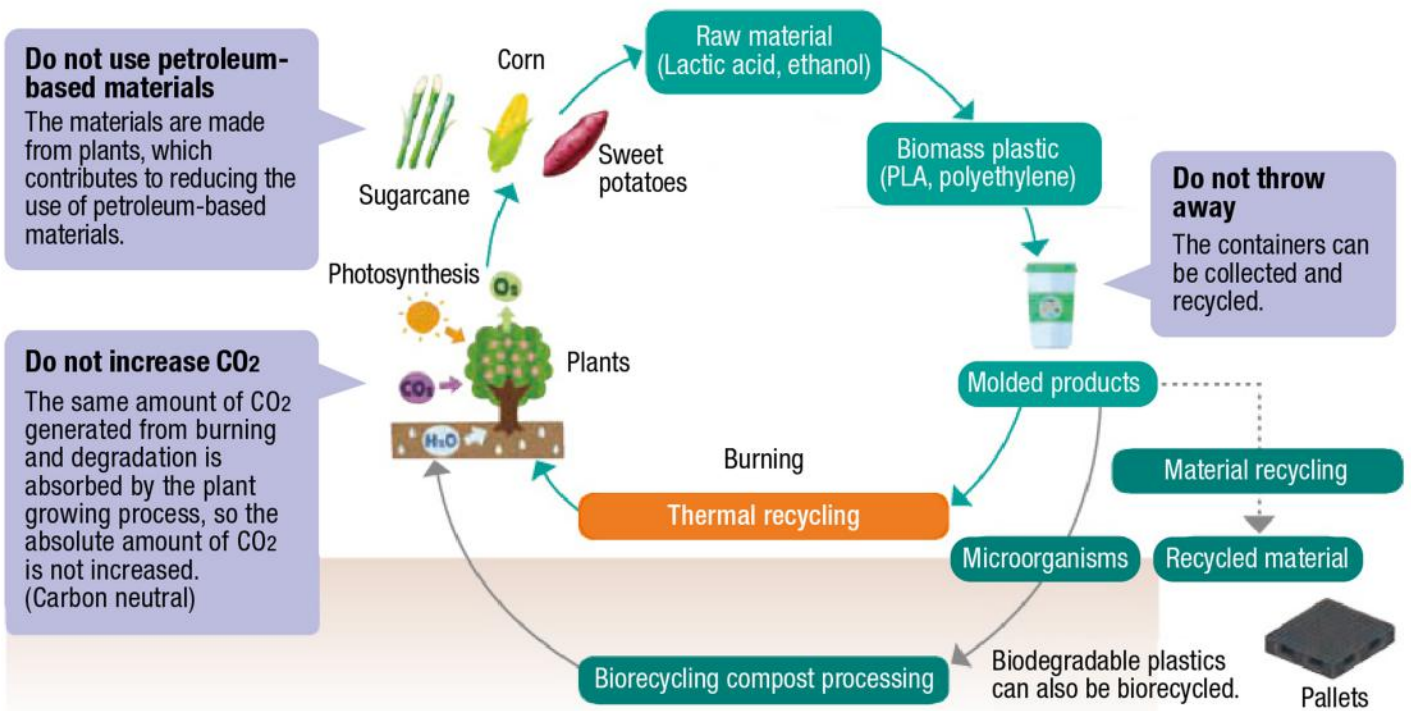
Using PLA containers does not increase the amount of CO<sub>2</sub> in the atmosphere because the amount of CO<sub>2</sub> used by the source plants for photosynthesis is nearly the same as the amount of CO<sub>2</sub> used to dispose of the containers. We were able to reduce approximately 2,402 tons of CO<sub>2</sub> per year compared to oil-based plastics (A-PET containers).

We are working to further reduce our CO<sub>2</sub> footprint by using recycled PET materials made from used PET bottles for the containers of our chilled noodles.



CO<sub>2</sub> reduced by approximately 2,402 tons.

## Environmental Circulation of Biomass Plastics



## Switching to Side Shrink Packaging

Prepared lunchbox containers and wrappings conventionally used “full shrink packaging” where the entire lunchbox was wrapped. In February 2014, we began using “side shrink packaging” that only adheres film to the area where the lid joins the container. We comprehensively switched to this method in February 2015. This reduced the amount of plastic material used by 541 tons; resulting in a CO<sub>2</sub> reduction of 1,934 tons (compared with conventional wrapping film). Side shrink packaging also has the advantages of making it easier to see the product and being easier for everyone from the elderly to children to open.





## Distribution Initiatives

### Use of Low-polluting, Low-fuel Consumption Vehicles

FamilyMart has been actively working to implement low-pollution vehicles such as Compressed Natural Gas (CNG) and hybrid vehicles.

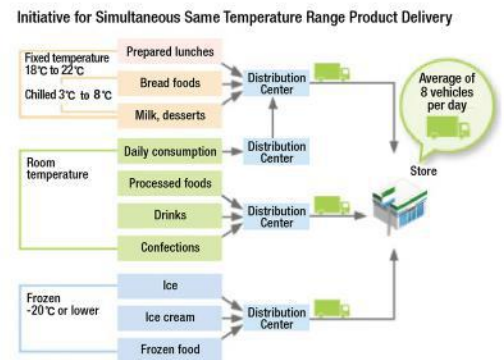
Today, we comprehensively use fuel-efficient clean-diesel vehicles that clear the latest exhaust gas regulations and plan to replace all delivery vehicles by 2025. At the same time, we are introducing electric vehicles (EVs) and fuel cell vehicles (FCVs), and conducting demonstration experiments using fuels derived from renewable resources.



Ongoing introduction of clean-diesel vehicles from September 2019

### Simultaneous Shipping of Chilled and Fixed Temperature Products

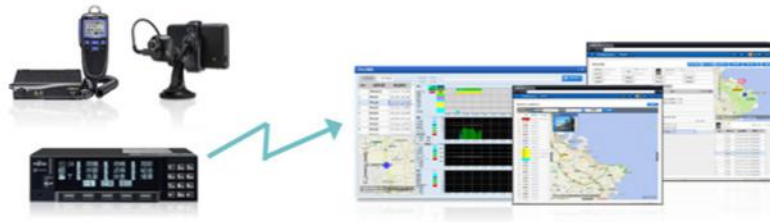
FamilyMart uses dual-compartment refrigerated trucks in which chilled products (kept at 3°C to 8°C), such as desserts and lunch boxes, and fixed temperature products (kept at 18°C to 22°C) such as prepared lunches and bread, can be loaded at the same time to improve delivery efficiency and reduce the number of vehicles used. We are also reducing the number of vehicles by consolidating products at distribution centers and building a joint delivery system for temperature-controlled loads for batch delivery to stores.



The temperatures in the front and back compartments can be set for their respective products and the space used for each compartment can be adjusted to match the amount of freight being loaded.

## Eco-Drive Management System

Since fiscal 2009, FamilyMart delivery vehicles have been equipped with an eco-drive management system (EMS). EMS monitors the driving status of each driver, not only in terms of mileage, fuel consumption and speed, but also for idling, sudden starts, and rapid accelerations. This information helps avoid driving that produces unnecessary exhaust gas. Driving method improvements and guidance based on EMS data help promote eco-driving (lowered CO<sub>2</sub> emissions) and safe driving.



Next-generation Delivery Management System

## Store Operation Initiatives

### Initiatives to Improve Store Operations

Store staff conscientiously turn the store power switches off/on and regularly clean equipment filters. The 10 Power-Saving Points that can be done by stores are used to make store staff aware of costs. Power-saving points change according to the season.

Power-saving Points	
1	Do not place objects near outdoor units
2	Do not leave store doors open (however, for COVID-19, open as appropriate)
3	Except for peak hours, keep the number of hot-water pots to the minimum required
4	Frequently turn the fryer ventilation fan on and off
5	Clean filters once a week
6	Do not block the intake ports of refrigerated cases
7	Keep stock in horizontal freezer case displays below the load line
8	Do not leave the walk-in door (warehouse side) open



Filter cleaning

### Solar Power Generation Initiative

We are promoting the active adoption of renewable energy by installing solar panels on store roofs, thereby making use of store infrastructure. Existing solar installations are now in the process of being switched from sell-to-grid to self-consumption, and new self-consumption solar installations are being introduced.



Solar panels

## In-store LED lighting

We began converting the lighting in our stores to LED in November 2011. We also installed dimming systems that divide the store interior into 5 zones and automatically adjust the brightness in the respective zones. This both improves comfort and conserves energy by, for example, fine tuning the lighting to reduce the brightness of the fluorescent lights when sunlight is coming in and adjusting for differences between daytime and nighttime.

## LED signs

In 2004, FamilyMart was the first convenience store to install facade signs that use LED lights. Since then we have increased the number of stores installed with these signs and have conducted technical development and verification testing to achieve even more energy efficient LED signs. Currently, we have achieved energy savings of approximately 70% compared to conventional fluorescent light signs.

## Energy efficient parking lot lighting

Installation of LED lighting for our parking lots began in February 2013. The power consumption was decreased to 80w from 245w for the ceramic halide lamps installed since 2008. The useful life of the lights also increased from 15,000 hours to 60,000 hours.



Installed at the Matsuyama Interchange Store in 2004



LED parking lot lighting

## Quick Charger for Electric Vehicles

Electric vehicles that do not emit CO<sub>2</sub> while traveling have gained attention as environmentally friendly automobiles and their use is increasingly annually. However, there are not enough places to charge these vehicles. To allow electric vehicles to be used without the worry of running out of power, FamilyMart is moving forward with the installation of quick chargers for electric vehicles in its store parking lots.

As of the end of April 2021, the number of installations is approximately 700 stores.



Installation of electric vehicle quick chargers

## Fluorocarbon Gases

Since FamilyMart uses fluorocarbon substitutes for its in-store refrigerating, freezing, and air conditioning equipment, we carry out equipment inspections in accordance with laws for preventing the release of fluorocarbons into the atmosphere. Additionally, when disposing of equipment, we outsource the processing to a fluorocarbon collection company and work to thoroughly manage the collection and destruction process. We are also introducing freezers and refrigerators that use CO<sub>2</sub> refrigerants, which simultaneously reduces both energy-derived CO<sub>2</sub> emissions and fluorocarbon emissions.

## Supply Chain Initiatives

### Management of CO<sub>2</sub> Emissions in the Supply Chain

The burden on the environment of greenhouse gases is affected by every step of the supply chain from raw materials procurement, product production, distribution, and sales to disposal and recycling in addition to things that can be directly controlled by FamilyMart. To evaluate the environmental impact of our operations, we calculate the CO<sub>2</sub> emissions for the entire supply chain (Scope 3) in accordance with the Ministry of the Environment's "Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (Ver. 2.4)".

Going forward FamilyMart will work to improve the accuracy of data collection, expand the scope covered by our calculations, analyze the calculations, and reduce the amount of CO<sub>2</sub> emissions for the entire supply chain.

### What is the Supply Chain CO<sub>2</sub> Emissions Quantity?

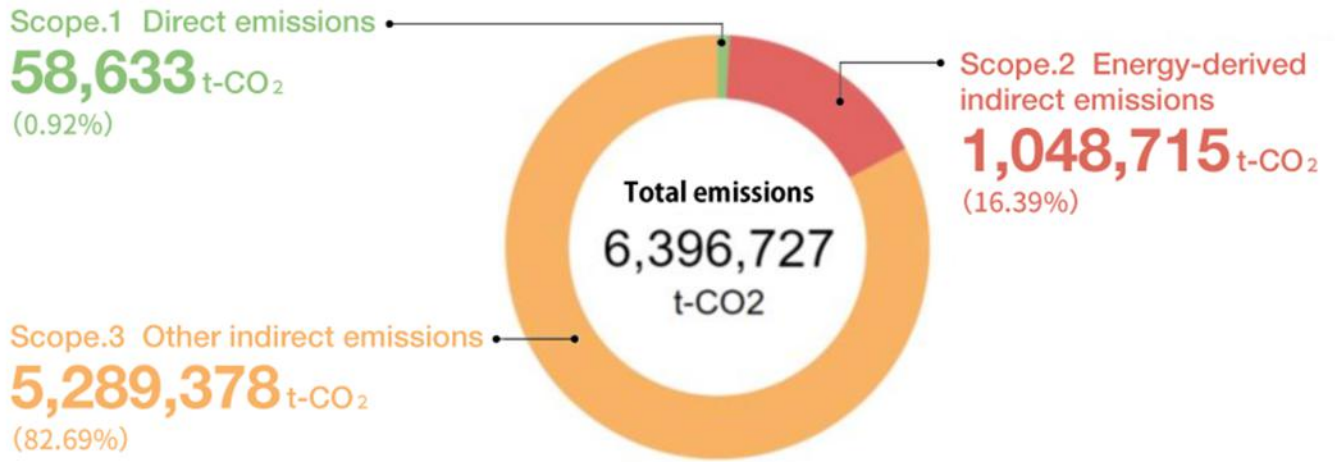
This is the amount of emissions for the business' own operations and those of related business activities.

### Supply Chain CO<sub>2</sub> Emissions Quantity

- Scope1** Direct emissions of greenhouse gases, such as through the use of fuel in the business' own operations (e.g.: gasoline used by company-owned vehicles)
- Scope2** Indirect emissions of greenhouse gases, such as through the use of electricity provided by other companies (e.g.: electricity used at the head office, offices, and stores)
- Scope3** Indirect emissions of greenhouse gases as a result of business activities that do not fall under Scopes 1 or 2

Note: Calculated based on the Database for Emission Factors in Calculating Corporate Greenhouse Gas Emissions Throughout the Supply Chain (Ver. 3.2) issued by the Ministry of the Environment.

Ministry of the Environment's Green Value Chain Platform: Reference materials for calculation.



Fiscal 2021 Emissions of Greenhouse Gases by Category

Scope and Category	CO <sub>2</sub> emissions	Percentage
<b>SCOPE.1 Direct emissions</b>	58,633	0.92%
<b>SCOPE.2 Energy-derived indirect emissions</b>	1,048,715	16.39%
<b>SCOPE.3 Other indirect emissions</b>	5,289,378	82.69%
<b>Category 1 Purchased products/services</b>	4,750,429	74.26%
<b>Category 2 Capital goods</b>	67,817	1.06%
<b>Category 3 Fuel- and energy-related activities not included in Scope 1 or 2</b>	166,449	2.60%
<b>Category 4 Upstream transportation and distribution</b>	101,681	1.59%
<b>Category 5 Waste generated in operations</b>	196,465	3.07%
<b>Category 6 Business travel</b>	1,050	0.02%
<b>Category 7 Employee commuting</b>	1,234	0.02%
<b>Category 11 Use of sold products</b>	375	0.01%
<b>Category 12 End-of-life treatment of sold products</b>	3,878	0.06%
<b>Total</b>	<b>6,396,727</b>	<b>100%</b>

## Third-party Verification

FamilyMart has received third-party verification to correctly evaluate and verify the supply chain emissions quantity (Scopes 1 to 3) calculation results.

The greenhouse gas emissions quantity verification for fiscal 2021 was conducted by the Japan Audit and Certification Organization for Environment and Quality (JACO). The results of this audit showed that the CO<sub>2</sub> emissions quantity for all stores of officers in Japan and the refrigerant HFC emission quantity for stores were 50,603 tons for Scope 1, 1,078,013 tons for Scope 2, and 5,253,305 tons for Scope 3.

Based on these third-party verification results we will continue to improve the accuracy of published figures and increase the level of trust both inside and outside the company.



## Science-Based Targets (SBT) Certification

In contrast to limiting the global temperature rise to 2°C as targeted by the Paris Agreement, FamilyMart's greenhouse gas reduction targets are certified by the Science-Based Targets (SBT) Initiative\*, which recognizes science-based targets aimed at well below 2°C.

\*A joint initiative by CDP (an international NGO), the UN Global Compact, the World Resources Institute (WRI), and the World Wide Fund for Nature (WWF). It advocates setting science-based GHG emission reduction targets to prevent the global average temperature rise due to climate change from exceeding 2°C above pre-industrial levels.

### Certified greenhouse gas reduction goals

Scope 1 + 2: 30% reduction by 2030 (compared with 2018)

Scope 3: 15% reduction by 2030 (compared with 2018)

Note:

Scope 1: Direct emissions from fuel use in-house

Scope 2: Indirect emissions from the use of heat and electricity purchased by the company

Scope 3: Supply chain emissions of corporate activities outside Scope 1 and Scope 2 (FamilyMart's Scope 3 targets are for Category 1–Purchased goods and services)



## Endorsement of TCFD Recommendations



Task Force on Climate-related Financial Disclosures (TCFD) was launched by the Financial Stability Board (FSB) at the request of the G20 finance ministers and central bank governors.

TCFD considers how companies should disclose information on risks and opportunities associated with climate change and enables appropriate evaluation by investors, thereby ensuring correct capital allocation, efficient financial markets, and a sustainable and stable economy.

In February 2020, FamilyMart endorsed the intent of the TCFD’s final report and discloses information on the four core elements of organizational management recommended by TCFD: Governance, Strategy, Risk Management, and Metrics and Targets.



[▶ Endorsement of TCFD recommendations](#)

# Use of Sustainable Resources and Prevention of Environmental Pollution

- ▼ Initiatives for Products That Use Plastic
- ▼ Product Initiatives
- ▼ Store Operation Initiatives

## Management Approach

The goal of economic growth with sustainable development led to an SDG seeking sustainable production and consumption patterns.

Companies are expected to make further efforts to create a recycling-oriented society. In particular, there is a strong need to curb the generation of plastic waste, which has adverse effects on marine pollution and ecosystems, and to review raw materials.

FamilyMart is working to prevent environmental pollution throughout its supply chain by reducing and streamlining the use of natural resources and other raw materials, and by preventing and reducing generation of waste. In particular, by reducing plastic use through improved container packaging and switching to materials with less environmental impact, we will also contribute to promoting the formation of sustainable patterns of production and consumption.

## Initiatives for Products That Use Plastic



### Use of Plant-derived Biomass Plastic Containers with Environmentally Friendly Designs

As a plastics countermeasure, FamilyMart promotes the use of environmentally friendly materials for the containers and packaging of our original products. We aim to achieve 60% use of such environmentally friendly materials in our original products by 2030 and 100% by 2050. We also aim to increase the proportion of eco-friendly materials, including for consumable supplies, to 70% by 2030.

The April 2022 start of the Plastic Resource Circulation Act has increased the importance of domestic plastic resource recycling. All parties involved throughout the entire life cycle of plastics are required to cooperate to further reduce plastic use in products through efforts such as environmentally friendly designs, reductions in the amount of plastics used, and emissions control.

FamilyMart continues to lessen the amount of plastic used in the spoons, straws, and stir sticks we provide to customers, with the goal of a 50% reduction in the amount of petroleum-derived plastics used by fiscal 2030 (compared to fiscal 2019 figures).

Additionally, we are working to reduce the use of such products by calling for customer understanding and cooperation at our stores.





## Basic Approach to Plastic Reduction

### ■ Environmentally friendly design of products using plastic

1. Reduction of weight
2. Use of alternative materials (wood, etc.)
3. Inclusion of biomass plastic
4. Use of biodegradable plastic

#### Straws (long)



Implemented: November 2019

Type of measure: ③ Inclusion of biomass plastic

Applies to: All stores

The bendable straws provided for purchased drinks in paper packs, etc. now include biomass plastic.

#### Straws (short)



Implemented: November 2019

Type of measure: ③ Inclusion of biomass plastic

Applies to: All stores

The straws provided for purchased drinks in paper packs, etc. now include biomass plastic.

#### Famima Café straws



Implemented: November 2019

Type of measure: ③ Inclusion of biomass plastic

Applies to: All stores

The straws provided for Famima Café iced coffee now include biomass plastic.

#### Wooden stir sticks



Implemented: November 2019

Type of measure: ③ Inclusion of biomass plastic

Applies to: All stores

The straws provided for Famima Café iced coffee now include biomass plastic.

**Biodegradable straws**



Implemented: May 2021  
 Type of measure: ④ Use of biodegradable plastic  
 Applies to: All stores  
 Elective system\* for short straws, straws for Famima Café and biodegradable straws

These straws are made from 100% plant-derived materials that will eventually be microbially decomposed into water and carbon dioxide when exposed to soil, river water, etc. in the natural environment.  
 Can be used for paper-pack beverages and Famima Cafe iced coffee.

**Famima Frappe straw**



Implemented: June 2021  
 Type of measure: ③ Inclusion of biomass plastic  
 Applies to: All stores

The straws provided for purchased Famima frappe drinks now include biomass plastic.

**Redesigned lighter spoon**



Implemented: April 2021  
 Type of measure: ① Reduction of weight  
 Applies to: All stores

Changing the handle design of the spoon provided to customers who purchase a lunch box, soup, etc. reduced the amount of plastic used by 12%.  
 Used at FamilyMart stores nationwide since September 2021.

**Biodegradable spoon**



Implemented: June 2021  
 Type of measure: ④ Use of biodegradable plastic  
 Applies to: All stores  
 Elective system\*

These straws are made from 100% plant-derived materials that will eventually be microbially decomposed into water and carbon dioxide when exposed to soil, river water, etc. in the natural environment.  
 Available at Famima!! stores from June 2021, at Tohoku region stores from August 2021 and Kanto region and Fukushima-area stores from March 2022.

\*Introduced at the request of member stores

## Product Initiatives

### Packaging Change for Famimaru Kitchen Pouch Salads

The width of our Famimaru Kitchen pouch salads was reduced to 115 mm from 125 mm in June 2022. This change is expected to reduce the use of petroleum-derived plastic by 4.2 tons annually.



### Cups for Iced Coffee from Plastic to Paper

In April 2022, Famima!!\* stores selling iced coffee are gradually changing the serving cups from plastic to paper and introducing strawless lids, which is expected to reduce the amount of plastic used by six tons (compared with February 2021–January 2022).

\*A FamilyMart store brand located within office buildings and aimed at urban workers (44 stores as of the end of February 2022).



## Partial Change of Packaging Film for Hand-rolled Rice Balls to Bio-PP

In April 2022, some of the packaging film for hand-rolled rice balls was changed to Bio-PP\*1 film, and is being introduced progressively in stores in the Tohoku, Kanto, Chubu, and Hokuriku regions. Changing the packaging for all hand-rolled rice balls to include biomaterial compounds is expected to reduce the use of petroleum-based plastics by approximately seven tons annually.



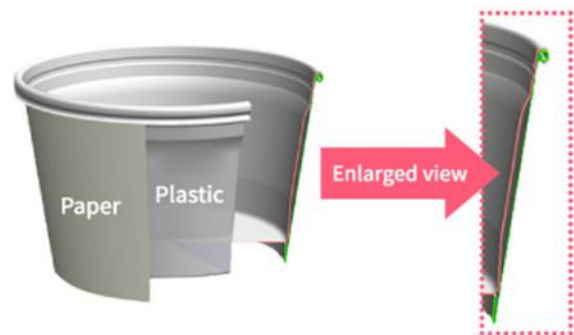
This effort marks the first time in Japan\*2 to use bio-PP film in a commercial product using a mass balance approach.\*3

\*1 A propylene material made from renewable organic resources such as plants.

\*2 According to research by ITOCHU Plastics.

\*3 In terms of the processes that take a product from raw material through to product and distribution, a method that mixes raw materials with a certain characteristic (e.g., biomass-derived raw materials) with raw materials without that characteristic (e.g., petroleum-derived raw materials) and assigns the characteristic to the product according to the amount of raw material that has that characteristic.

In November 2021, we changed the main body of the soup container to an integrated container (plastic/paper) and changed the material and thickness of the lid, reducing petroleum-based plastic to about 15% for each container, a decrease of about 39 tons of plastic annually.



## Thinner Film for Directly-wrapped Rice Balls

From August 2021, the packaging for directly-wrapped rice balls incorporates biomaterials and is thinner, reducing the amount of petroleum-derived plastics by about 15% for each rice ball, a decrease of about 70 tons annually.



## A Switch to Pasta Containers with Renewable Resource-Derived Bio-PP

In June 2021, some pasta product containers were switched to Bio-PP\*1 containers, which are made from renewable organic resources such as plants. This effort marks the first time in Japan\*2 to use Bio-PP film in a commercial product using a mass balance approach.\*3 Furthermore, renewable raw materials such as waste materials and residues in the agricultural and food industries, as well as waste cooking oil, are used to secure traceability from raw materials to products.

\*1 A propylene material made from renewable organic resources such as plants.

\*2 According to research by ITOCHU Corporation.

\*3 In terms of the processes that take a product from raw material through to product and distribution, a method that mixes raw materials with a certain characteristic (e.g., biomass-derived raw materials) with raw materials without that characteristic (e.g., petroleum-derived raw materials) and assigns the characteristic to the product according to the amount of raw material that has that characteristic.



## Packaging Shape Change for Sandwiches

Since April 2020, FamilyMart has been using sandwich packaging that is 12.5% thinner than conventional packaging; this thinner packaging combined with a smaller overall package size has reduced our use of petroleum-derived plastic for these products. From April 2022, a design change to the package head from squared corners to a trapezoid shape will reduce the amount of petroleum-based plastic by an additional 12 tons per year.



## Environment-Friendly Containers for All Salad Products

All salad containers (about 30 types) sold at FamilyMart use environment-friendly biomass plastic. This has reduced petroleum-based plastics by about 900 tons annually compared to past years.



## Famima Café's Environmental Measures

Famima Café has switched to wooden stir sticks from plastic for its counter coffees and also uses a strawless lids for its iced coffee drinks.

The switch to wooden stir sticks saves 0.9 grams of plastic per stick and the strawless lids save about 0.2 grams of plastic each. Taken together, this will result in a reduction of about 110 tons of plastic annually.



Strawless lids



Wooden stirring sticks

## 100% Recycled PET Bottles

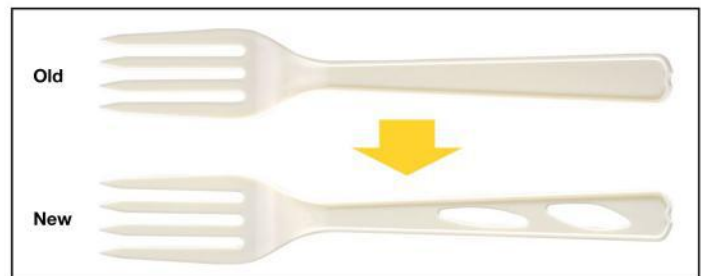
Recycled PET resins from used PET bottles are being used to create 100% recycled PET bottles (bottle-to-bottle) for our private brand Famimaru Collection products, Niigata Prefecture Tsunan Natural Water (600 mL) and Miyazaki Prefecture Kirishima Natural Water (600 mL). The use of this recycled PET resin reduces the amount of virgin PET resin used by about 780 tons annually, while the CO<sub>2</sub> emissions from production are reduced by about 750 tons annually (compared with fiscal 2020).



## Fork Handle Change for Reduced Weight

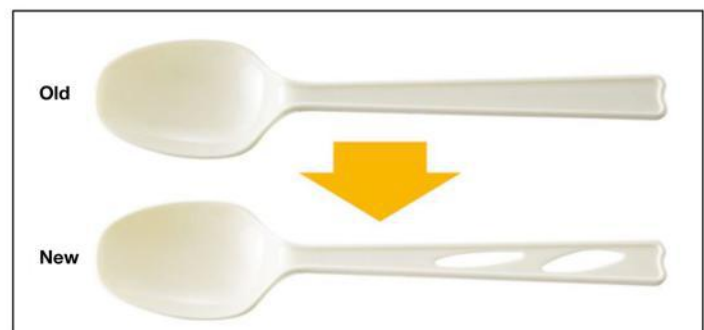
In January 2022, we changed the design for the fork that is usually provided to customers who purchase pasta meals or salads. A revised handle design reduced the amount of plastic in the fork by about 8%.

Taken together with an already introduced spoon designed with less plastic in the handle, the amount of plastic is reduced by about 87 tons annually.



## Spoon Handle Design for Reduced Weight

In May 2021, we changed the design for the spoon given that is usually provided to customers who purchase lunch boxes or soup. A revised handle design reduced the amount of plastic in the spoon by about 12%. This reduces plastic usage by approximately 65 tons annually across FamilyMart.



## Expansion of Plant-based Inks

We are gradually switching to plant-based inks such as rice ink, botanical inks and vegetable inks for printing on packages for rice balls, hand-rolled sushi, sandwiches, breads, etc.

The use of such ink decreases petroleum use and reduces CO<sub>2</sub> emissions by about 100 tons compared to conventional printing ink, which leads to a reduction in environmental burdens.

## Store Operation Initiatives

## The BLUE Plastics Project for Plastic Resource Recycling

FamilyMart took part in the planning for Asahi Kasei Corporation's BLUE (Blockchain Loop to Unlock the value of the circular Economy) Plastics project to build a digital platform to effectuate a resource-recycling society.

Although there has been progress in the reuse of plastic as resource and better use of recycled plastic, it remains difficult for consumers to get a grasp of the recycling chain for products with recycled plastic and to know what products include post-collection recycled plastics.

The BLUE Plastics digital platform allows customers to understand what happens to their used plastic bottles after collection through the use of a smartphone app. The platform will have customers put their used plastic bottles into collection boxes at FamilyMart stores and use the app to read the two-dimensional code printed on the collection box. The user then registers the number of bottles placed in the box and can check where these bottles are along the recycling chain after collection through the traceability of blockchain technology.

We plan to conduct demonstration tests of the platform at a number of Tokyo stores from autumn 2022 onward.





## Effective Use of Ocean Plastics

Some raw materials from ocean plastics are being used to manufacture the shopping baskets used at 28 stores. In addition to customer use of these baskets, we inform customers about the reuse of such waste with in-store posters as a way to engage in activities to raise awareness of ocean plastics, which is now a major global issue.

Note: A collaborative development with ITOCHU Corporation and TerraCycle Japan.

### Stores that use shopping baskets made with a percentage of recycled ocean plastic.

#### From February 2021

<b>Nagasaki Prefecture</b>	Tsushima Itsukuhara Otebashi store, Iki Ashibe store, Iki Gonoura Higashi store
<b>Fukuoka Prefecture</b>	Bayside Place Store

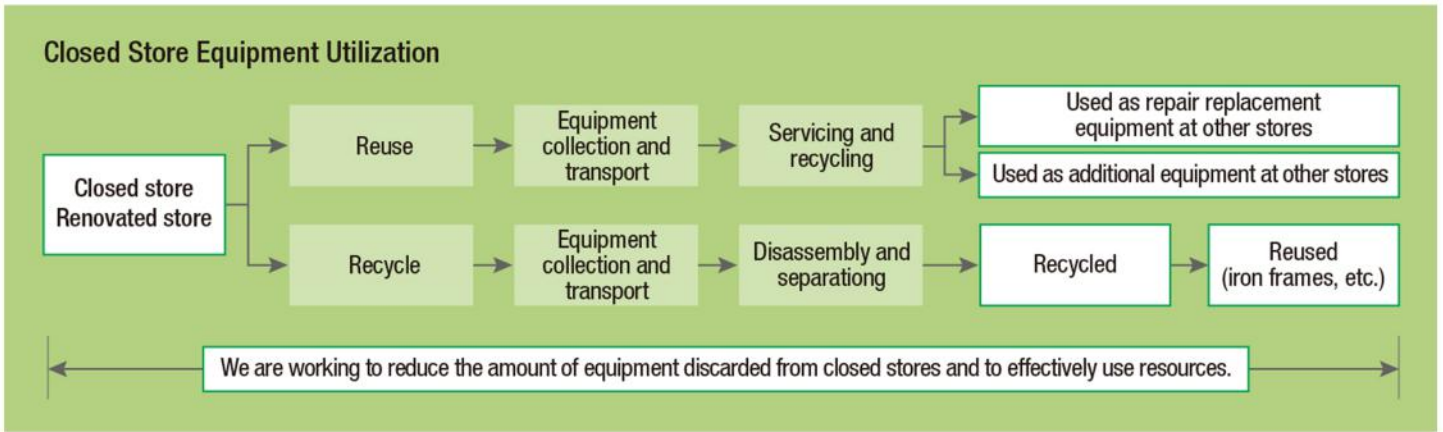
#### From October 2021

<b>Metropolitan Tokyo</b>	Ota Minami-Magome 6-chome Store, Isuzu Honsha-Mae Store Harumi Center Building Store, Ministry of Economy, Trade and Industry Store, Diamond Gate Ikebukuro Store Palaceside Building Store, Ichibancho Store, msb Tamachi Store ITOCHU Building Store, Hamamatsucho Building Store, Hamamatsucho 1-chome Store
<b>Saitama Prefecture</b>	Saitama Kencho Store, Saitama Nishibori Store
<b>Chiba Prefecture</b>	Makuhari Techno Garden Store, Kaihin Makuhari Station North Exit Store
<b>Niigata Prefecture</b>	Sanjo Tsuruda Store, Sanjo Shinbo, Sanjo Chusin Store Sanjo Tajima Store, Sanjo Senbano Store, Sanjo Osaki store Sanjo Tsukanome Store, Sanjo Daikanjima Store
<b>Mie Prefecture</b>	Mie Kencho Store



## Recycling of Closed Store Equipment

When a store is closed, the equipment used around the counter that can be reused is serviced and recycled for use as additional equipment for existing stores or repair replacement equipment. The equipment that cannot be reused is disassembled and separated into devices and raw materials (iron, copper) for recycling.



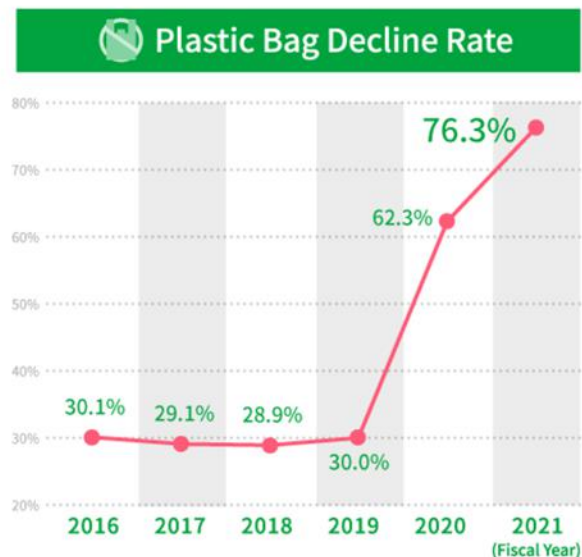
## Initiative to Reduce the Use of Plastic Bags

The reduction of plastic bags is not only a reduction of containers and packaging, but also leads to a reduction of CO<sub>2</sub>, so it necessary to take appropriate measures considering the nature of the convenience store business. Given this situation and the July 2020 ministerial ordinance requiring retailers to charge for plastic shopping bags, the decline rate at FamilyMart for such bags was 76.3% remaining at high levels.

In addition to charging for plastic bags, we have also promoted awareness of plastic bags reduction by talking with customers and putting up posters. We will continue to work on further reductions by educating and training store staff and calling for the cooperation of our customers.

**The only one in the convenience store industry  
Award for Excellence in the Ministry of the  
Environment Let's All Reduce Plastic Bags  
Challenge**

Since July 2020, we have been a registered supporter of the Let's Reduce Plastic Bags Challenge organized by the Ministry of the Environment, and have promoted various initiatives to reduce plastic bags together with our customers. In recognition of its efforts, the company was the only one in the convenience store industry to receive an award for excellence in the corporate category.



# Material Issue 2: Evolving as a Regional Revitalization Base Close to People



## Social Background and Issues to Recognize

While social issues become diversified and complex, it has become common belief on a global level that companies, as members of society, should proactively get involved with local communities to understand the challenges faced by the countries or areas that the company operates in and to contribute themselves to solutions.

With the demographic changes seen in Japan's declining birthrate, aging, and declining population, we have been facing changes of social structures such as increasing urbanization and diversification of family configurations.

It is our belief that we cannot overlook these changes as they will have a huge impact on FamilyMart's businesses.

Meanwhile, besides earthquakes, recent years have also seen more frequent and severe typhoons and other natural disasters, which require greater resiliency.

We recognize that in the event of disasters, one of our missions is to strive to provide a stable supply of goods.



## Vision

FamilyMart's social contribution policy is to fulfill its social role and to operate convenience stores that feel welcoming to everyone in the community in order to create better communities as a company that lives hand in hand with local communities.

We aim to focus on services that can provide convenience, and also provide new convenience as the center of a local community while dealing with the changes of social structures and lifestyles. We plan to achieve this by understanding the challenges and needs of local communities and by contributing to the growth of local communities, remaining close to people, and operating stores that are hubs of safety and security for urban and suburban residents.

## Specific Initiatives

Development and Revitalization of Local Communities ▶

Supporting the Development of the Next Generation ▶

Collaboration with the Government and Municipalities ▶

Disaster Countermeasures and Support for Disaster-affected Areas ▶

NGOs/NPOs Support and Cooperation ▶

## Basic Approach



As a retailer that plays a role in social and lifestyle infrastructure, FamilyMart endeavors to contribute to the development of communities and society at large through community-based management. Communities and society at large are experiencing diversification in lifestyles, a few examples being the declining birth rate, the aging society, an increase in the number of foreign nationals in Japan and the advancement of work style reform. The roles of retail brick-and-mortar stores that support people's lives are becoming increasingly important.

In the event of destruction by earthquakes, torrential rain or other natural disasters, we can utilize our national supply and distribution network as a social infrastructure function and quickly deliver material aid to disaster-affected areas. To this end, we systematically and routinely make preparations in collaboration with the national government, local municipalities and other companies.

## Value Creation



While utilizing digital resources, we provide new discoveries and experiences to daily life through products and services in line with community needs and thereby contribute to realizing happiness in everyday life.

Moreover, we will cooperate with local municipalities to strive for prevention of crimes and accidents, and will also continue our ongoing efforts to contribute to the vitalization of communities through daily communication and the development of safe and reliable communities by maintaining the stable supply of products toward early recovery at the time of natural disaster.

## Operational Structure



FamilyMart's efforts are based on the needs of each community, centering on our stores but also utilizing the functions of sales, product and logistics departments.

We have made agreements with local municipalities throughout the country regarding aid for disaster-affected areas in the event of large-scale natural disasters. We also prepare support systems for emergencies in collaboration with other companies and groups.

Furthermore, we have made comprehensive agreements with local municipalities throughout the country to cooperate for childcare, support for the elderly, tourism, promotion, and environmental activities so that we can quickly and appropriately handle diverse challenges facing local communities, energize those communities, and improve services provided to the residents.

In addition, watch-over agreements are also underway for us to support activities that enable children and the elderly to live safely and securely in their communities.

# Development and Revitalization of Local Communities

## ▼ Initiatives as Members of Revitalization of Local Communities

### ▼ FamilyMart Children's Cafeteria      ▼ Responding to an Aging Society

### ▼ Creating a Safe and Secure Community

## Basic Approach

With the declining birthrate and aging population as well as urban congestion and depopulation of suburbs, the living environment around families is rapidly changing.

Amidst of these changes, we recognize that it is important for convenience stores, being a community member of a local community, to contribute to solving challenges and promote communication in cooperation with the residents and the community.

We will also work toward developing an environment in which children can grow up healthy as well as enhancing support for the elderly and building a circle of mutual support within the community by addressing “solitary dining”, a phenomenon affecting elderly people living alone and children of dual-income families.

## Initiatives as Members of Revitalization of Local Communities

### Famima Food Drive

Due to the ongoing effects of COVID-19, the number of people facing challenges in their everyday lives is increasing nationwide. The number of food pantry users has soared, which tells us that there are a lot of people in need of food support in Japan.

On the other hand, food waste that otherwise could still be eaten is as high as 1.3 billion tons per year worldwide. This amounts to one third of the entire world's food production.

The continuing increase of food loss, despite the fact that there are many people in need of food support, is considered a major social issue internationally.

One way to resolve this situation is through food drives. This activity is an effort to facilitate the donation of food in households where it would be wasted to regional welfare organizations and institutions. FamilyMart started Famima Food Drive in April 2021, utilizing our stores and conducted in cooperation with local municipalities and NPOs.



## FamilyMart Children's Cafeteria

FamilyMart Children's Cafeteria is an initiative to support local community revitalization by providing places where participants can enjoy eating together and opportunities for local communication with local children and their guardians. Some stores offer programs that combine fun dining with hands-on events, such as experiencing using a cash register and behind-the-scenes tours of the store.

We hope that the participants will use this initiative to connect with each other in their community, as they can not only interact with the store manager and staff of the neighboring stores through dining and events, but also the participants can communicate with one another.

We have been receiving feedback from the participants that they have enjoyed themselves and would definitely like to take part again. As such we have expanded the program to more stores.

As a new initiative in this world where COVID-19 is now a great concern, we have opened the Digital FamilyMart Children's Cafeteria program. With this program, children can participate online from home or other facilities.



Participants interacting with one another



Dining



Children experiencing the duties of FamilyMart employees



Children’s cafeterias have often been misunderstood as a place where children in need of a free meal can go. However, over 70% of children’s cafeterias are operated in a way that does not limit eligibility. With this fixed idea standing, the fact that FamilyMart, which is familiar to many people, has opened a children’s cafeteria in order to create connections in the community, has played a part in rectifying the image of children’s cafeterias.

With the population in suburbs decreasing and people’s connections becoming strained, COVID-19 made these challenges of depopulation and community connections even worse. Now that most of the population has been vaccinated, we are back on our feet to resume “creating a place to belong”. We expect that FamilyMart will lead to community development where one can feel strong connections among people.

In order to contribute to the revitalization of communities and the facilitation of communication and solving social challenges through the use of children’s cafeterias, we asked FamilyMart to add us, the National Children’s Cafeteria Support Center Musubie to the FamilyMart Connecting Dreams Foundation Donation in February 2021. We will consider ways to utilize the good will we have received through FamilyMart so that we can achieve the shared goals of children’s cafeterias and FamilyMart, feeling the connection of a family with others under our philosophy of “FamilyMart, Where You Are One of the Family”. We believe that FamilyMart’s initiative on community revitalization goes beyond the individuality of 17 SDG goals and manifests the fundamental principles and spirit of the SDGs.



Chairperson Makoto Yuasa, National Children’s Cafeteria Support Center Musubie (Authorized NPO)

## Responding to an Aging Society

### Famima Circle Activities

Famima Circle is a community exchange initiative that makes use of in-store eating spaces by cooperating in problem-solving for the elderly. Elderly customers can create connections, and police and local governments provide workshops on matters such as avoiding bank-transfer frauds, voluntarily giving up one's driver's license, and preventing senior frailty (physical and mental). Attendees can get to know each other as well as the store manager and staff, exchanging opinions and deepening community ties.

Given the spread of COVID-19 since 2020, these salons and in-store gatherings where seniors gather have been held online as "Digital Famima Circle".

Going forward, stores will continue to serve as a base in their specific communities for providing useful information and promoting exchange among residents.



A police officer speaking at Famima Circle

### Utilization of Senior Staff

We have been seeing society aging, and FamilyMart is working on utilizing the knowledge, skills, and will to work of senior citizens. At our stores, while considering the current employment situation, we proactively recruit healthy and energetic senior citizens so that they can put to use the wisdom and experience they cultivated by living in the area over the years, allowing them to continue working. The network senior citizens have with the local community creates a strong relationship of trust between the store and customers as well as helps the store to connect with a strong bond to the entire community through communication.



Senior staff working enthusiastically

### Dementia Support Persons

As the population ages, more people are living with dementia.

We encourage store managers, store staff, and corporate employees to participate in dementia support training held by local municipalities as well as regularly hold training in order to support patients and their families with a thorough knowledge and understanding of dementia and apply this stance in store operations.

As of June 2022, we have 4,102 or more employees certified as Dementia Support Persons.

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.



Dementia Support training course participants in Nagano Prefecture



## Creating a Safe and Secure Community

### 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 and security 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 2021, a total of 306 stores (stores in 45 prefectures) received commendations from JFA for preventing certain types of fraud, among other efforts.

Among the stores awarded by JFA, FamilyMart presents an appreciation letter under the president's name to store managers and staff who have provided great performance that can be an example to other stores.

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



A poster to display that the store participates in the Safety Station activities



▶ [The Japan Franchise Association \(JFA\)'s SS \(Safety Station\) Square homepage](#) 

Response status in 2021

<b>Women seeking shelter</b>	1,512 stores	2,190 times or more
<b>Children seeking shelter</b>	842 stores	1,212 times or more
<b>Aid provided to the elderly</b>	2,912 stores	5,543 times or more
<b>Deterring communications fraud (bank transfer frauds, etc.)</b>	4,379 stores	
<b>Encouraging juveniles to go home late at night</b>	8,648 stores	

◆ Main examples of Safety Station activities

- A customer’s actions or words felt suspicious, so I asked what was wrong and ended up protecting them from a communications fraud.
- I temporarily helped a woman who was troubled by a stalker.
- I aided or reported to the police a child or lost child who came in to call for help.
- I aided or reported (or contacted their family) an elderly person that looked like they had dementia or felt ill.
- I responded appropriately (directed traffic, helped rescue, reported to the police, etc.) to an accident (traffic accident, fire, etc.) that happened near the store.

## Prevention of sales of alcohol or tobacco to those who are younger than 20 years old

FamilyMart promotes the initiative to prevent the sale of alcohol or tobacco to those who are younger than 20 years old. In July 2017, we changed the cashier program to display a message to both the store staff and customer along with a voiced guidance when alcohol or tobacco is scanned at the cashier. This reminds the store staff and has made it easy for them to check the customer’s age.

When we hire store staff, they are trained on how to check customers’ age before they begin working. All staff members in every store also take a class on alcohol and tobacco sales twice a year.

In addition, store managers and supervisors ensure class completion and make sure that displays appropriately comply with the law. They also ensure that POP displays as well as posters stating that the store checks customers’ age to prevent alcohol and tobacco purchases for people under 20 years old are appropriately placed.

■ Checking customers' age at stores

1. When alcohol or tobacco is scanned at a cashier, a voiced message will be played. "Please provide proof of age."
2. Along with the voiced message, a message is displayed on the screen for both the cashier and the customer.
3. When the customer touches the screen, another voiced message will be played. "We may ask to see your identification."



Cashier screen (customer side)



Cashier screen (store staff side)

# Disaster Countermeasures and Support for Disaster-affected Areas

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- ▼ Support for Disaster-affected Areas through Fund-raising at Stores
- ▼ FamilyMart participates in the Social Emergency Management Alliance (SEMA), Japan's first such initiative led by a corporation
- ▼ Continued Support for Disaster-affected Areas

## Basic Approach

FamilyMart has been appointed as “Designated Public Institution” by the Prime Minister in accordance with Article 2, item (v) of the Basic Act on Disaster Control Measures. Designated public institutions play important roles in efforts such as drafting disaster management operation plans, preventing disasters, and carrying out response measures and recovery efforts.

When disaster strikes, FamilyMart leverages its extensive nationwide logistics network to offer its coordinated transport capabilities to those in need and provide emergency relief supplies. Its stores make themselves available as evacuation sites for locals.

Should some localized supply chains be disrupted, neighboring sites will support the procurement of materials and delivery to the stores so that they can play a role as social and life infrastructure by utilizing the nationwide logistics network.

Furthermore, we are equalizing production of ready-made meals during ordinary times so that production of products with long shelf life and ones that can be provided with short production time will not be centralized to a few particular factories.

In addition, FamilyMart has systems in place for the disaster recovery stage as well. Its employees directly visit disaster-affected areas as relief workers and carry out recovery activities to ensure that normal life can be restored for the people as soon as possible.

The Company has also installed small power generators at its business sites across Japan. This enables power supply to its stores in the event of a disaster. The Company is building a system that can remain operational even during disasters, thereby creating stores that provide strong support in the face of such challenges.

## Support for Disaster-affected Areas through Fund-raising at Stores

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When a massive disaster strikes in Japan or any other part of the world, FamilyMart has a system in place to switch the fund-raising at stores to “Donations of Relief Money” to help support the disaster-affected areas.

We have contributed relief money to many disaster-affected areas with generous cooperation from our customers.

## 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

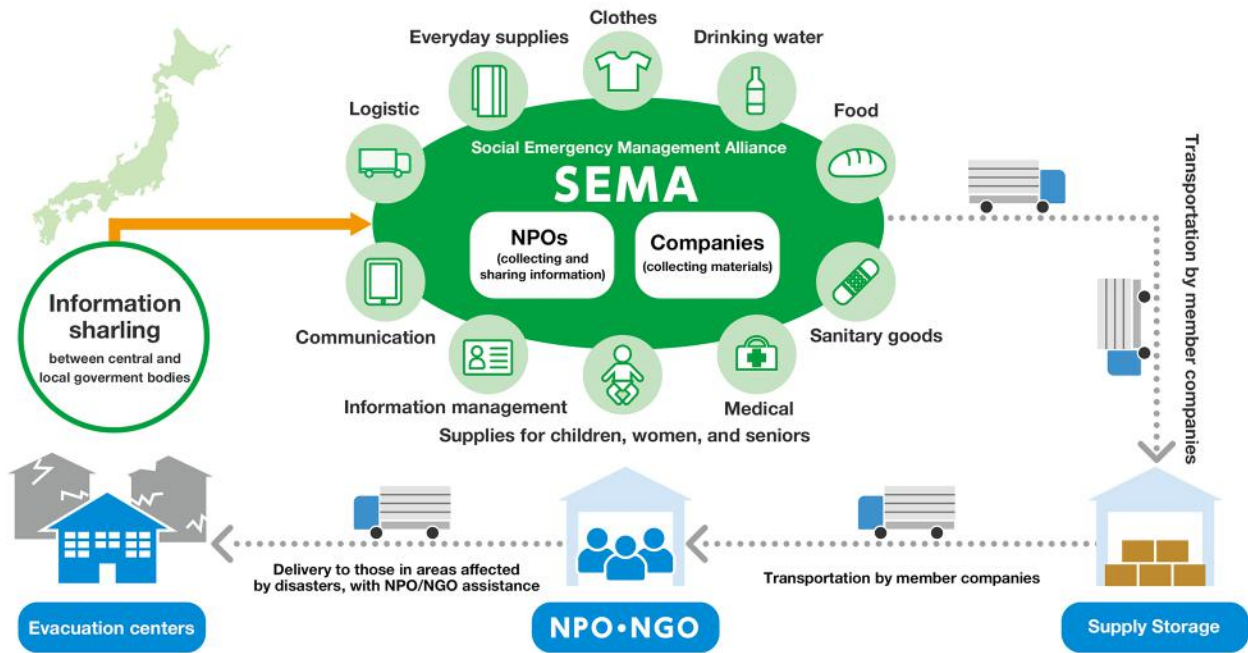
## FamilyMart participates in the Social Emergency Management Alliance (SEMA), Japan's first such initiative led by a corporation

FamilyMart agrees with the aims of the Social Emergency Management Alliance (SEMA)\* and has participated since it was originally established in August 2017. Made up of 17 private firms and 6 NPOs providing disaster relief, the alliance provides a full range of support that includes providing the goods and services of each company in the event of large-scale natural disasters that occur in Japan.

The alliance maintains a current list of the goods and services of each member company and group, and the list is used by each company to prepare support packages and quickly provide them to affected regions. The alliance also seamlessly coordinates with public agencies with the goal of reducing the burden on local governments in affected regions.

\*Consists of a corporate alliance of private-sector companies and a CSO alliance of citizens' groups. As of April 20, 2022, members included 69 companies and six citizens' groups.

SEMA overview



## Continued Support for Disaster-affected Areas

FamilyMart provides various kinds of ongoing support for those affected by major disasters such as the Great East Japan Earthquake (2011) and the Kumamoto Earthquake (2016).

## Career Support Program in Disaster-affected Areas

Since 2013, FamilyMart has worked with the US-Japan Council (a public interest incorporated foundation) to hold a career-mentoring program for female high-school students in the Tohoku Region to help support rebuilding following the 2011 Great East Japan Earthquake. A total of 1,200 students have participated, taking their first steps as future leaders. For the 10th anniversary of the earthquake, FamilyMart created a new program, the “TOMODACHI FamilyMart SDGs Leadership Program in Tohoku -Beyond Tohoku to Japan, and Finally, the World-”, to foster social workers. This program targets young people who will take action and work to solve local issues in the three most-affected Tohoku prefectures (Fukushima, Miyagi, Iwate) as the region moves to the next steps in the rebuilding process. We provide support for these young people in their efforts to community-build across generations and engage in community-based activities.



TOMODACHI FamilyMart SDGs Leadership Program in Tohoku -Beyond Tohoku to Japan, and Finally, the World-



In 2021, the program took place online

## Local Seaweed Sales Workshops for Children

FamilyMart employees visit elementary, junior high and high schools as workshop instructors. This effort began in 2012 in cooperation with Save the Children Japan, which supports children in disaster-affected areas, for which we held a sales workshop at Matsusaki Junior High School in the city of Ofunato, Iwate Prefecture, a place that suffered enormous damage from the destructive effects of the post-quake tsunami. The workshop is part of the school's integrated studies program on the cultivation and sale of local wakame seaweed. As the tsunami had swept away all the cultivation facilities and painstakingly cultivated seaweed, we began the workshop in the hope of lending what support we could to students involved in rebuilding this local industry. Employees provided instruction on various sales techniques related to greetings, customer service and the creation of promotion materials.

Since 2012, our employees have visited schools as workshop instructors every year as our continuous initiative.



Lecturing how to sales to students by FamilyMart employee



Local seaweed sales workshop for children

# Supporting the Development of the Next Generation

▼ Famima Academy

▼ FamilyMart's Thank You Letter Contest

▼ Child Store Manager Initiative

## Basic Approach

In addition to the continuing issues of declining birthrate and aging, the living environment around families is rapidly changing, including changes such as family configuration, like the increase in double-income households. Amidst these changes, FamilyMart proactively works to support families with children as well as to promote healthy development of children who will inherit the future.

All through the ages, supporting the growth of children has been one of the most important agendas for a country or a local community.

FamilyMart, along with our stores nationwide and store staff, cooperates with local communities to support the growth of children.

## Famima Academy

Famima Academy is one of our initiatives for the children who will inherit the future. As part of the program, our employees visit schools to give workshops and students visit our company to learn. Upon request, we also hold the workshop online.

We strive to conduct fun workshops following the themes of SDGs and career education, allowing students of all ages (elementary to high schools) to enjoy a learning experience. The SDG workshops serve to provide an examination of challenges that the world faces and to give the children a motivation to act. In these workshops, children can learn basic knowledge of SDGs (sustainable development goals) and FamilyMart's initiatives on SDGs in a specific and easy-to-learn manner. We also cover LGBTQ issues, which is deeply related to SDGs.

In the career education workshops, our employees talk about the operations of FamilyMart and various jobs in order to provide students an opportunity to imagine their future.

With these workshops, we help drive students to further learn and tackle challenges. By collaborating with schools to execute this program, this initiative has become a very meaningful activity for us as well in that it leads to the improvement of the capabilities and motivation of the employees conducting the workshops.

### Results infiscal 2021

Online

50

In-person

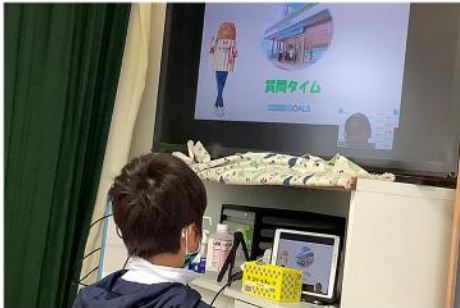
18

Total participants

Approx. 4,700



## Elementary School Example



Participating children work together with FamilyMart to consider questions such as “What is an SDG?” “Why are SDGs important?” and “What can we do together?” The goal is to have each child develop some awareness.

## Junior High School Example



While learning about the 17 SDG goals, students are introduced to proactive examples of FamilyMart’s environmental and social activities and deepen their understanding of the importance of SDGs.

## High School Example



Classes were held keeping in mind the connection between SDGs and society, including themes such as career education for one’s own future and LGBTQ matters, which have gained public interest.

## FamilyMart’s Thank You Letter Contest

As a member of the communities we serve, and with the objective of contributing to sound development of local communities and the growth of children in mind and spirit, we began holding the Thank You Letter Contest starting in 2009 for elementary school students throughout Japan. The year 2022 will mark its 14th year running.

We believe that those who have gratitude and can honestly convey that feeling in words will promote the revitalization of communication and contribute to the sound development of local communities as builders of a sustainable society.

The way we communicate with each other is changing as emails become the central mode of communication. Expressing the feeling of gratitude in hand-written letters enables children to think about their feeling. This not only enriches their sensitivity, but also helps them grow into adults capable of genuine expression of gratitude. We believe that this will serve as a foundation for communication in the future.

So far, we have received about 410,000 letters from a total of 24,000 elementary schools. In 2019, the contest received high acclaim for its 10-year long contribution to Japanese language learning and moral education and has become a program supported by the Ministry of Education, Culture, Sports, Science and Technology.

Additionally, prize-winning submissions from past contests are also being used as part of school curriculum, an example of which is their inclusion in the textbook on moral education (2018 edition) by two companies.

The award ceremony for the best letter is held at the elementary school in which the winner is enrolled. Their family members, local FamilyMart employees, and store managers and staff from the neighboring stores attend the ceremony to celebrate the student’s award together.

Some stores post contestants’ letters at stores, introducing the local children’s activity, to contribute as an active player in local communication and promotion.



The award ceremony was performed at the school with the FamilyMart head office and regional offices remotely connected.



2021 awarded letters



2021 awarded letters

## Child Store Manager Initiative

The Child Store Manager initiative allows children to experience the actual work of FamilyMart stores. They get hands-on experience of handling the cash register and learning how to display products for sale in the store. As an experiencing to learn about actual work while enjoying it, the initiative has received praise not only from children but also their parents. Participating children also received a Child Store Manager certificate for their efforts.



Cash register handling experience



Setting up products experience



Certificated as the child store manager!

# NGOs/NPOs Support and Cooperation

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## ▼ FamilyMart's Fund-raising Results

### ▼ Initiatives that Utilize the FamilyMart Connecting Dreams Foundation Donation

## ▣ Basic Approach

FamilyMart placed a collection box at each store and started fund-raising at stores in 1993.

To act as a bridge between customers and NGOs/NPOs engaged in social activities, we started the FamilyMart Connecting Dreams Foundation's in-store fund-raising campaign in 2006. The collected donations, combined with our matching corporate donation (matching donation\*), have been utilized for children and the future of the planet.

We also proactively work cooperatively with the donation beneficiary organizations to tackle support activities beyond fund-raising.

FamilyMart has over 16,000 stores nationwide and 15 million customers visiting us per day. For a company of our size, we consider fund-raising in stores to be an important sustainability activity to leverage our store network to play a role as fund-raising hubs.

\*Donations made by a company or other organization of a certain percentage of the total donations collected.

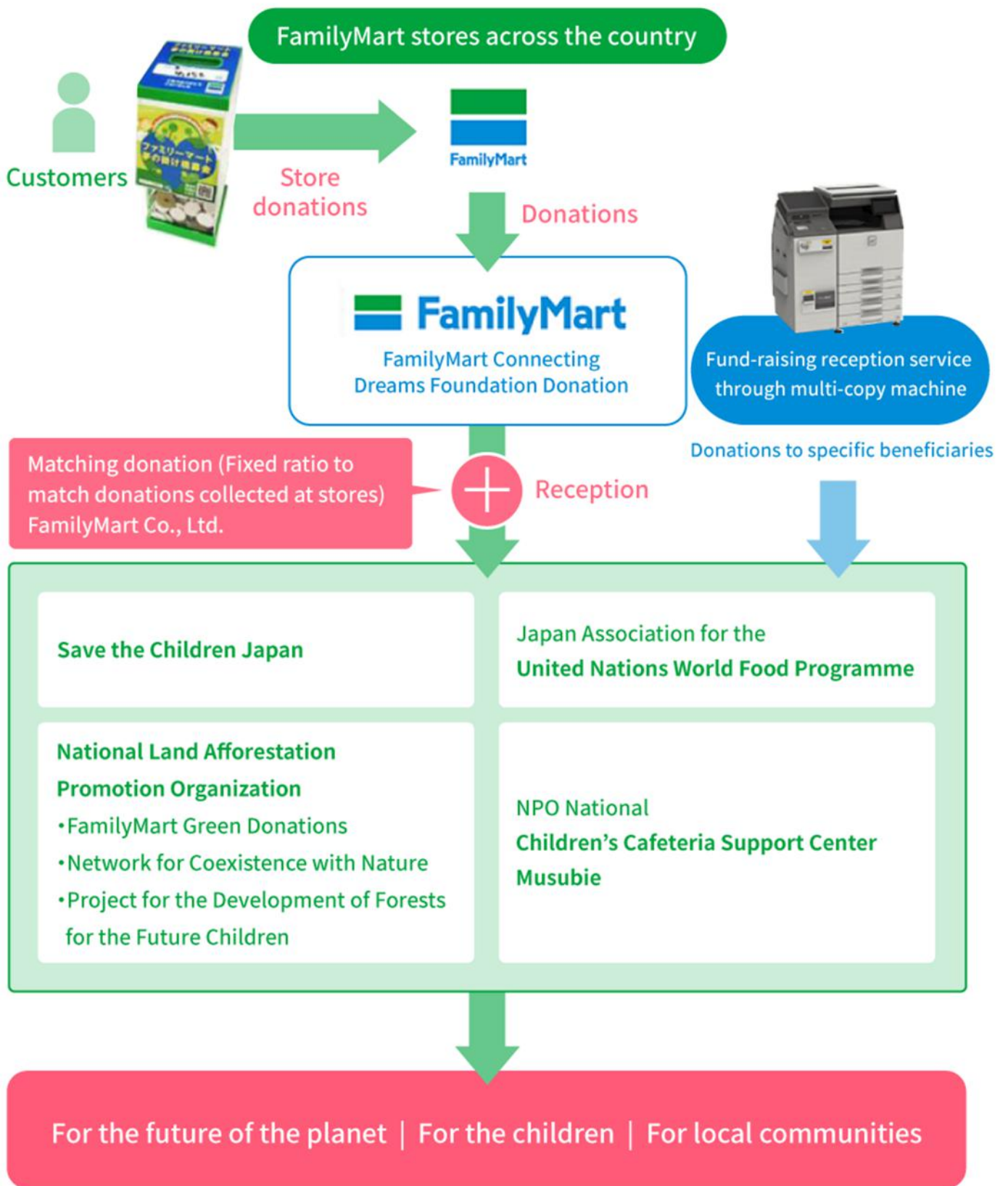
## FamilyMart's Fund-raising Results



### Fund-raising results in fiscal 2021

Includes store donations, fund-raising reception service through multi-copy machine, disaster relief donations, and other corporate donations

# 451,592,350yen



**Fund-raising reception service through multi-copy machine**

At a multi-copy machine at a store, customers can donate by specifying beneficiaries and donation amount. Note: Service is available at Famiport terminals at some stores.

**Matching donation**

FamilyMart makes a matching donation to support the activities of each organization.

## Initiatives that Utilize the FamilyMart Connecting Dreams Foundation Donation

### Save the Children Japan

FamilyMart has been supporting Save the Children Japan since 1993. In addition to sending aid directly to children in need, we also use donations to support a wide range of philanthropic efforts, including advocacy activities (proposing policies) as well as publicity and corporate partnership activities to enhance support for children. Additionally, we cooperatively work on promotion of classes for middle school and high school students in Japan to promote SDGs as relevant to them, and of childcare that protects children's rights.

▶ Save the Children Japan



© Save the Children Thailand  
Swimming classes to prevent water accidents (Thailand)

### Japan Association for the United Nations World Food Programme

In solidarity with the activities United Nations World Food Programme (WFP), which seeks to stamp out hunger around the world, FamilyMart has provided support to the organization since 2006.

Additionally, FamilyMart is involved in the WFP's Corporate Program as a partner and plays a public role in society working alongside the organization. Since 2016, we have donated a portion of the proceeds from the FamilyMart Connecting Dreams Foundation Donation to a school feeding program run by the national government of Myanmar.



© JAWFP  
Supplying nutrient-enriched biscuits (Myanmar)

▶ Japan Association for the United Nations World Food Programme

## National Land Afforestation Promotion Organization

Through the Forest Class where kindergarten and nursery school children learn the preciousness of forests and nature, the Listening and Writing Koshien where high school students learn the wisdom and lives of masters on the forests, seas, and rivers in Japan and give thought to a sustainable society, and the project for the Development of Forests for the Future of Children where children plant trees that will become the symbol of the community and engage in Community-based woodland conservation activities, we provide environmental education programs designed to learn about forests at firsthand, learn from them, and protect them.



Project for the Development of Forests for the Future of Children

▶ [National Land Afforestation Promotion Organization](#)

# Collaboration with the Government and Municipalities

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- ▼ Comprehensive Cooperative Agreements for Regional Revitalization
- ▼ Agreements to Provide Material Support in the Event of Natural Disaster
- ▼ Watch-over Agreements
- ▼ Support Agreement for Person Having Difficulty with Return at Disaster
- ▼ Agreements to Install Automated External Defibrillators (AED)

## Basic Approach

As members of many local communities, we have established comprehensive agreements to collaborate in many areas such as caring for children, supporting senior citizens, tourism and other promotions, as well as 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.

We have established the disaster relief supply agreements with all prefectures as well as ordinance-designated cities, Japan Self-defense Forces, hospitals, universities, and public institutions to provide supplies based on support requests in times of disaster.

We have also established agreements with local municipalities of many prefectures, cities, wards, towns, and villages to assist those who cannot easily return home so that we can provide tap water, toilets, and traffic information via a map and over the radio.

In addition, we are currently working on establishing watch-over agreements to support activities that enable children and the elderly to live safely and securely in their communities and agreements to place AEDs. As such, leveraging the expertise and resources of local municipalities along with our own, we serve as a source of safety and security trusted by the local community.

## Comprehensive Cooperative Agreements for Regional Revitalization

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### Objective

To promote efforts leveraging close mutual ties and collaboration to respond promptly and appropriately to a variety of local issues to improve services for residents and vibrant local communities.

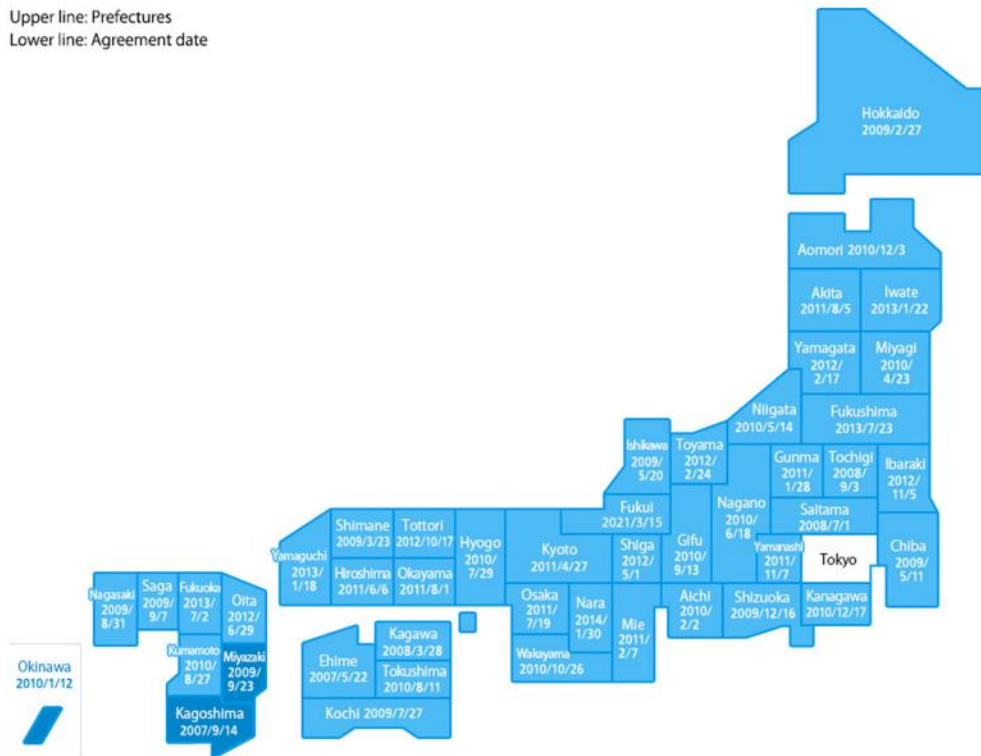


## Major Collaboration

1. Development and sales of original goods representing prefectural specialties
2. Healthcare promotion and nutrition education
3. Tourism information and tourism recovery
4. Cooperation with regional disaster prevention efforts
5. Regional safety and security
6. Children and youth development
7. Supporting senior citizens and people with disabilities
8. Recycling and environmental measure
9. Other initiatives promoting the enhancement of services for residents and regional revitalization

## Agreements with Prefectures

Upper line: Prefectures  
Lower line: Agreement date



Note: Area franchise companies in Miyazaki, Kagoshima and Okinawa prefectures. (Minami Kyushu FamilyMart Co., Ltd. and Okinawa FamilyMart Co., Ltd.)

## List of Municipalities and Other Organizations

Kamaishi city, IWATE Pref.	Ogawa-mura, Kamiminouchi-gun, NAGANO Pref.	Kochi city, KOCHI Pref.
Ishinomaki city, MIYAGI Pref.	Minamiechizen-cho, Nanjo-gun, FUKUI Pref.	Ozu city, EHIME Pref.
Funagata-machi, Mogami-gun, YAMAGATA Pref.	Nagoya city, AICHI Pref.	Shichikashuku-machi, Katta-gun, MIYAGI Pref. (Miyagi consumers' cooperative)
Kawauchi-mura, Futaba-gun, FUKUSHIMA Pref.	Okazaki city, AICHI Pref.	Asahi-mura, Higashichikuma-gun, NAGANO Pref. (Matsumoto Highland JA: Japan Agricultural Cooperatives)
Shiki city, SAITAMA Pref.	Sakai city, OSAKA Pref.	Koubu executive committee of local government (Kashima-cho, Matue city, SHIMANE Pref.)
Toda city, SAITAMA Pref.	Toyonaka city, OSAKA Pref.	Koda-cho, Akitakata city, HIROSHI- MA Pref. (OHARA Promotion Association)
Fussa city, TOKYO	Kobe city, HYOGO Pref.	Miwakamachi, Miyoshi, HIROSHIMA Pref. (KAWANISHI Autonomous Federation)
Hakone-machi, Ashigarashimo-gun, KANAGAWA Pref.		

As of the end of March 2022

## Agreements to Provide Material Support in the Event of Natural Disaster



### Objective

Agreements to Provide Material Support in the Event of Natural Disaster

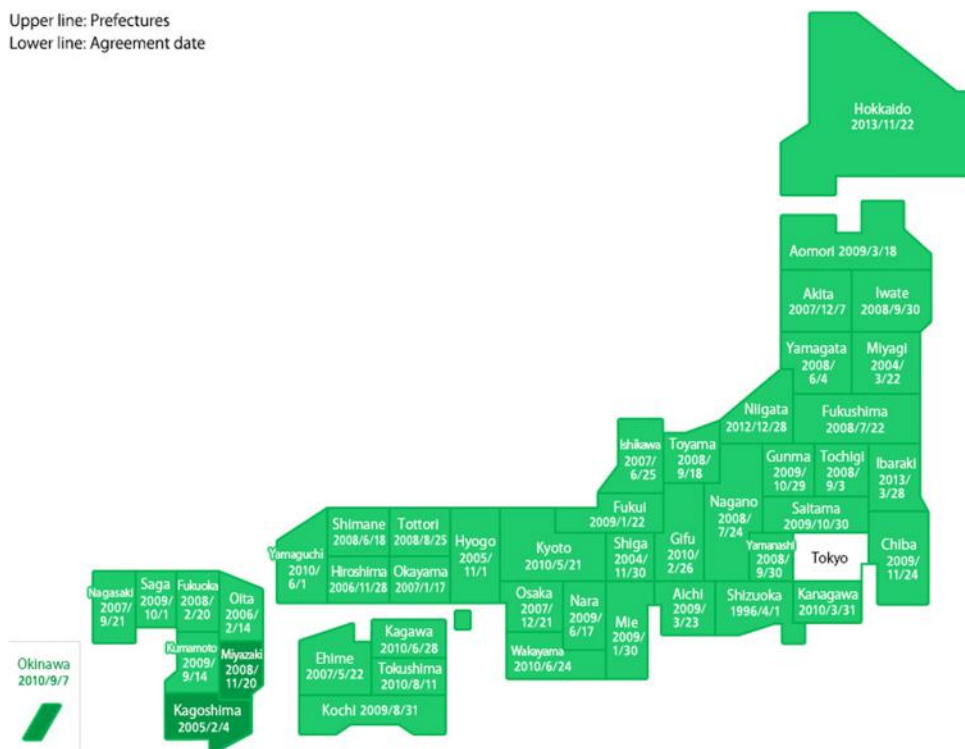
## Major collaboration

1. Groceries: rice balls, sandwiches, canned goods
2. Beverages: bottled water
3. Clothes: underwear, towel, work gloves, disposable diaper
4. Daily necessities: Disposable chopsticks, spoons, flashlights, batteries

The above are relief supplies that FamilyMart is capable upon request

## Agreements with Prefectures

Upper line: Prefectures  
Lower line: Agreement date



Note: Area franchise companies in Miyazaki, Kagoshima and Okinawa prefectures. (Minami Kyushu FamilyMart Co., Ltd. and Okinawa FamilyMart Co., Ltd.)

## List of Municipal Agreements

Sendai city, MIYAGI Pref.	Osaka city, OSAKA Pref.	Suginami Ward, TOKYO
Chiba city, CHIBA Pref.	Sakai city, OSAKA Pref.	Kamaishi city, IWATE Pref.
Saitama city, SAITAMA Pref.	Kobe city, HYOGO Pref.	Ishinomaki city, MIYAGI Pref.
Kawasaki city, KANAGAWA Pref.	Okayama city, OKAYAMA Pref.	Miyoshi city, AICHI Pref.
Sagamihara city, KANAGAWA Pref.	Hiroshima city, HIROSHIMA Pref.	Tsu city, MIE Pref.
Yokohama city, KANAGAWA Pref.	Kitakyushu city, FUKUOKA Pref.	Wajima city, ISHIKAWA Pref.
Niigata city, NIIGATA Pref.	Fukuoka city, FUKUOKA Pref.	Kusatsu city, SHIGA Pref.
Shizuoka city, SHIZUOKA Pref.	Shiki city, SAITAMA Pref.	Miyazaki city, MIYAZAKI Pref.*
Hamamatsu city, SHIZUOKA Pref.	Toshima Ward, TOKYO	Nobeoka city, MIYAZAKI Pref.*
Nagoya city, AICHI Pref.	Nerima Ward, TOKYO	Kagoshima city, KAGOSHIMA Pref.*
Kyoto city, KYOTO Pref.		

\*Area franchise companies (Minami Kyushu FamilyMart Co., Ltd.)

As of the end of March 2022

## List of non-municipal organization agreements

Japanese Red Cross Society	Japan Ground Self-Defense Forces (JGSDF) Camp Fuji Unit Active Party
Japanese Red Cross Fukuoka Hospital	Kanagawa Prefectural Police
Saiseikai Suita Hospital	Aichi Prefectural welfare Federation of agricultural Cooperatives
National Hospital Organization (NHO) Tokai Hokuriku group	Toho Gas Co., Ltd.
Osaka Medical College	The Kansai Electric Power Co., Inc. (KEPCO)
Gifu Prefectural Tajimi Hospital	NTT Communications Corporation
Teikyo University	Ogaki Kyoritsu Bank
Nagoya University	ALL NIPPON AIRWAYS CO., LTD. Matsuyama Airport Office
Ministry of Defense (MOD) Bureau of Personnel and Education Welfare Division	Japan Airlines Co., Ltd. Procurement Division Procurement First Department
MOD JGSDF Ground Material Control Command Supply Department	JR West Japan Shopping Center Development Company
Japan Ground Self-Defense Forces (JGSDF) Camp Asaka Unit Active Party	

## Watch-over Agreements

### Objective

FamilyMart has concluded agreements with municipalities to ensure the safety and security of local children and senior citizens from criminal activity and accidents. Stores will promptly notify authorities upon discovery of any unusual events.

### List of watch-over agreements

Party to agreement	Name of agreement
Tokyo Metropolitan Government	Agreement for community development to support the elderly community members through cooperation between the Tokyo Metropolitan Government and businesses Agreement on cooperative community watch projects
SHIZUOKA Pref.	Agreement on “SHIZUOKA Pref. Regional Safety Watch Project”
OSAKA Pref.	Agreement to promote community development beneficial to the elderly community members in OSAKA Pref.
NAGASAKI Pref.	Agreement on watch activity for the safety of elderly community members in NAGASAKI Pref.
OITA Pref.	OITA Pref. Isolation-free Society Promotion Project Agreement on watch activity for the safety of elderly community members
TOKUSHIMA Pref.	Agreement on watch activity for the safety of children and bullying prevention by TOKUSHIMA Pref. and FamilyMart Co., Ltd.
Kobe city, HYOGO Pref.	Agreement on watch activity for the safety of elderly community members
Nerima Ward Local Government, TOKYO	Agreement for an elderly safety watch network project with Nerima Ward Local Government
Katsushika Ward Local Government, TOKYO	Agreement for a safety watch for elderly community members with Katsushika Ward Local Government
Ota Ward Local Government, TOKYO	Agreement on SOS project children’s house in Ota Ward Local Government
Daisen city, AKITA Pref.	Agreement to cooperate on a community safety watch over the area of Daisen city
Chigasaki city, KANAGAWA Pref.	Agreement to promote community development beneficial to elderly community members in Chigasaki city
Chiryu city, AICHI Pref.	Project agreement for community development that supports elderly community members in Chiryu city
Kakamigahara city, GIFU Pref.	Agreement on Kakamigahara safety network project
Hakusan city, ISHIKAWA Pref.	Agreement to watch over the safety of elderly community members
Hatoyama city, Hiki-gun, SAITAMA Pref.	Memorandum on regional watch support network in Hatoyama city
Fujinomiya city, SHIZUOKA Pref.	Agreement on Fujinomiya baby station project cooperation
Toyonaka city, OSAKA Pref.	Cooperative agreement on childcare support by Toyonaka city and FamilyMart Co., Ltd.

As of the end of February 2019

## Support Agreement for Person Having Difficulty with Return at Disaster

### Objective

To assist locals and tourists stranded due to transportation disruptions in the event of natural disasters such as earthquakes, i.e. commuters, students, and tourists at train stations, offices, or schools.

### Relief provided

1. Allowing the use of store restrooms
2. Providing water (tap water)
3. Sharing information (road conditions, etc.)

### Display of Disaster Support Station Stickers



FamilyMart stores designated as Disaster Support Stations are easily recognizable by official “Disaster Support Station” stickers near their entrances. Under the agreements, those in need can receive aid including but not limited to access to tap water, store restrooms, and road information from maps and radio broadcasts, among other support.

### List of Municipal Agreements

Hokkaido	Iwate	Akita	Fukushima	Tochigi
Gunma	Yamanashi	Nagano	Niigata	Toyama
Ishikawa	Shizuoka	Gifu	Aichi	Shiga
Tottori	Shimane	Okayama	Hiroshima	Yamaguchi
Kagawa	Ehime	Kochi	Fukuoka	Saga
Nagasaki	Kumamoto	Oita	Miyazaki*	Kagoshima*
Okinawa*				

\*Agreement through area franchise companies (Minami Kyushu FamilyMart Co., Ltd. and Okinawa FamilyMart Co., Ltd.)  
As of the end of February 2019

## List of agreements with municipalities and other organizations

Municipalities and other organizations	Participating prefectures and cities
Sendai city, MIYAGI Pref.	
Organization of Kansai Unity (KU) Union of Kansai Government	MIE Pref. SHIGA Pref. KYOTO Pref. OSAKA Pref. HYOGO Pref. NARA Pref. WAKAYAMA Pref. KYOTO City OSAKA City KOBE City TOKUSHIMA Pref. SAKAI City
Nine Prefectural and Municipal Governments Earthquake Prevention Joint Research Department	SAITAMA Pref. CHIBA Pref. TOKYO Metropolitan KANAGAWA Pref. YOKOHAMA City KAWASAKI City CHIBA City SAITAMA City SAGAMIHARA City (participated on April 1, 2010)

As of the end of February 2019

## Agreements to Install Automated External Defibrillators (AED)



### Objective

FamilyMart is concluding agreements with municipalities to install AED (Automated External Defibrillators) in our stores. We are working with local governments and other organizations to provide lifesaving services to locals in cases of emergency.

## Number of stores installing AEDs

Hokkaido	1	Aomori	13	Akita	4	Fukushima	1	Ibaraki	52
Tochigi	14	Gunma	31	Saitama	118	Chiba	150	Tokyo	29
Kanagawa	37	Yamanashi	9	Shizuoka	44	Nagano	1	Gifu	1
Aichi	192	Mie	13	Fukui	44	Shiga	2	Kyoto	15
Osaka	86	Hyogo	20	Nara	1	Okayama	4	Tottori	1
Ehime	7	Tokushima	1	Fukuoka	5	Kumamoto	1	Miyazaki*	6
Okinawa*	74								

\*Through area franchise companies (Minami Kyushu FamilyMart Co., Ltd. and Okinawa FamilyMart Co., Ltd.)

As of the end of February 2019



# Material issue 3: Creating Safe and Reliable Products and Services to Bring Convenience and Richness to Everyday Life



## Social Background and Issues to Recognize

The shrinking market size due to the declining population in Japan and the rapid expansion of e-commerce consumption have intensified competition beyond traditional business categories and are significantly changing the nature of product sales and retailing.

Demographic changes due to a declining birthrate and an aging population, together with a concentration of people in urban areas, has led to an increase in the number of working women, dual-income households and single-person households. This has increased demand for food products that save time or are portioned into small amounts and products that match consumers' heightened awareness of environmental issues and increased health consciousness. There is also a growing demand for products and services that contribute to solving the problems faced by communities and society.

The social changes that have resulted from digitalization due to the recent technology evolution affect not only the way people work and the way FamilyMart stores are operated, but also the way products are sold and retailed.

FamilyMart sees these changes and diversification in social conditions and people's lifestyles as an opportunity for convenience stores to be reevaluated as a familiar presence for consumers. We hope to contribute to the realization of convenient and affluent lives for people by strengthening the development of products that are close to consumers and local communities, and by also promoting digitalization to improve consumer satisfaction and convenience.



## Vision

In addition to safety and security, FamilyMart aims to develop unique products based on changes in consumer lifestyles and values and expand our product lineup. We aim to meet the increasingly sophisticated and diverse needs of consumers.

In our product development, FamilyMart strives to differentiate ourselves from competitors by incorporating diverse consumer needs and focusing on time-saving, convenient and useful products for everyday life that make customers feel they've gotten a bit of a bargain. We also proactively work to create products that emphasize the growing health consciousness of consumers and the lifestyle trends for each generation.

We also use the latest digital technologies to improve customer convenience and save labor in our store operations, using digital means that are responsive to customer needs without being bound by conventional frameworks and customs.

Customer feedback is also widely used in our corporate activities to develop and refine our products and services, leading not only to even higher customer satisfaction but also to enhanced corporate value.

## Specific Initiatives



**Providing Products and Services that Enrich Lives** ▶

**Promotion of Digitalization to Improve Convenience** ▶

**Prompt Response to Customer Feedback** ▶

## Basic Approach



FamilyMart continues to develop original products that match consumer lifestyles and changing values, expand our product lineup, and meet a wide range of increasingly sophisticated and diversified consumer needs.

We aim to differentiate ourselves from other companies by focusing on high value-added products that are time-saving, convenient, and useful in everyday life. We will also provide new value to our customers by actively creating products focused on today's growing health consciousness, products matched to generational trends and through digitalization.

## Value Creation



FamilyMart offers various products to contribute to better living of customers in local communities.

The advantage of brick-and-mortar stores is that, among a wide selection of items, customers can touch and feel products that they have never seen or heard of before or that propose new value. At the same time, we are striving to create a next-generation model of convenience stores and utilize the latest digital technologies to make our stores a place where customers encounter new products and experiences.

By making the most of both of these characteristics, we will enhance our sales area to make everyday life fresher and more fun, respond to a wide range of consumer needs, and help each customer achieve his/her desired lifestyle.

## Promotion Framework



In product development, we formulate a development concept based on customers' requests and various survey results, and each division decides the details of product specification by category. Sales, Marketing, and Merchandising Divisions have a weekly regular meeting where they share information on sales status and promotion and discuss quality improvement. As part of our digitalization efforts, FamilyMart established Data One Corp. to provide highly accurate targeted advertising based on purchasing data, and Gate One Corp. to provide digital content on large in-store monitors. Creative Office & 8 was also newly established as an organization under Supervision of President to further evolve our efforts to create new businesses using our brick-and-mortar stores.

# Providing Products and Services that Enrich Lives

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▼ Famimaru, a Private Brand that Focuses on Safety and Quality

▼ Proposing a New Lifestyle Convenience Wear ▼ For a Growing Health Consciousness

▼ New Services for Customer Convenience and Diversified Lifestyles

## Basic Approach

Recent changes in the social structure and lifestyles from the effects of Covid-19 on day-to-day life have created new needs for products and services. There are also growing expectations for product development and initiatives that enhance quality of life and address the growing health consciousness of consumers.

FamilyMart's private Famimaru brand focuses on safety and quality at a level that we can safely recommend to our loved ones. In addition, we developed Convenience Wear, which is based on the concept of good materials, good technology, and good design.

In addition to the "convenient" nature of convenience stores, we are developing product strategies that encourage customers to visit our stores and purchase products, increasing the value of our private brand products, working on sustainable products and services, and providing services that are relevant to the local community.

## Famimaru, a Private Brand that Focuses on Safety and Quality

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FamilyMart's private Famimaru brand is based on the concept of "Family Quality". As befits the name FamilyMart, we develop and deliver to our customers products based on the key terms of "delicious", "happy", and "comforting", that are high quality and safe, and which we can recommend to our loved ones with confidence.

At the same time, to properly convey the value that Famimaru aims to achieve customer satisfaction, we have paid great attention to every detail in developing the package design, such as highlighting the product's appealing points as icons. In addition to pursuing delicious tasting food that can be eaten daily, we also develop products that are environmentally friendly, such as using packaging materials that contain bio-materials.

Famimaru products focus on price, volume, and quality so that customers can feel they're getting a bit of a bargain. The brand has been very well received by customers, and we will continue to expand the Famimaru product lineup.



Using a Double Circle  
as a Symbol for Quality  
that gives our Customers  
Peace of Mind

The name was developed by combining the words *maru*, which stands for

delicious, happy, comforting

and Famima as our company's nickname.

## The Idea Underlying Our Product Development

The concept behind “Family Quality” is “a level of safety and quality for which our products can be recommended to the whole family with peace of mind”. The keywords for developing Famimaru products are “delicious☺, happy☺, and comforting☺”.

### Delicious☺ Efforts

Our foods are developed through taste surveys and repeated product development meetings. We set standards for developing products that give particular attention to raw materials and manufacturing methods, conduct comparative surveys with other companies' products, incorporate customer feedback, and make repeated improvements, all in the pursuit of deliciousness.

### Happy☺ Efforts

We aim to provide a great level of quality / great satisfaction level so that our customers can confidently recommend our products to family, and provide them at an affordable price. For packaging, we provide easy-to-understand explanations on product use and features. We also incorporate universal design\* as a way to realize product development that will delight customers.

\*Universal designs are those that are easy to understand for a broad range of people, regardless of factors such as ability, age, gender, nationality, etc.

### Comforting☺ Efforts

FamilyMart registers and sells only products that have passed our factory and inspection standards. We carefully manage products at their ideal temperature, and speedily and efficiently deliver them to maintain the same quality as when they were shipped. We are also promoting a switch to eco-friendly materials—for example, using packaging that includes bio-based materials and paper containers.

## Our Three Famimaru Lines

Famimaru is available in three lines.

- Famimaru: Enriching everyday family life
- Famimaru KITCHEN: Supporting the family dining table
- Famimaru KITCHEN PREMIUM: High-quality flavors focusing on manufacturing methods and ingredients



## Features of Famimaru

### 1) Sustainable and Delicious

Focusing on some standard ready-to-eat products such as rice balls, bento boxes, and sandwiches, we are pursuing flavors that never get tired, even if eaten daily. In addition to improving the quality of our products, we are continuing to develop products that will set new flavor standards.

### 2) Convenient Products that Change our Daily Lives

We are expanding our product lineup so our customers recognize our stores as a place for frequently used daily necessities such as our 100-yen daily necessities series.

### 3) Easy-to-Understand icon

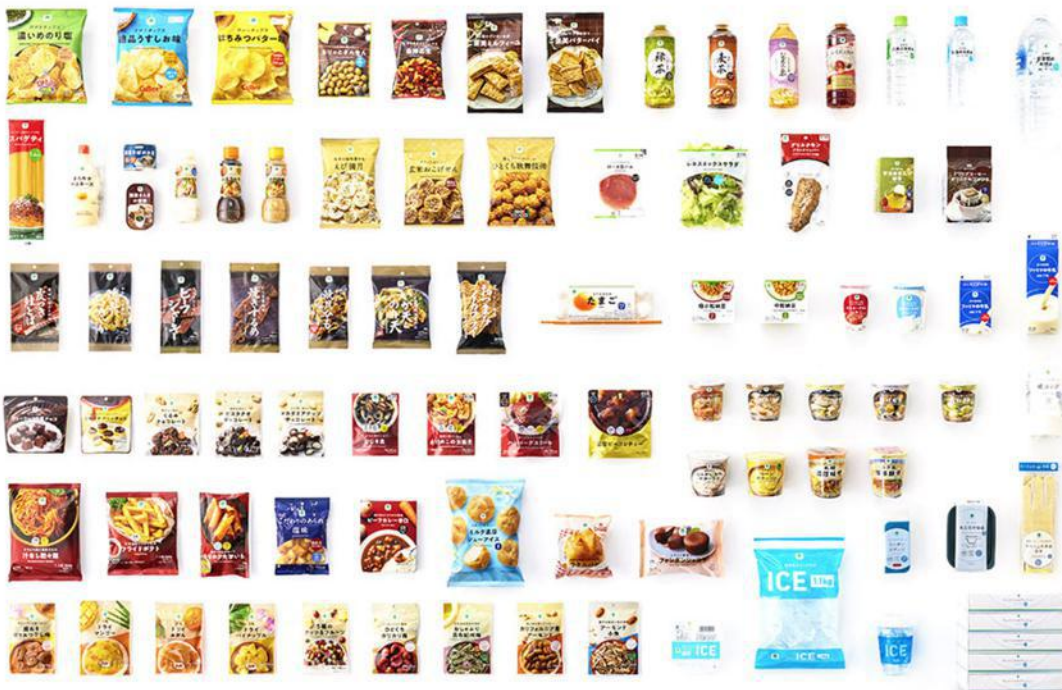
On our packaging, key points such as the place of origin, manufacturing methods, and environmental awareness are displayed in eye catching large icons.

### 4) Health and the Environmental Awareness

We are also developing health-conscious confectionary products, such as our delicious low-carbohydrate diet products which contain a moderately controlled amount of sugar.

### 5) Package Design of Maru (Circle)

For the package design, we adopted a photo of the product with an emphasis on the circle so that employees can feel a sense of fulfillment as they enjoy decorating the sales floor when stocking shelves. In addition, we have designed the package so that the product can be identified at a glance, thereby reducing the burden on setting up sales floors.



## Proposing a New Lifestyle Convenience Wear

In 2021, FamilyMart rolled out our Convenience Wear series nationally. The series concept is “good materials, good technology and good design”. Until now, demand for clothing at convenience stores was extremely high for late-night emergencies, giving the impression that such clothes were something to be bought in a pinch. With this series, we aim to create reasonably priced clothing that supports daily lives and that can be easily and conveniently bought at any of our stores.

We received the 2021 Good Design Award in recognition of our efforts to reexamine clothing and elevate it as a brand.

We continue to develop new ways to respond to everyday social changes and customer needs in an attempt to make the experience of buying clothes at a convenience store a more everyday occurrence.



### TOPICS

## Supporting a Society Where Everyone Can Be Themselves! Sales of Rainbow Line Socks

Since 2019, FamilyMart has been deepening its understanding of LGBTQ persons through various activities and creating a work environment that embraces the diversity of each employee. To expand the circle of allies who understand and support LGBTQ and to aspire to a society where everyone can actively be themselves, in April 2022 we launched a version of our Line Socks with six-color rainbow stripes in support of sexual diversity and the LGBTQ community. A portion of the sales of these rainbow socks are donated to LGBTQ support organizations.



## For a Growing Health Consciousness

### Locabo Series

Low-carb products are attracting attention due to a recent increase in health consciousness. A low-carb diet, as opposed to calorie restriction, promotes moderate carbohydrate control, deliciousness and enjoyment, and appropriate sugar intake. It is said that it is possible to suppress the rise in post-meal blood sugar levels by limiting the amount of low-carb sugar\* to 20–40g per meal and 10g for snacks, rather than intentionally reducing carbohydrate intake to zero. (Source: Eat & Fun Health Association)

From October 2021, FamilyMart's private Famimaru brand has been selling six types of low-carbohydrate chocolate sweets under the Locabo series. Packaging shows the Eat & Fun Health Association's low-carb logo and that the product has low-carb sugar, making it easy for carbohydrate control.

The series also uses 100% sustainable raw cacao materials supplied by the global chocolate maker Barry Callebaut and recognized as Cocoa Horizons Certified Cacao.

\*Low-carb sugar (4 kcal of energy per gram) is calculated based on available carbohydrates, which is a different calculation from regular sugar. It is derived from the philosophy of the Eat & Fun Health Association, which seeks to have people all over the world “eat deliciously, have fun, and be healthy”.





## Cooked Rice Products with Super Barley

We became the first major convenience store to use super barley\* in rice ball products in August 2017 in response to growing health awareness. Sales went full-scale in April 2018. When rice balls with super barley became a hit with customers, we expanded the use of super barley to boxed lunches in May 2018 and sushi in August 2018.

We develop these rice dishes (rice balls, boxed lunches, and sushi) with super barley under the concept that customers can keep consuming them day after day. Their popularity among not just health-conscious women but a wide range of ages (women in their 20s to 50s and men in their 40s to 50s) has pushed cumulative sales past the 200 million unit mark (as of December 2021).

\*We use BARLEYmax®, a non-genetically modified barley that contains high amounts of dietary fiber including two times more than normal barley. It also is four times as resistant to digestion as resistant starch. Three types of dietary fiber—fructan,  $\beta$ -glucan and resistant starch—resist digestion in the small intestine and then ferment in the large intestine, where they support healthful “good” bacteria.



## Smart Meal Certification

In August 2018, we became the first convenience store to obtain Smart Meal certification. The certification specifically went to a grilled salmon boxed lunch, named Aburiyaki Shake Makunouchi Bento, sold by reservation only. Developed to taste great with less salt and provide plenty of vegetables, the meal was recognized for providing nutritional balance with healthy ingredients.

Smart Meals are based on the standards set out in the Ministry of Health, Labor and Welfare's Guidelines for Meals Provided for the Purpose of Preventing Lifestyle Diseases or Promoting Health (September 2015) and the Dietary Reference Intakes for Japanese (2015 edition). Additionally, Smart Meals are subject to review against actual healthy menu selections from four food service companies and certified by the Consortium of Healthy Meal and Healthy Food Environment, which is made up of several academic societies including THE JAPANESE SOCIETY OF NUTRITION AND DIETETICS.

A second product has since earned the Smart Meal certification. Ajiwai Gozen, which went on sale February 2019, is a boxed lunch made of nine dishes along with rice. The mix was praised for its balance of nutrients including carbohydrates, fat, and protein.



Box lunch by reservation with the Smart Meal certification

[▶ Details on the Smart Meal certification system](#)

## Winner of Gold Prize at JSH Reduced-Salt Food Products Awards

Our Reduced-Salt Japanese-Style Dressing in a small-pouch form sold separately from salads was awarded the Gold Prize at the Fifth JSH Reduced-Salt Food Products Awards\*<sup>1</sup> (sponsored by the Salt Reduction Committee of the Japanese Society of Hypertension). It was the first time for a convenience store to win the Gold Prize. Since its launch, many customers have come to choose the dressing, which has 25% less sodium\*<sup>2</sup> but keeps the full flavor of ordinary dressing since it is made with the delicious taste of vegetables, and was chosen for the prize as a “product with excellent results in promoting salt reduction”.

\*<sup>1</sup> JSH Reduced-Salt Food Products Awards: The Salt Reduction Committee of the Japanese Society of Hypertension began introducing reduced-salt food products (the JSH Reduced-Salt Food Products List) in 2013 as useful information for hypertension patients and other people trying to reduce their sodium intake. In 2015, it started handing out JSH Reduced-Salt Food Products Awards to products on the list that it considered outstanding examples of sodium reduction.

\*<sup>2</sup> Contains 25% less sodium than standard Japanese-style dressing based on Standard Tables of Food Composition in Japan - 2015 - (Seventh Revised Edition).



Low salt Japanese-style dressing that won the JSH Low-Salt Foods Award Gold medal

## New Services for Customer Convenience and Diversified Lifestyles

### Laundry Service

We have launched the coin-operated Famima Laundry service at 33 of our stores nationwide (as of the end of July 2022). Given the increasing number of double-income and single-person households and the time constraints they face, we are developing services such as this, which are highly compatible with convenience stores and useful for customers while easing their housework burdens.

Unlike convenience stores, coin-operated laundries attract more customers on rainy days, so stores can expect increased profit by locating alongside or combining with a laundry service. Because these laundries share a facility with FamilyMart, customers can shop at FamilyMart or enjoy food and drink in the in-store eating space while waiting for their laundry to finish, allowing customers to spend their time more effectively for a more pleasant lifestyle. As an advantage of both Famima Laundry and FamilyMart is operating 24 hours a day, it accommodates the diverse lifestyle of customers.



## Sharing Services

To develop new convenience store-based lifestyle support service, FamilyMart is promoting the installation of sharing service bases in our stores. As of May 2022, 653 stores nationwide have installed shared cycle ports, which helps meet not only growing needs from increased health consciousness and diversified lifestyles, but also reduces environmental impacts. We are also expanding our mobile battery rental service, which allows customers to rent batteries for their smartphones and other mobile devices, when and where they are needed. After use, the battery can be returned to a rental stand other than the location where it was rented. As of May 2022, this service has been installed in approximately 6,800 stores nationwide as a convenient emergency service.



## Locker Services for Delivery and Pickup

FamilyMart is using its store space to provide services tailored to various customer lifestyles. We are in the process of installing Mercari Post boxes which allow customers to easily drop off Nekopos and TA-Q-BIN Compact items without first going through a cash register, as well as Amazon Hub lockers, which allow customers to enter a specified receiving code on an Amazon touch screen and retrieve their ordered items from the box. We are also working on the installation of Mart Station boxes to receive deliveries from specialty stores such as butchers and fish mongers and deliveries of fresh regional produce, etc. purchased through the fresh food e-commerce site Cookpad Mart. When customers pick up products from Mart Station, they can also purchase prepared foods and seasonings from FamilyMart, thereby making one-stop shopping a reality.



# Promotion of Digitalization to Improve Convenience

- ▼ Evolving into a New Kind of Information Dissemination Base
- ▼ Enhancing Convenience through FamiPay
- ▼ Practical Stores with an Unmanned Payment System
- ▼ Creating a New Relationship between Customers and Corporate Advertising

## Basic Approach

Due to the acceleration of digitization in recent years, the decline in the working-age population, and changes in customer needs and workstyles, the role of convenience stores changes in conjunction with the shifting demands of users. FamilyMart is working to realize a next-generation convenience store model by leveraging the latest digital technologies such as unmanned payment stores and digital signage, and by implementing FamiPay (a digital payment system) across our store network and customer contact points. This effort will help us achieve sustainable growth even in drastically changing times and become an even more indispensable presence in the local community. The use of humanoid AI assistants, remote-controlled robots and other types of new digital technologies will also help to save store operations labor, improve customer convenience and satisfaction, and enhance corporate value by promoting digitization that meets customer needs without being bound by conventional frameworks and practices.

## Evolving into a New Kind of Information Dissemination Base

In September 2021, FamilyMart established Gate One Corp. in collaboration with Itochu Corporation to provide services that transcend the boundary between the real and the digital. Gate One distributes digital content via large monitors (digital signage) in our stores. Multiple monitors supply customers with enjoyable content such as product information, music, and news that is linked to items on the sales floor, as well as provide useful community-based content such as events announcements and crime prevention notices (scam warnings, etc.). As of July 2022, such digital signage has been installed at 3,000 stores and we will continue to expand their use in more stores over time.



## Enhancing Convenience through FamiPay

The FamiPay app was launched in 2019 for customers to save money and make shopping at FamilyMart more convenient. The app was downloaded more than 10 million times by November 2021.

In addition to discount coupons, bonus payouts, and linkups with the point programs of various other companies, we are also actively developing new services focused on customer convenience that are not necessarily limited to our own services, such as the FamiPay Next Month Payment service for deferred payment when one's FamiPay balance is insufficient and FamiPay Bill Payment, which allows payment of utility and other bills (payment slips) by reading the barcode on the bill/slip with the FamiPay app, as well as a FamiPay Loan option so customers can access money for small financial needs in their daily lives.

About 15 million people visit a FamilyMart store on an average day. We communicate with them at the store level to actively introduce and recommend FamiPay to them as a very convenient tool. This will improve customer convenience and satisfaction and reduce store workloads.

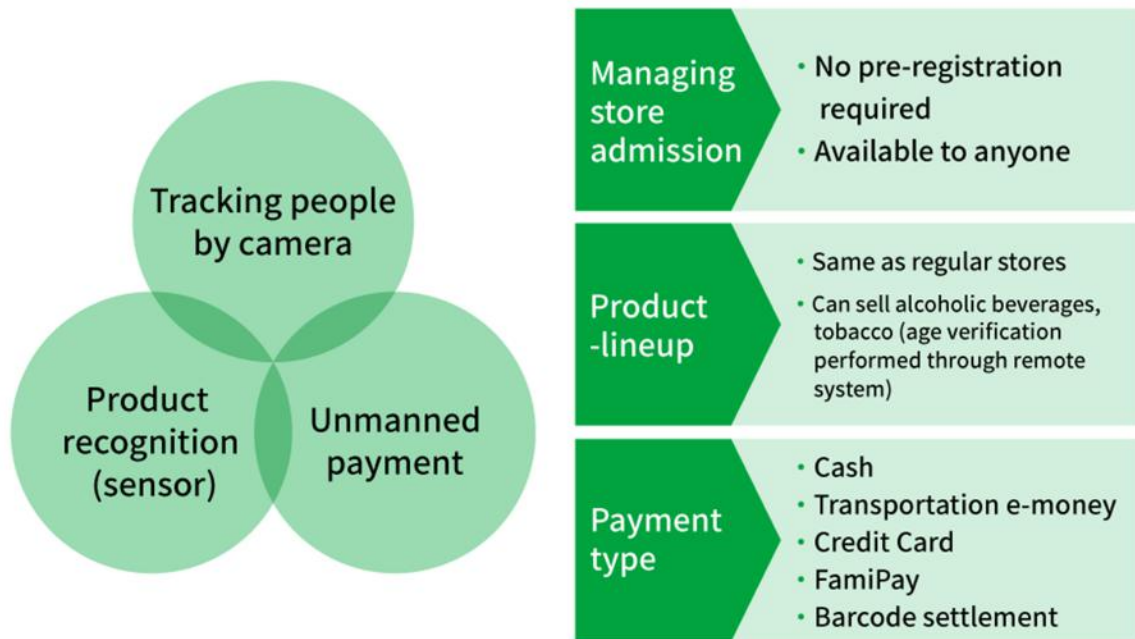
## Practical Stores with an Unmanned Payment System

We entered a business alliance with TOUCH TO GO Co., Ltd., a developer of unattended payment systems, for the practical implementation of unattended payment convenience stores. In 2021, we opened our first unattended payment store, Famima!! Sapia Tower/S, as a new type of store that can meet small-scale needs. As of July 2022, we have opened five such stores.

These unmanned payment stores use cameras and sensors to recognize customers and products, allowing customers to enter, pick up products, and self-pay at the cash register installed near the exit. Compared with staffed registers, such systems allow customers to make purchases more easily and in a shorter amount of time. They are also expected to help reduce labor shortages and labor costs, and also address the growing need for contactless devices that developed in the COVID-19 pandemic. Unmanned payment systems also expand possibilities for opening stores in micro markets.



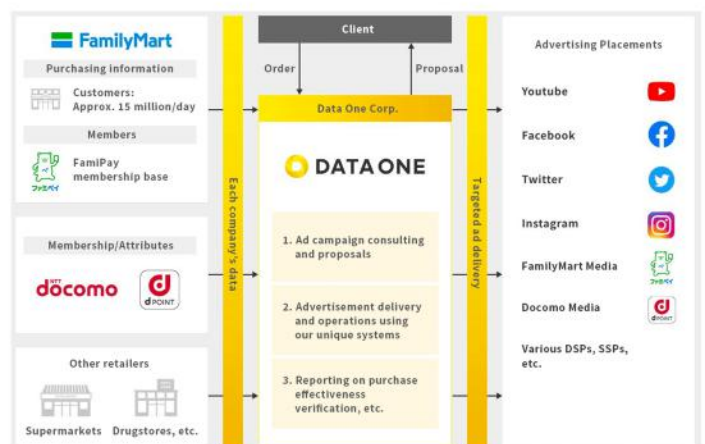
The shopping flow using an unattended payment system



Building the system by combining three elemental technologies: tracking people by camera, product recognition, and unmanned payment.

## Creating a New Relationship between Customers and Corporate Advertising

Data One Corp. was established in collaboration with Itochu Corporation, NTT DOCOMO, INC. and CyberAgent, Inc. to develop a digital advertising distribution business and advertising agency business utilizing retailer purchasing data. Data One uses FamiPay and other services to deliver advertisements that match the interests of customers based on the purchasing data obtained from daily store operations. This data is used not only to improve services but to also provide efficient marketing and branding for various manufacturers. We aim to improve customer convenience by building a new advertising business that leverages the customer base of brick-and-mortar stores while delivering more useful information to customers.



# Prompt Response to Customer Feedback

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## ▼ Customer Service Office

### ▣ Basic Approach

Our company has established a Customer Service Office, which reports directly to the president, to utilize the voices of customers who use our stores and services in our business.

The Customer Service Office responds sincerely to the opinions and requests it receives, and strives to satisfy each and every customer.

We also consider the meaning of submitted opinions and share them internally to develop and improve products and services, and reflect the feedback in our corporate activities.

## Customer Service Office



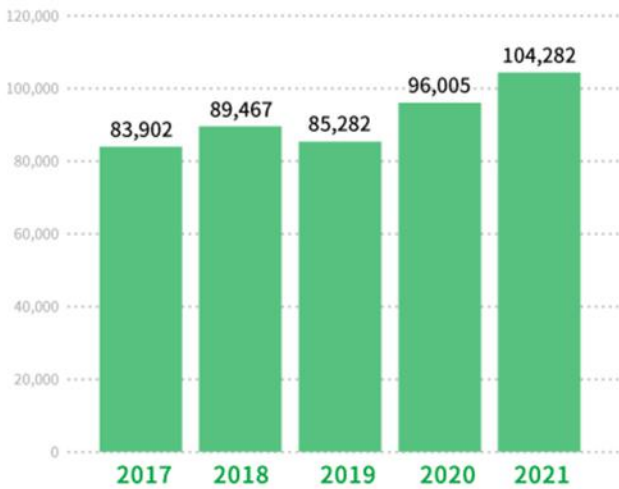
In fiscal 2021, our Customer Service Office received 104,282 customer comments via telephone, letters, and the Internet. This feedback is promptly conveyed to the department in charge through our internal system, which responds accordingly. By having the responsible department deal with a matter, we are able to respond more quickly and professionally, improve customer satisfaction, and work to solve the basic underlying issue.

In addition, we post feedback on our company intranet to promote information sharing so that all employees can be aware of such feedback and use it to enhance the relationship of trust with our customers.

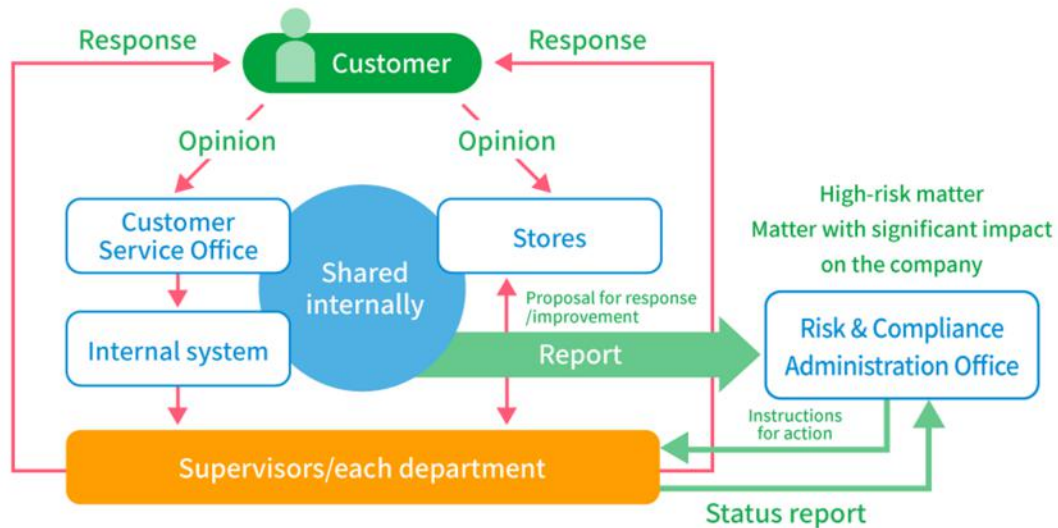
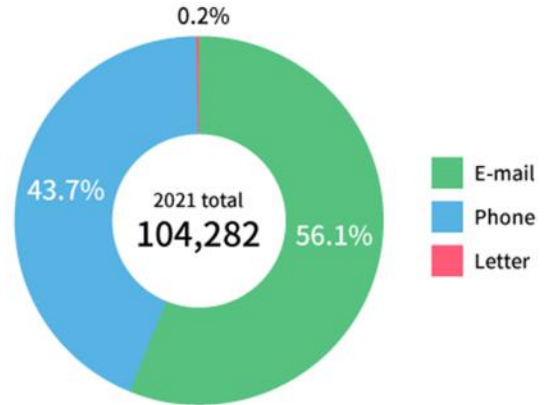
Furthermore, opinions and consultations that have a significant impact on our business are reported to the Risk & Compliance Administration Office and appropriate measure taken.

▶ [Inquiries \(JP\)](#) 

Number of consultations over time



2021 total, by channel



!✓ Examples of Responses

(1) In fiscal 2021, there were a number of cases of character merchandise (including Ichiban Kuji raffle items) being bought out and resold online at high prices by resellers, including the items of other companies. The number of complaints increased.

(2) Information was shared with the Merchandising Division and countermeasures discussed.

(3) The Merchandising Division notified customers that there would be a limit on the number of items a customer could purchase as a measure to prevent hoarding, etc.

(4) As a result, complaints regarding bulk purchases of character merchandise decreased.



# Material issue 4: Working with Suppliers to Pursue a Sustainable Supply Chain



## Social Background and Issues to Recognize

As the economy becomes increasingly globalized and borderless, enterprises are increasingly procuring goods from all over the globe. This expansion is having an impact on a variety of social issues, including global environmental problems, poverty and inequality, and labor and human rights issues. The expansion of the supply chain not only improves corporate competitiveness, but can also be a major risk factor, as contractors are held responsible for managing unethical behavior of their suppliers. International standards like ISO 26000\*<sup>1</sup> and ISO 20400\*<sup>2</sup> have arisen in response, meaning that enterprises are expected to practice responsible procurement on a global scale, based on fair trade with their suppliers and extended throughout their entire supply chains.

As FamilyMart handles an extremely diverse range of products, we recognize the importance of further supply chain management to deliver safe and secure products to all of our customers. We consider it our social responsibility to practice more sophisticated supply chain management to make positive impacts like working for human rights, good labor practices, the environment, and the elimination of corruption.

\*<sup>1</sup> An international standard on the social responsibility of organizations.

\*<sup>2</sup> An international standard on sustainable procurement.

## Vision

### Social Contribution Policy

Strong systems based on trusting relationships with our business partners are indispensable if FamilyMart is to continue growing sustainably with society. We will strive to establish and maintain good long-term relationships with our business partners through fair and transparent business practices.

Since the international community demands corporate social responsibility for the entire supply chain, FamilyMart will continue to improve our efforts to contribute to the formation of a sustainable society together with our suppliers based on our Sustainable Procurement Principles, Sustainability Action Guidelines for Supply Chain, and FamilyMart's Human Rights Policy.

As a retailer that supports social and lifestyle infrastructure, FamilyMart strives daily to develop local communities through a community-based management style as the ways of living continue to diversify due to declining birthrates and an aging population, an increased population of foreign nationals, and reforms to working styles. Our brick-and-mortar stores play an increasingly important role in supporting daily life in various communities.

Additionally, in the event of major damage from a natural disaster such as an earthquake or torrential rains, FamilyMart stores serve a social and living infrastructure function by leveraging our nationwide product supply and logistics network to help deliver supplies to affected areas as quickly as possible.

Working with national and local governments as well as other businesses, we are systematically prepared for these situations.

## Specific Initiatives



**Promotion of Fair and Transparent Business Activities** ▶

**Our Responsibilities to Provide Safe and Reliable Products / Services** ▶

**Building Responsible Supply Chain Management / Promoting Sustainable Ingredient Sourcing** ▶

## Basic Approach



In order for a retail business operator to provide safe and reliable products, it is essential to have centralized management based on a comprehensive perspective in every stage of procurement of raw materials, production, logistics, and sales. FamilyMart established the Sustainable Procurement Principles and the Supply Chain CSR Code of Conduct based on the Sustainability Policy to fulfill our social responsibility toward building a sustainable society with suppliers. These principles define our relationships with suppliers and our approach to business with them to build and maintain good partnerships through fair and equitable business.

## Value Creation



Since many of the products produced with thorough quality control along the entire supply chain are essential for our daily lives, we have established a specialized department dedicated to quality control and guidelines for recalls and making a decision about whether or not to continue sales of a product in the event of a serious issue. Should a product be found to not fulfill quality control standards, prompt measures are taken, such as stopping the sales of that product at stores, to minimize the impact on customers.

Moreover, our supply chain management also indirectly contributes to the enhancement of employee satisfaction at suppliers, which works to enhance trust in FamilyMart.

## Operational Structure



At FamilyMart, the Manufacture Infrastructure Development Department of the Supply Chain & Quality Management Division takes the leadership in supply chain management, including the operational status of producers of ready-to-eat items (ready-to-eat items outsources), with the aim of building and improving supply chain management for original ready-to-eat items.

For procurement management, we partner with Japan Food Supply Co., Ltd. (JFS), a group company of ITOCHU Corporation, to make the display of raw materials and the centralized management of traceability available on the system and to secure browsing up to secondary raw materials.

# Promotion of Fair and Transparent Business Activities

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## ▼ Training to Ensure Fair, Transparent Business

## ▼ Building Solid Partnerships with Business Partners

### Basic Approach

Achieving a sustainable society requires the sound development of a healthy market economy.

Enterprises are expected to fulfill valuable roles in society and profit accordingly through fair and free competition.

In particular, in our relationships with suppliers, we are expected to make efforts to ensure fair transactions and to mutually improve transaction conditions.

To ensure fair and transparent business with our partners, FamilyMart has established a Basic Ethics and Compliance Policy. With this policy, we have thoroughly complied with competition laws, including the Anti-Monopoly Act and the Subcontract Act, prohibition of all forms of corruption, including bribery, and other related laws and regulations.

Our aim is to build good partnerships through two-way communication with business partners and to grow with them.

## Training to Ensure Fair, Transparent Business

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For employees in procurement, purchasing, and other related departments, we provide regular compliance and legal training based on our Basic Ethics and Legal Compliance Policy. In addition, we regularly provide training on sustainable procurement and other topics. In addition, we developed our company-wide “fair trade manual”, that allows all employees to check the contents of the Anti-Monopoly Act and the Subcontract Act at any time. We also created a guidebook that outlines bribery related to entertainment and gifts by business partners which are in principle prohibited business practices.

## Building Solid Partnerships with Business Partners

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Strong partnerships with our business partners, founded on mutual understanding and relationships of trust, are essential for FamilyMart’s sustained growth. We regularly share information with our business partners on trends in the convenience store industry, our product strategies, and our efforts to contribute to SDGs.

## **Business Partner Helpline / Business Partner Surveys**

FamilyMart has established a Business Partner Helpline with an external specialist as a contact point for consultation and reporting on the safety and security of products handled by our company, business violations of laws and regulations related with our company, human rights, and inappropriate employee behavior. In addition, we periodically send out our Business Partner Surveys to survey business partner compliance.

For each consultation or survey response, we confirm the facts in cooperation with our business partners and related departments. We then take appropriate measures such as corrective and remedial actions and preventive measures to help form a sound and good partnership with our business partners.

## **Meetings for Supplier Quality Control Supervisors**

To deliver safe and reliable products, it is essential that employees at our ready-to-eat product manufacturing bases understand FamilyMart's quality and hygiene management standards and maintain a high level of shared awareness regarding food safety and reliability. FamilyMart holds meetings four times a year with the quality control managers at ready-to-eat product manufacturing subcontractors and provides feedback on how to strengthen quality and hygiene management based on the results of factory audits and bacterial tests, both from the perspective of preventive and heuristic control. We also share good practices and incident cases to improve self-management.

# Our Responsibilities to Provide Safe and Reliable Products / Services

- ▼ Initiatives for Safety and Reliability throughout Supply Chains
- ▼ Management of Ingredients      ▼ Production and Quality Management
- ▼ Logistics Management      ▼ Store Management

## Basic Approach

Amid growing interest in food safety and security, Japan revised its Food Sanitation Act in June 2018, requiring all food management operators to carry out food hygiene management according to HACCP principles in the interests of food safety and growing globalization. In addition, businesses that handle a wide range of products also have a responsibility to properly and clearly display information for customers that explains the contents and handling of products and services. FamilyMart is committed to thorough quality control throughout the entire supply chain, placing utmost priority on providing safe and secure products. For ready-to-eat products, FamilyMart has its own quality control standards and works to enhance quality control and ensure traceability in all processes. In addition to properly labeling product and service information in accordance with relevant laws and regulations, FamilyMart also engages in consumer education activities and responsible marketing.

We will continue to strengthen communication with our raw material suppliers, ready-to-eat meal product suppliers and logistics contractors, while also ensuring thorough food hygiene management at our stores.

## Initiatives for Safety and Reliability throughout Supply Chains

In terms of the international community, the scope of social responsibility applies not only to a company but also to its supply chain. For this reason, the FamilyMart supply chain follows sustainable procurement principles, which call for conservation of biodiversity and natural resources, compliance with laws and social norms, respect for human rights, prohibition of discrimination, and protection of labor, health and safety. We have also enacted a supply chain CSR code of conduct and, by operating a unified policy with our business partners, give consideration to society and the environment and reduce risks.



## Management of Ingredients

### Quality Control System for Ingredients

The raw materials used in FamilyMart ready-to-eat products have already passed screening before they are supplied to the companies that manufacture them for us. Each time one of our ready-to-eat product suppliers receive a shipment of raw materials, they conduct an acceptance inspection.

Inspections of factories that supply raw material are done by Japan Food Supply, a group company of ITOCHU Corporation, and only raw materials from factories that pass the examination are used.

In product development and improvement as well, we assess ingredients based on quality and hygiene control standards. We only provide ingredients meeting these standards to ready-to-eat product suppliers.

In addition, we use vegetables from vegetable plant factories, which are free from pesticides and harmful bacteria and insects. Since vegetable plant factories can provide a stable supply regardless of weather conditions, we promote procurement from them.



#### Sustainability Procurement Principles

FamilyMart recognizes its social responsibility to work toward the realization of a sustainable society, including the preservation of the global environment and protection of human rights, in its business activities. To this end, we promote business activities based on the spirit of mutual development (CO-GROWING) in accordance with fair rules with producers and business partners, and work on the following items while achieving sustainable growth together.

1. We will give consideration to the conservation of biodiversity and eliminate illegal trade, extraction, and fishing of natural resources.
2. We will protect natural resources that are in danger of depletion, and seek to reuse renewable resources.
3. We will establish traceability of agricultural, livestock, and fishery products with the safety, security, and health of our customers as our top priority, and strive to disclose information in a manner that is easily understood by our customers.
4. We aim to create a sustainable society with producers and business partners who comply with laws, regulations, and social norms, and who fulfill their social responsibilities in the areas of human rights, labor, health and safety, and global environmental conservation.

#### Supply Chain CSR Code of Conduct

##### 1. Compliance with laws and regulations

We will comply with international norms as well as the laws and norms of the countries and regions in which we operate, and conduct our business activities with integrity.

##### 2. Human rights

We respect people and their rights regardless of race, nationality, religion, gender, etc., and will not be complicit in human rights abuses.

##### 3. Labor

We shall give due consideration to the health and safety of our employees, realize a comfortable working environment, respect people and their rights regardless of gender, and shall not be complicit in human rights abuses.

##### 4. Fair business dealings

We will conduct business transactions under appropriate conditions in accordance with sound business practices and will not accept personal benefits.

##### 5. Environment

We will strive to prevent global warming by giving due consideration to the global environment, nature, and biodiversity, preventing environmental pollution, and reducing greenhouse gas emissions. We will also work to create a recycling-oriented society through waste reduction, proper disposal, and recycling.

##### 6. Quality and safety

We will provide products and services that are safe, secure, and healthy for our customers, and in the event of an accident or defective products, we will promptly disclose information and notify the competent authorities.

##### 7. Coexistence with local communities

Contribute to the betterment of local communities through involvement in activities that lead to the development of local communities and consideration of the environmental impact of the area around our business sites or factories.

##### 8. Supply chain system development

In addition to complying with social norms, we will build a CSR promotion system and internal controls in response to social demands, and strive to develop a risk management system. In addition, we will strive to disseminate CSR to our own supply chain.

## Production and Quality Management

### Thorough Quality and Hygiene Control at Production Sites for Ready-to-Eat Products

FamilyMart's ready-to-eat products are made at about 80 production plants. All our suppliers affiliated with the Nippon Fresh Foods Cooperative Association (NFF) have in place a HACCP-based hygiene management system such as Japan Food Safety Management Association certification according to JFS-B standards, or higher. In addition, our Quality Control Department performs plant inspections on all applicable plants.

Plant inspections primarily check quality and hygiene control. To survey quality control and encourage improvement, unannounced third-party audits are also conducted twice a year.

If plant inspection reveals non-conformance with standards or other problems, plants are required to make improvements and take corrective measures.

Weekly meetings are also held to ensure product quality. Here we confirm new products and conduct spot-checks of products already at stores.



Factory checklist

## Logistics Management

### Logistics Safety and Reliability

Logistics centers practice comprehensive temperature control by separating food ingredients and products into temperature zones such as fixed temperature, chilled, room temperature and frozen.

To ensure that product temperature is closely controlled, we use freezer and ordinary-temperature delivery trucks, as well as dual compartment refrigerated trucks, with one fixed temperature compartment and one chilled compartment.

In addition, a logistics management company regularly inspects our centers to ensure safety management and develop and operate a logistics network in preparation for earthquakes and other disasters.



Temperature control at a fixed-temperature centers

#### Main Initiatives

- Safety management of distribution center facilities
- Implementation of storage and delivery by three temperature zones (fixed-temperature, chilled/ room temperature/ frozen)

## Always Delivering Fresh Products with Efficient Delivery

Lunch boxes and chilled products are delivered to stores three times a day in order to ensure freshness at all times. Delivery vehicles have two compartments, one kept at a fixed temperature and the other at a chilled temperature. There are also freezer vehicles and normal temperature delivery vehicles. This allows us to offer speedy and efficient delivery while maintaining quality.



A delivery truck with dual compartments for constant temperature food products and chilled food products

## Store Management

### Thorough Training for Store Staff

Our stores have always been committed to providing delicious, safe, and reliable quality products, and store staff are instructed on matters of quality control and food hygiene, including practicing frequent hand washing and cleaning to prevent food poisoning, as well as temperature control for display fixtures and other items to maintain freshness.

Particularly in the case of ready-to-eat products, in addition to checking the sell-by date four times a day, since July 2021 we have been contributing to reductions in food loss by promoting sales using a price reduction system called eco-wari.

To comply with hygiene management in line with the HACCP mandate, FamilyMart stores use the Japan Franchise Association's guidebook for planning hygiene control for basic cooking at convenience stores. Through operations in line with these guidelines, we are practicing efficient, consistent food safety measures in line with the characteristics of convenience stores.



#### Main Initiatives

- Hygiene management training for store staff
- Continuation of HACCP compliance
- Preparing foods in line with the manual
- Keeping hygiene records



## Ensuring Appropriate Product Labeling

Just like quality control, proper product labeling and promotional labeling are important for marketing in order to provide safe and secure products and services. As a retailer, FamilyMart conducts regular in-house education (e-learning) on labeling for the relevant departments to ensure we are thoroughly compliant with the Food Labeling Act and other related laws and regulations that govern manufacturers and processors of food products. A primary check is carried out by the Product Development Department to prevent product labeling that could mislead consumers or violate registered trademarks or laws and regulations such as the Act against Unjustifiable Premiums and Misleading Representations. Additionally, the Legal Department and the Quality Control Department also conduct secondary checks for the same reasons. In this way, we strengthen our in-house monitoring system. We have also included a guidance page in the store operation manual on the creation of in-store promotional materials and educate store staff in order to avoid misunderstandings or displayed content that conflicts with laws and regulations. In order to accommodate foreign visitors to Japan, we also promote product labeling in accordance with the Guide to Multilingual Support for Retailers from the JAPAN RETAILERS ASSOCIATION, of which we are a member.



Example of product labeling for delicatessen products

# Building Responsible Supply Chain Management / Promoting Sustainable Ingredient Sourcing

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▼ Supply Chain Audits    ▼ Sustainable Ingredient Sourcing    ▼ Enhancing Logistics

## Basic Approach

As we continue to globalize our supply chain, we are required not only to provide safe and reliable products, but also to consider various aspects of the entire supply chain that supports FamilyMart's businesses. These include reducing GHG and waste, preventing environmental pollution, preserving biodiversity, respecting human rights and labor practices, employee health and safety, and addressing labor shortages in logistics. In addition, as natural disasters, which are thought to be caused by climate change, become more frequent and severe with each passing year, businesses that are expected to continue their operations in times of emergency are required to strengthen their resilience by building sustainable procurement and product supply networks that can withstand disruptions to daily business due to disasters.

FamilyMart is promoting supply chain management guided by our Sustainable Procurement Principles, Sustainability Action Guidelines for Supply Chain, and FamilyMart's Human Rights Policy, which were established based on our Sustainability Policy. We will promote sustainable procurement throughout the supply chain toward the realization of a sustainable society in cooperation with marine and agricultural suppliers, as well as producers and importers of ready-to-eat products and Famimaru (FamilyMart's private brand) products.

## Supply Chain Audits

FamilyMart regularly audits and monitors its supply chain. At factories handling food and packaging materials, we focus on about 60 items in terms of quality and hygiene control.

In addition, we conduct audits in cooperation with a third-party review organization, including confirmation of the implementation of improvement measures, with reference to a risk assessment based on the number of product-related complaints. We conduct factory inspections focusing on quality control and unannounced audits by a third-party organization at our producers of ready-to-eat products. In addition, as a responsibility of companies involved in the food industry, to solve issues related to food loss, we are requesting them to reduce food loss and we are monitoring monthly wastage.

In fiscal 2021, FamilyMart conducted self-assessment questionnaires (SAQ\*) at 25 of 31 producers of our ready-to-eat products for both sides to assess their current status.

Furthermore, to make more objective and rigorous judgments, we conducted a supply chain audit by external auditors from a third-party review organization. During the supply chain audit, we confirmed that there were no serious violations of laws and regulations or cases requiring urgent corrective action.

In the future, we will expand the scope of the SAQ and auditing/monitoring.

\*A CSR Procurement Self-Assessment Questionnaire developed by the Supply Chain Subcommittee of the United Nations Global Compact Network Japan. It consists of items related to sustainability, including human rights, labor, the environment, and fair corporate activities.

### Sustainability Procurement Principles

FamilyMart recognizes its social responsibility to work toward the realization of a sustainable society, including the preservation of the global environment and protection of human rights, in its business activities. To this end, we promote business activities based on the spirit of mutual development (CO-GROWING) in accordance with fair rules with producers and business partners, and work on the following items while achieving sustainable growth together.

1. We will give consideration to the conservation of biodiversity and eliminate illegal trade, extraction, and fishing of natural resources.
2. We will protect natural resources that are in danger of depletion, and seek to reuse renewable resources.
3. We will establish traceability of agricultural, livestock, and fishery products with the safety, security, and health of our customers as our top priority, and strive to disclose information in a manner that is easily understood by our customers.
4. We aim to create a sustainable society with producers and business partners who comply with laws, regulations, and social norms, and who fulfill their social responsibilities in the areas of human rights, labor, health and safety, and global environmental conservation.

### Supply Chain CSR Code of Conduct

#### 1. Compliance with laws and regulations

We will comply with international norms as well as the laws and norms of the countries and regions in which we operate, and conduct our business activities with integrity.

#### 2. Human rights

We respect people and their rights regardless of race, nationality, religion, gender, etc., and will not be complicit in human rights abuses.

#### 3. Labor

We shall give due consideration to the health and safety of our employees, realize a comfortable working environment, respect people and their rights regardless of gender, and shall not be complicit in human rights abuses.

#### 4. Fair business dealings

We will conduct business transactions under appropriate conditions in accordance with sound business practices and will not accept personal benefits.

#### 5. Environment

We will strive to prevent global warming by giving due consideration to the global environment, nature, and biodiversity, preventing environmental pollution, and reducing greenhouse gas emissions. We will also work to create a recycling-oriented society through waste reduction, proper disposal, and recycling.

#### 6. Quality and safety

We will provide products and services that are safe, secure, and healthy for our customers, and in the event of an accident or defective products, we will promptly disclose information and notify the competent authorities.

#### 7. Coexistence with local communities

Contribute to the betterment of local communities through involvement in activities that lead to the development of local communities and consideration of the environmental impact of the area around our business sites or factories.

#### 8. Supply chain system development

In addition to complying with social norms, we will build a CSR promotion system and internal controls in response to social demands, and strive to develop a risk management system. In addition, we will strive to disseminate CSR to our own supply chain.

## Sustainable Ingredient Sourcing



FamilyMart carries many original food products, especially ready-to-eat products. Stable procurement of the agricultural crops and livestock products in these items are essential. The impact of droughts and water damage from climate change on harvesting and cultivation of crops and livestock products was studied in our climate scenario analysis in the first half of fiscal 2020. Past measures have sought to establish an ingredient supply system less affected by changes in climate and weather, as through distributed procurement in multiple countries or regions and expanded procurement from vegetable plant factories.

We will continue to build a supply chain that addresses future risks.

Additionally, to protect animal welfare, a majority of the poultry in ready-to-eat meals is currently Genesis GAP certified. We recognize and are responding to the risk posed to sustainable procurement by external factors such as international standards and changes in consumer behavior relating to animal welfare, sustainable palm oil and coffee, marine products, and food containing GMOs.

## Enhancing Logistics



FamilyMart has been promoting structural reforms in ready-to-eat products to provide valuable and compelling products. In terms of logistics, we have overhauled work processes at our logistics centers and delivery routes, including our distribution network. We also use a Transportation Management System (TMS) to enhance our logistics.

We are optimizing our logistics bases while responding to various changes in the business environment caused by global warming and climate change. For example, logistics networks are the lifeblood of retail industry, so to protect ours against typhoons and floods, when considering where to build a logistics center, we check hazard maps and build on land with a low risk of inundation and plan for risk avoidance through such measures as raising the ground level in order to create a more robust base. In the unlikely event that a disaster causes a functional stoppage of one of our logistics bases or ready-to-eat products manufacturing bases, or the road network is disrupted, we have a system to bring in products from nearby distribution bases and give priority to the delivery focus only on high-need goods required in emergencies, such as rice balls, daily necessities, and drinking water.

To cope with the labor shortage in the logistics industry, we also endorsed the Ministry of Land, Infrastructure, Transport and Tourism “White Logistics” movement (encouraging a working environment more accommodating to senior and female drivers) as of September 2019 by submitting our own Declaration of Voluntary Action. In line with the Declaration of Voluntary Action, we are working to reduce cargo handling time as well as incidental non-driving work, and improve delivery efficiency.

We will continue to aim for the establishment and implementation of a resilient logistics network, taking into consideration not only stable supply but also social issues such as environmental and occupational safety.

 VOICE

Our company, which manufactures cooked noodles and prepared foods for sale in Kyushu, employs not only local residents but also many foreign nationals. Since we operate day and night to ship products to convenience stores, we are working on the appropriate management of daily labor management which we consider to be one of our most important management issues along with product quality and hygiene management. In the supply chain audit conducted in fiscal 2021, external auditors pointed out a wide range of issues, from health and safety at workplaces to respect for human rights, in addition to compliance with environmental laws and regulations. Based on these suggestions, we were able to move forward with improvement and enhancement measures in various areas of the company. In addition, we are using this information to review our self-inspection items, and we will utilize it to create a safe and secure workplace environment and supply products going forward.



**Kyushu NF Foods Co., Ltd.  
Mr. Ken Wakabayashi,  
Representative Director and  
President**

# Material Issue 5: Building a Rewarding Work Culture with Motivated Employees



## Social Background and Issues to Recognize

The retail industry continues to face a difficult business environment due to intensifying competition, consumers' continued preference for lower prices, labor shortages, and the impact of COVID-19. We are also seeing changing demographics and changes in the social structure such as a smaller working population, the increasing urbanization of Japan and changes in family structures which complicate the challenges we face.

Businesses are expected to help raise the labor participation rate and boost labor productivity concurrently by improving workplace environments so that diverse human resources can play active roles, and by establishing systems that allow for flexible working styles. Businesses also have to promote the concept of Decent Work.” Among other things, this means developing workplaces that are safe and healthy for employees, practicing fair employment and promotion, and providing fair evaluation and treatment.

As one of FamilyMart’s strengths is our rich diversity and inclusion, the most important thing to do is to form a corporate culture where employees can think freely and thereby create value.

## Vision

In order to appropriately and quickly respond to changes, the most important thing for each and every employee is to keep evolving.

FamilyMart believes that creating an organizational culture that enables everyone to play an active role, promoting the creation of a safe and rewarding workplace, and nurturing people, who are the key players, will lead to a bright future and corporate growth.

By leveraging various strengths and maximizing our value, we will aim to be a franchise that is loved by everyone, connects with local communities like a family, and keep growing with local communities.

## Specific Initiatives



**“with Sustainability! Activities” with Employees** ▶

**Promotion of Diversity & Inclusion** ▶

**Human Resource Development Initiatives** ▶

**Creating a Safe, Healthy and Comfortable Workplace Environment** ▶

## Basic Approach



FamilyMart aims to be a chain store that contributes to a bright future through a business that stays close to customers. The people who work at FamilyMart are the driving force in this mission and our most valuable asset. We will respect diversity in race, skin color, nationality, language, religion, thought, age, sex, gender identity, sexual orientation, with or without disabilities, property, and employment type, etc. and provide an organization and corporate culture in which all workers can perform to their full potential. We believe this will lead to growth for our Company.

## Value Creation



We will drive diversity and inclusion to create an organizational culture that is rewarding and continue producing opportunities for a diverse workforce to play an active role and envision innovation. In addition, we will establish FamilyMart's Human Rights Policy to respect basic human rights across the entire supply chain to create a sustainable society, and we will strive to prevent any and all human rights violations.

## Promotion System



Each responsible department in the Management Division that execute measures related to the whole company's diversity, human resources, human development, and health management cooperates with offices that manage each division, office, and area to work on creating an organizational climate where people can grow as a businessperson, can feel rewarded, and can play an active role, as well as creating a workplace environment where it is safe and comfortable for their well-being.

# “with Sustainability! Activities” with Employees

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## ▼ Promotion System

▼ Rules established to incorporate SDG elements into the division vision set by division managers and general managers

▼ SDG promotion leaders lead each division’s activities

▼ Efforts to know and understand SDGs

▼ Efforts to understand and experience SDGs      ▼ SDGs Month

## ▣ Basic Approach

It has become a commonly held belief that international society cooperates towards solving social issues. As part of this, corporations are expected to utilize their strengths proactively to contribute towards solutions.

Especially because we operate convenience stores with a close connection to people’s lives, FamilyMart believes it is important to contribute to solving social issues while adapting to social changes and steadily responding to the needs and expectations of stakeholders.

In the medium-term plan that started in fiscal 2022, we set out to promote unique SDGs as part of a virtuous cycle of new growth, and we made it clear that promoting SDGs is incorporated into an important strategy for achieving growth.

In order to achieve the promotion of unique SDGs, it is absolutely necessary for each employee to engage in the promotion of SDGs in their tasks, i.e., to make SDGs relevant to them.

For this purpose, we started the company-wide “with Sustainability! Activities” in April 2022 for employees to promote SDGs as their own.

Along with learning the principles of SDGs and inputting knowledge to improve awareness and interest, we are eagerly driving this initiative while emphasizing feeling and experiencing SDGs by holding events that employees can participate in.

## Promotion System



We appoint each division manager as principal promoter, and principal promoters appoint an employee above a general manager class in their own division as SDGs promotion leader. The division managers and promotion leaders cooperate to lead each division’s initiatives on SDGs. In the district committee, which is a bottom-up approach to activities, we tackle SDG initiatives and promote the activities with everyone in the company involved.



## Rules established to incorporate SDG elements into the division vision set by division managers and general managers

FamilyMart has had a system since fiscal 2019 where division managers and general managers declare and announce the division vision and each division focuses on achieving that vision.

In fiscal 2022 when “with Sustainability! Activities!” started, all division managers and general managers incorporated SDG initiatives into their division vision for the purpose of promoting unique SDGs that work closely with our medium-term plan. Each division leverages their business characteristics to work on instilling and achieving their vision.

## SDG promotion leaders lead each division’s activities

In fiscal 2022, 23 SDG promotion leaders were born from a total of 23 divisions and departments. SDG promotion leaders are responsible for ensuring that the SDGs are understood and instilled in their divisions, and leading initiatives tailored to the business characteristics of each division.

## Efforts to know and understand SDGs

We held an online SDGs seminar in April 2022, where we invited an external expert in order to ensure that all employees have a common understanding.

The seminar was targeted at all of the approximately 5,800 employees including management as well as new recruits from April. We also cover themes that our employees should know through e-learning resources in order to deepen their knowledge and understanding.

In addition, we issue “with Sustainability!” SDG newsletter monthly, where the latest trend of SDGs and the progress of “with Sustainability! Activities” are introduced along with occasional news focusing on issues related to the environment and diversity, giving all employees opportunities to experience SDGs.



“with Sustainability!” SDG newsletter and news

## Efforts to understand and experience SDGs

FamilyMart emphasizes opportunities where our employees can understand and experience SDGs.

From May to June in 2022, all the new recruits that joined us in April participated in training to experience agriculture with the coworkers with disabilities who work at a farm, working together with them and deepen their understanding of disabilities. Starting in July, we performed training at a farm for employees who are interested.

We also held a session to promote understanding and interaction with people with disabilities in honor of World Autism Awareness Day on April 8.

In addition, we ask for volunteers from among our employees to be instructors for Famima Academy, which is FamilyMart’s workshops for children. These are the opportunities for the employees to recognize the importance of embodying SDGs in their work through the experience of presenting FamilyMart’s efforts on sustainability to children.

We create these opportunities where employees can realize new insights and can deepen their understanding through actual experience to increase the number of employees who will take SDGs to heart.

## SDGs Month

June is the Environment Month that the Ministry of the Environment advocates as well as the Pride Month, when the community of sexual minorities comes together. In recognition of these, FamilyMart set June, when we have increased opportunities to consider SDGs, as SDGs Month to celebrate it and hold various events for our employees to participate in such as Famima Academy and workshops to discuss LGBTQ themes.



SDGs Month poster and SDGs section placed in the in-office communication area

## Message from a department leader



FamilyMart considers local communities as families and we hold dear to our hearts our corporate message “FamilyMart, Where You Are One of the Family”.

The initiatives on sustainability cannot be achieved by just one person. It is important to respect diversity, for each and every employee to consider it as their own, and for the entire company to experience, notice, and act. This is why we have started the company-wide activities, “with Sustainability! Activities”.

Guided by the direction of the promotion leaders of each division, who are employees above the general manager position, we promote activities in the interest of each division creating sustainable results.

We will continue promoting our unique SDGs defined by FamilyMart characteristics through “with Sustainability! Activities” towards the creation of a sustainable society.

Executive Officer/Head of Sustainability Promotion Department

Hiroshi Iwasaki

# Diversity and Inclusion

- ▼ Diversity Mission
- ▼ Diversity Promotion Framework
- ▼ Creating an organizational climate that utilizes diversity
- ▼ Embracing True Diversity
- ▼ Work-life balance support

## Basic Approach

We see a society where diverse human resources, regardless of race, skin color, nationality, language, religion, thought, age, sex, gender identity, sexual orientation, with or without disabilities, property, employment type, etc., respect each other's way of thinking and values, be given equal opportunities and each individual can play an active role. As Japan faces anxiety from a declining working population, it is imperative to promote diversity promises to increase productivity and the labor participation rate, and help solve social issues through the innovation that emerges from the interactions and stimulation of diverse human resources.

FamilyMart emphasizes the importance of becoming a hub to energize community interaction, and as such, we greet many customers at our stores each day. To tackle various challenges each community faces and meet the different needs of the customers, we consider it necessary that each and every diverse employee supporting a store puts their strength to use for achieving solutions by taking advantage of their diversity. This is why we position and work on promoting diversity as an important management strategy.

## Diversity Mission



**like Family**  
The power of diversity.  
A bright, shining and vibrant future for everyone.

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We accept a diverse spectrum of people like family  
And by using the power of diversity to create value  
We can create a bright, shining and vibrant future for everyone.

The thought behind FamilyMart's "like family" mission is the desire to be like a family that accepts differences naturally as a matter of course and supports each other by offering a helping hand when others are in need.

We want FamilyMart to be a company where each person who works here can be themselves, shine vibrantly while doing their jobs and never want to stop working at FamilyMart. Our aim is for that to bring about new value so that we become a company that continues to be supported by our customers.

## Diversity Enhancement System

The Diversity Promotion Group under the Diversity Promotion Committee\* consisting of executives and chaired by the President, leads strategic initiatives in steadily promoting diversity as an important management strategy. For all employees to recognize one another's diversity and act with a sense of ownership, we have rolled out activities with three axes, top-management commitment, leadership training, and bottom-up approach.

\*A committee consisting of the president acting as the chairperson, and management staff making up the members. The committee sets and manages the KPI with a focus on achieving an organizational climate that utilizes diversity in order to improve corporate value.

## Creating an Organizational Climate that Utilizes Diversity

To adapt to the progress of an information-oriented society, changes in people's thoughts and lifestyle as well as diversity in ways of working is accelerated, making it important for workforces and organizations to figure out improvement plans that are appropriate for the surrounding environment. To that end, these plans must be implemented to change themselves and change others.

At the same time, creating a workplace that is safe and comfortable where employees can feel at ease and can freely express their opinions is a prerequisite for an organizational climate that utilizes diversity. We will foster an organizational climate where employees can adapt to changes, propose ideas, and learn from mistakes in order to create new value.



Past Efforts

## Diversity Management Training

- October 2017  
Diversity training targeted at a class of general managers and above
- April 2018  
Diversity management training targeted at section managers
- November 2018 and on  
Unconscious bias e-learning targeted at all manager classes including the upper management
- August 2019  
Harassment training targeted at management classes
- November 2020  
Diversity management training targeted at a class of general managers and above including the upper management
- October 2021  
Unconscious bias e-learning targeted at a class of general managers and above including the upper management

## District Committee (March 2018 and on)

With the purpose of becoming teams that keep creating results with our combined strengths, each division has rolled out a district committee to aim to create new value by utilizing each employee's diversity. The top of each division is the chairperson of each committee, and they perform activities based on the division vision\*.

\*It is necessary to have metrics for everyone to aim for in a unified direction in diversity management. As such, each manager above the class of general managers including executives is to set forth and publicize each division's vision on our intranet.

## IkuBoss (Flexible Boss)

The best driving power to change an organizational climate within a company is the awareness of division managers and team leaders. FamilyMart joined the IkuBoss Corporate Association and made an IkuBoss declaration. This is because we think leaders should see their own as well as their coworkers' work-life balance as important and lead the way towards a positive work-life balance.

We also conduct training to cultivate managers who can support their employees' diverse ways of working and utilize their diverse strengths.

Note1: IkuBoss: Employers and managers who can consider the employees' work-life balance and achieve great performance and results for the organization while supporting the employees' careers and life. At the same time, they themselves can also enjoy work and private life.

Note2: IkuBoss Corporate Association: A network of corporations that recognizes the necessity of IkuBoss, proactively raise awareness, and nurture ideal bosses for a new era.

## Diversity Award (2018 and on)

We hold a yearly award among district committee activities to highlight activities that have utilized diversity, created new value, and achieved good results. This award offers a place to present and praise our activities' results, share knowledge, and celebrate the year's activities.

Since fiscal 2020, the award has been held online. Teams who were in the running for the award created video presentations, and votes from all employees selected a recipient for the Best Diversity Award to praise their activities.

## Feel the Diversity Program (since 2021)

We hold these programs as a place for people to experience and feel diversity by making use of their diverse strengths through loose connections that transcend organizational boundaries. The goal is to foster a culture of discussion, intellectual exchange, and innovation.

### Embracing True Diversity



In addition to women, which have been the main target of our efforts, we have expanded the scope of our initiatives to include those with disabilities, people with foreign nationalities, and members of the LGBTQ community as a means to embrace true diversity. In this way, we are constantly thinking about inclusion, the next step after diversity.

## Promotion of Women's Participation

FamilyMart aims to operate convenience stores loved by a variety of people by getting close to local communities and treating each and every people like part of a family. The strength of our female employees is crucial to this goal, therefore we consider promoting active roles for women to be an issue of the utmost importance. In that light, we are working to create conditions for female employees to put their abilities on display, which includes work style reforms that are applicable regardless of gender and fostering a culture focused on controlling unconscious bias.

▶ ESG Data

## Targets and Major Initiatives related to Women's Participation

### Targets

Based on the Act on the Promotion of Women's Participation and Career Advancement in the Workplace, FamilyMart has formulated a general employer's action plan and set up targets up to the end of February 2026.

- Ratio of female managers: 10%
- Gender differences in the turnover rate: Within 0.5%



Details of the general employer's action plan (JP)

### Main Initiatives

- Development training plan for women  
Dispatching female employees who are candidates for management positions to externally held joint training programs in different industries
- FamilyMart Women Project (FMWP)  
Bottom-up activities by female employees to promote taking on more active roles for the purpose of women's self-growth and transformation, networking, and growth and transformation of the company
- Role model introduction  
Introducing ways of working from women who maximize their potential and presenting a concrete image of a career plan with these women being close role models

## Initiatives for the LGBTQ Community

At FamilyMart, we are implementing LGBTQ initiatives aimed at fostering understanding and acceptance of every individual employee's diversity, and at rooting this deeply within our corporate culture.

Our efforts are focused on two key areas: 1. Cultivating correct knowledge and understanding, and 2. Creating safe and inclusive workplace environments.

### Symbols of LGBTQ activities

It embodies the concept of "Ally rings spreading out like the rays of the sun from FamilyMart".





## ■ Cultivating correct knowledge and understanding

By learning about LGBTQ, employees realize that each and every colleague is unique in many ways. Thus, “Proper understanding of LGBTQ” is our first goal.

- Video lessons and LGBTQ-related handbooks are distributed to all employees
- Dissemination of LGBTQ-related news to all employees
- Holding of an LGBTQ seminar



LGBTQ-related handbook



## ■ Creating safe and inclusive workplace environments

Once employees' understanding and knowledge of LGBTQ issues has been deepened, the next step is the implementation of measures to cultivate LGBTQ Allies. We are encouraging every individual employee to think about what they can do to create workplaces where everyone can be themselves, as well as what they can do in relation to franchisees and customers, and to take action and realize our vision.

### ■ LGBTQ Ally activities

We are working to cultivate a corporate ethos in which people who want to understand and support their LGBTQ colleagues are encouraged to declare this, so that as these “rings” of support spread outwards, the psychological sense of safety within the organization is enhanced, and people feel able to speak their mind without hesitation.

Stickers are distributed to employees who have acquired an understanding of LGBTQ issues and want to express their status as an LGBTQ ally, and goods that have been produced after being talked over among ALLY members are distributed to employees participating in ALLY activities. This initiative has spread nationwide and over 160 ALLY members participate in autonomous activities by region.

#### Distribution of ALLY stickers



#### Distribution of ALLY goods



## ■ Introduction of same gender partnerships human resources system

We have introduced a human resources system that will apply the internal systems and employee benefits to same gender partnerships in the same way they function for legal spouses. Those who have completed the necessary paperwork will be eligible to receive benefits from internal systems for things like bereavement leave applicable to the same sex partner, their children, and their parents, as well as childcare leave for the same sex partner, and other various benefits.

## ■ Establishment of an LGBTQ consultation window

(this is an external contact window that is available for FamilyMart employees to use)

## Initiatives by Stores

As part of one of the five keywords “your happiness”, we released rainbow colored (six colors) socks, Convenience Wear Rainbow Line Socks at FamilyMart stores nationwide. The rainbow color means support for sexual diversity and LGBTQ. Part of the profit from Rainbow Line Socks has been donated to an NPO, ReBit. They will make use of the donation for children’s education related to LGBTQ and diversity. Part of the Rainbow Line Socks profit in fiscal 2022 will again be donated to ReBit. As with the previous year, hot snack bags that contain snacks such as our flagship product Famichiki, have been redesigned in rainbow colors and sold as a limited edition.

[▶ ReBit website \(JP\)](#)



## PRIDE Index 2020, an index of LGBTQ-related initiatives



We have won the Gold rating in PRIDE Index 2021, which is the best rating, for two consecutive years! We also won the Best Practice Award that is given to great initiatives

[▶ “work with Pride” website \(JP\)](#)

Note: PRIDE Index is the first ever in Japan assessment index at the workplace for initiatives related to sexual minorities such as LGBT, established by a voluntary association, “work with Pride”, in 2016 for the purpose of achieving a comfortable workplace for LGBTQ.

Based on a comprehensive cooperation agreement with Okazaki City in Aichi Prefecture, since March 2021, our stores in Okazaki City have placed information cards for the LGBT support line, which Okazaki City has established as part of its community-based initiatives. This initiative was regarded highly, and we were awarded the Best Practice Award.



PRIDE Index 2021 Certified Gold Mark



Certified Best Practice Mark



Information cards for the LGBT support line

## Active Participation of People with Disabilities

We are working on expanding job categories and workplaces in stores, head office, sales offices, and farms so that employees with disabilities can work to their fullest. We provide detailed follow-up on an individual basis as needed, and if necessary, enhance cooperation with support organizations to create a safe and secure workplace where employees can maximize their capabilities.

As of June 1, 2022, our employment rate of people with disabilities is 2.51%. We will proactively continue growing this employment rate and promote an organizational climate where diversity is fully utilized.

### Where employees with disabilities can actively work

#### Stores

Starting out with stocking shelves and cleaning, employees with disabilities are actively working, doing various tasks depending on their capabilities.

#### Operational Support Center at the head office

A standard operation extracted from each department is being handled by employees with disabilities according to the nature of their impairment. The places where people with disabilities can play an active role as well as enhance their skills are thus expanded. An additional benefit to each department is that it leads to the improvement of operational efficiency.

#### Offices and sales offices nationwide

Employees with disabilities are working in full force at offices and sales offices nationwide. Regardless of disabilities, this initiative leads to culturing a considerate work environment.

#### Farms

At a farm in Nagareyama City in Chiba Prefecture, staff members with disabilities grow organic vegetables. The harvested vegetables are sold in 13 neighboring stores.

### Hands-on Training for Employees

#### Farms

##### All fiscal 2022 new recruits experienced hands-on training in a farm

Our new recruits harvested and shipped vegetables along with employees with disabilities as well as checked out the sales stands of stores selling these vegetables. They experienced diversity and learned about our initiative that has deep relations with local communities. We will be expanding the targets to employees who are interested in participating.

## Active Senior Staff

While we work on hiring new human resources and developing employees with highly specialized skills to achieve FamilyMart's sustainable growth, we also proactively utilize senior human resources who have had great achievements.

### Renewal of Re-employment System

We have drastically reviewed our re-employment system and segmentalized and redefined roles required for senior staff and compensation. By setting the compensation befitting to each individual's skills, capabilities, and performance, we aim to achieve the increase of their motivation and expansion of their workplace.

### Meister System

We designate highly skilled with high performance senior staff as meister employees to provide them with opportunities where they can pass down their skills and nurture younger members of the workforce. This meister system aims to achieve a synergistic effect to increase senior staff's motivation and develop younger members of the workforce.

Senior staff members with highly specialized skills in negotiation for things like rent, corporate sales, and quality assurance are designated as meisters, working actively with the younger members of the workforce.

## Work-life Balance Support

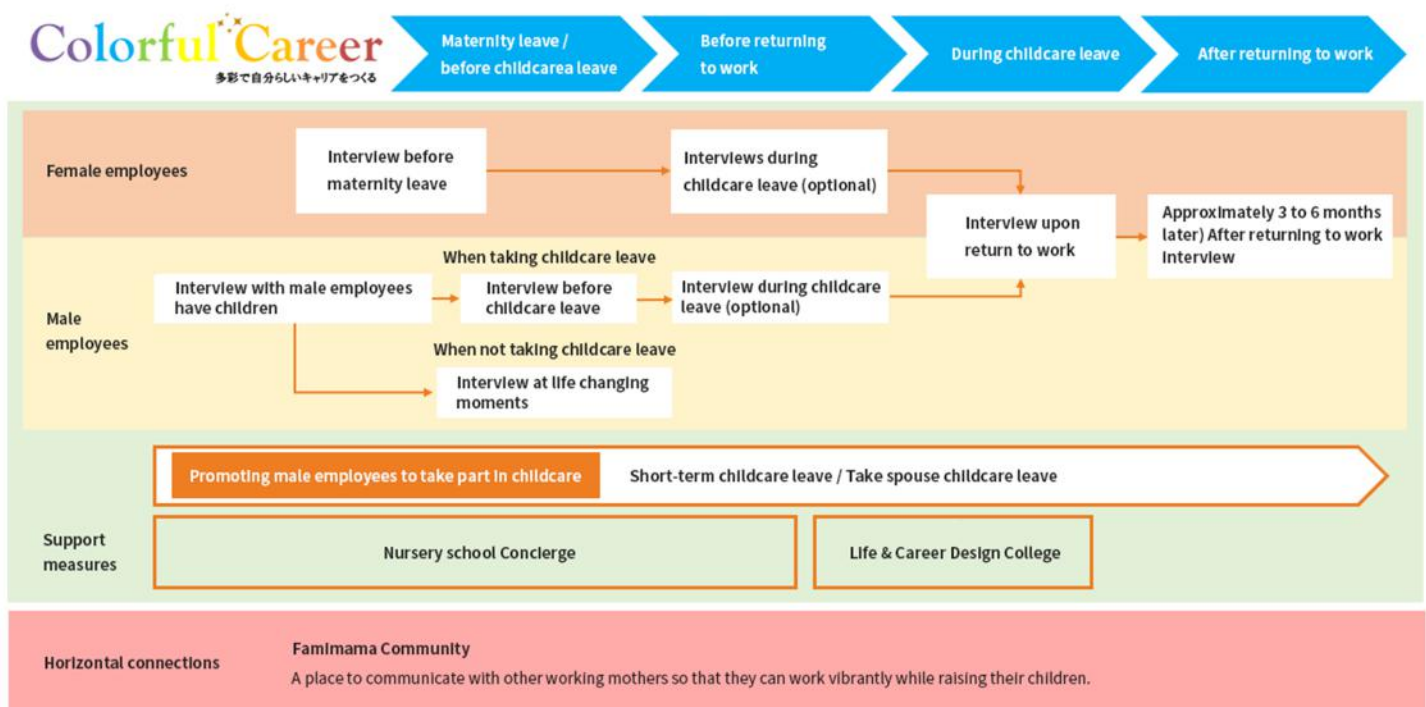
We provide various kinds of support to promote an organizational climate and corporate culture where every employee can fully maximize their potential and keep working regardless of their life stage.

<b>Childcare support</b>	Shorter working hours during pregnancy	Women are eligible to work shorter hours from 12 weeks of pregnancy.
	Paternity leave	Special paid Vacation that can be taken at the of childbirth.
	Childcare leave	Childcare leave can be taken to care for children up to 4years of age.
	Working while raising childcare (shorter working hours)	Employees with children up to ninth grade are eligible to work shorter hours (can be taken by all employees regardless of their position of the type of work they engage in, including)
	“Sukusuku” support	A system that provides support to help pay for daycare fees if employees wish to return to work before their children reach 1 year of age.
	“Sukusuku” support plus	A system that provides support to help pay for daycare fees if employees wish to return to work before their children reach 1 year of age but cannot find available daycare services.
	Child nursing-care leave	Paid vacation that can be taken by employees to nurse sick children who are under school age. It can also be taken in half-day increments.
	“Sukusuku” leave	Special paid vacation of 5 continuous days that are available every year for employees with children of up to take first grade in elementary school.
	Use of company car to go to and from daycare	On-side employees, such as supervisors (SVs), who use the company car to commute use the car to take or pickup children under school age to daycare and preschool.
<b>Care support</b>	Nursing-care support	A cumulative total of 365 days, which can be taken in three installment, are available.
	Nursing-care while working	Shorter working hours are possible for an indefinite term during periods when nursing care duties are required.
	Nursing-care vcation	Up to 5 days a year, which can be taken in half-day increments, are available.*A half-days deduction in pay is made.
<b>Diverse work style support</b>	Consideration system for relocation home	Employees who are utilizing the shorter working hours system for childcare or nursing care are exempt from internal transfers that require relocating the home.
	Return to jobs	A system for rehiring employees who cited nursing care, childcare, marriage and relocation of spouses as a reason for resignation.
	Others	Introduction of human resources systems such as fertility treatment and same gender partnerships, etc.

# Childcare Support

We offer seamless support that extends from the birth of a child to after coming out of maternity leave to go back to work. It includes training for returning to work and the provision of after-return support through meetings with his/her superiors. We believe that the participation of men in childcare is important in enriching their work-life balance as well as in bringing about workstyle reform for the whole of society. FamilyMart therefore offers a childcare leave system that is easy even for men to take.

▶ ESG Data



## Life & Career Design College (Training When Returning to Work)

FamilyMart offers the Life & Career Design College for employees and their partners who are about to return to work after childcare leave. Participants learn the mindset required for balancing childcare and work after going back to work. They also take part in discussions with employees who have already gone through the experience so that they can get a more concrete idea of what it is like to go back to work after childcare leave and begin active preparation.

It has been held online since fiscal 2021.

## Support of Men's Participation in Childcare

Believing that the birth of a child is the best opportunity for looking at how one spends time outside of work, FamilyMart is also focusing on offering support for the participation of men in childcare.

If the way men work changes, then the culture changes for the whole of the Company, and it leads to creating a work environment that is easier for women as well as employees providing nursing care at home. By realizing the richness of living through childcare and applying the knowledge and experience gained from childcare to our work, we will contribute to a positive future for everyone involved in FamilyMart.

Systems supporting men's participation in childcare are paternity leave and "Sukusuku" leave. "Sukusuku" leave is a special paid vacation of 5 days that are available every year for employees with children of up to first grade in elementary school. This special leave can be used for graduation and entrance ceremonies, and we have received positive feedback from the families of male employees who have used these days off. We have begun efforts from fiscal 2020 onward to promote the use of this special leave by all applicable employees. As a result of these efforts, more and more male employees are taking advantage of childcare leave.

## Nursing care Support

As the declining birthrate and aging population progresses in Japan, we are taking another look at our working system such as reduced working hours with no duration restrictions so that employees can continue working when they are burdened with long-term care.

We distribute to all of our employees a handbook that summarizes the opinions of caregivers and the support systems that are available. This is to help people be aware of what nursing care involves in advance so that they may be better prepared for such situations.

In fiscal 2021, we held a seminar to learn how to appropriately prepare for nursing care and how to have a balance between nursing care and work.



Guidebook (Issued by the FamilyMart Union)

## Certified with D&I Award “BEST WORKPLACE”



FamilyMart was certified as the “BEST WORKPLACE”, which is the best award in the enterprise division for D&I Award 2021. This is an award to certify and commend corporations that work on diversity and inclusion.

D&I Award is an award hosted by JobRainbow Co.,Ltd. to certify corporations that work on diversity and inclusion. (Held in the early fiscal 2021) By using diversity scores as metrics that consist of five components, gender, childcare/long-term care, disabilities, multicultural coexistence, and LGBT, a certification is awarded to corporations depending on their initiatives.



▶ [JobRainbow Co.,Ltd website. \(JP\)](#) 



# Human Resource Development Initiatives

- ▼ Overview of the human resources strategy FamilyMart aims for
- ▼ Recruitment of Human Resources      ▼ Development of Human Resources
- ▼ Appropriate Deployment and Periodic Rotation      ▼ Evaluation/Compensation
- ▼ Highly Specialized Human Resources (SP jobs)

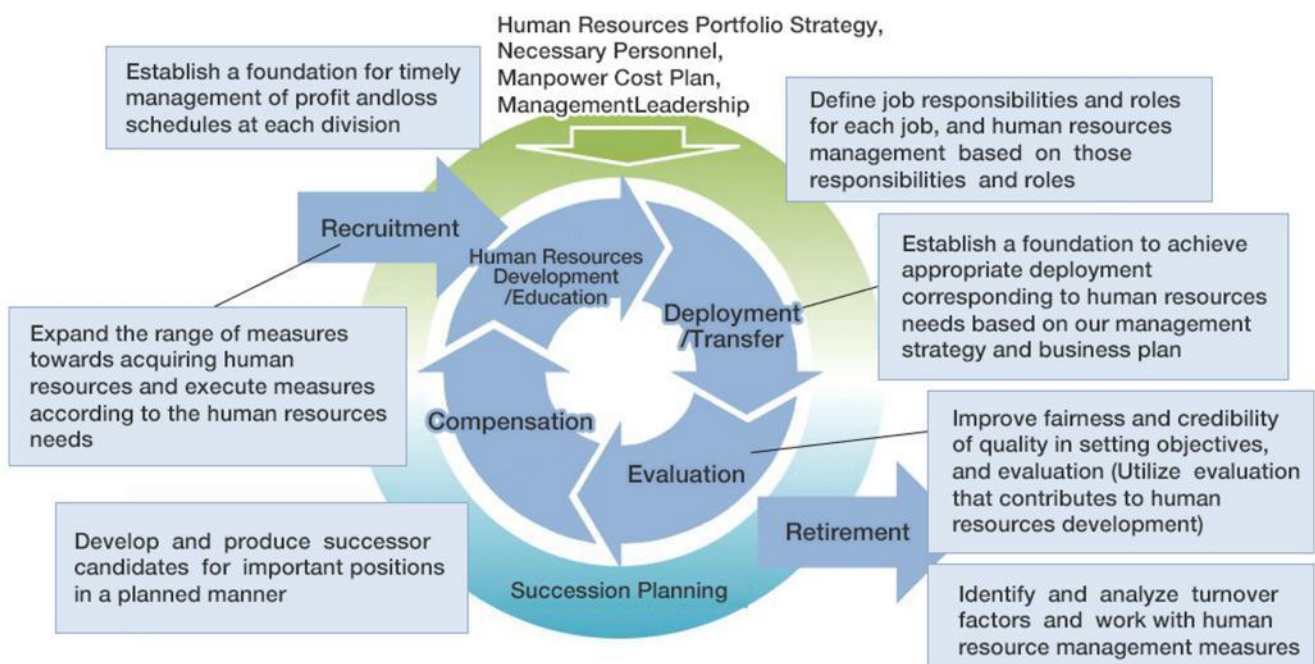
## Basic Approach

Greater competitiveness and sustained growth call for systematic development programs that build employee capabilities and help them reach their full potential. Strategic support of employee career development has also gained importance. Success in a more competitive environment with varied consumer preferences and pressure from other kinds of businesses also depends on the key task of securing and retaining superior human resources, which is difficult under the serious labor shortage at stores and in logistics in the convenience store industry.

FamilyMart adopts a human resource management cycle system that starts with recruitment, development, appropriate placement/periodic rotation, and ends with evaluation/compensation. We position this human resources strategy that can support sustainable growth and drive the creation of systems and mechanisms where employees with diverse capabilities and expertise can contribute and grow.

In human resource development in particular, we are enhancing self-directed training and helping ambitious workers grow to develop human resources who can spark innovation and create new value.

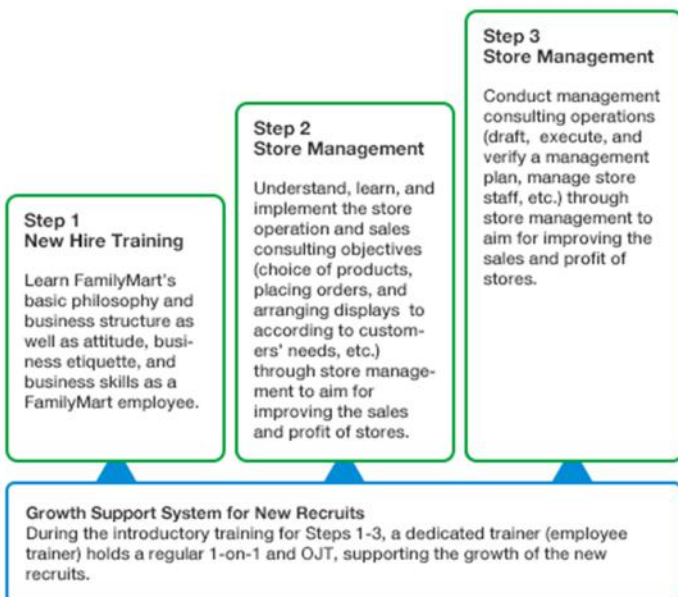
## Overview of the human resources strategy FamilyMart aims for



## Recruitment of Human Resources

FamilyMart performs hiring of new graduates targeting university students and graduate school students every year. For the purpose of career counseling, we set up workshops such as workplace experience as a supervisor and round-table discussions with our employees. We provide group work opportunities like solving issues and propositions according to each job in the workshops. We have received favorable feedback and responses from the participating students that they have deepened their understanding of the convenience store industry and its operations.

We have built a system that enables employees to participate actively at early stages upon joining, with FamilyMart’s unique educational programs where they can gradually learn skills and expertise necessary for their jobs.



## Development of Human Resources

In order to enhance human resources development, we made an organizational change in fiscal 2019 to establish the Human Resources Development Division. We also established a training system and built a unique educational system to help employees take the initiative in career development.

Specifically, in addition to company-wide training programs, such as education programs for different position and age groups and next generation leader development programs for selected employees, we have established departmental and job-specific training programs to acquire the necessary knowledge, skills, and expertise for each department. We are promoting the systematic development of human resources by effectively combining OJT and Off-JT.

We have also established a self-development support system for employees who are highly motivated to learn, and we support voluntary learning. In light of the recent intensification of competition in the retail industry and the diversification of social and consumer needs, we are fostering autonomous human resources with initiative and the ability to think independently.

Job Ranking Position	Career Program per Job Rank	Selection Program	Business Skills Program	Personal Development Support System		
Managers	Promotion training	General manager Assessment program	e-learning training prevalent throughout the company	Business skills training per division		
	Management training	FM future leader program			External seminars	External e-learning
	Workshop for management	Section manager Assessment program				
Non-managers	Rank-up training	Training for manager candidates	e-learning training prevalent throughout the company	Business skills training per division		
	Introductory training					
	Training after hiring					
Pre-hiring	Orientation for prospective employees					

## Use of Virtual Reality (VR) Platforms

We introduced a system for self-study of store operations using VR, which allows our employees to learn anytime and anywhere, building a system where an individual can learn on their own.

The use of VR will lead to a reduction in training time for those who teach and more efficient learning of operations. By incorporating digital technology into our training, we can aim to further improve its speed and quality.



Training at a store before opening



New hire training

## Enhancement of Selection Assessment Program

We conduct selective training to develop the next generation of management personnel, future executive candidates, and to consolidate a pool of human resources.

Training programs for general managers consist of hands-on case study and case assessment that requires ability to respond to unexpected circumstances and total management ability to draw out an individual's challenges and realization. Training programs for section managers promote participants working on case exercises as a responsible person in order to resolve various situations, assessing an individual's knowledge, skills, and ability to motivate people.

## FM Program for Future Leaders

We conduct the FM Program for Future Leaders for the purpose of nurturing the next generation of management personnel that will take on the future of FamilyMart (FM). Through direct mentoring from external instructors and management personnel as well as group work to examine management challenges, we aim to develop human resources with a broader perspective. The participants also reflect and self-explore through outdoor workshops and other activities in order to discover who they are and to find their own unshakable axis to shine as a leader. At the end of the program, the participants present FamilyMart's management issues, transformation plan for their own division, and a leadership declaration to the management, and have a discussion with them.



Outdoor workshop



Discussion with President Hosomi



Final presentation



Group picture after the final presentation

## Educational System for Supervising Jobs

FamilyMart has a supervisor training period, which is to learn supervising tasks, so that employees are given opportunities to work as a supervisor. Aside from company-wide training, we also conduct training and tests for certification to develop human resources.



Note: We also have educational systems set up for nurturing specialized human resources for other jobs.

## Appropriate Deployment and Periodic Rotation



FamilyMart provides various career paths and work experience through periodic rotation and selection of multiple career path progress opportunities. The examples of these are of an employee gaining experience as a supervisor and then being promoted to a management position or getting promoted to a specialist or management position in their own division. With regards to transferring personnel, we comprehensively consider their request, aptitude, and the company’s needs to conduct appropriate deployment decisions by the company.

Along with a regular job posting system, we have also established a unique career point system and self-assessment system to grant priority to transfer requests by those who are outstanding, actively supporting employees’ autonomous career development.

## Self-assessment System

This system is for the employees to voluntarily express their own medium-term career vision in a one-on-one with their manager. It not only allows the employees to understand the current challenges and necessary knowledge and action necessary for self-growth towards achieving their career vision but also provides an important opportunity to share their perceptions with their managers on matters they may be troubled with.

## Forecast Session

This is a system for an employee and their manager to regularly have a future-oriented discussion to manage their goals for the purpose of maximizing the organizational results and utilization for human resources development.

The aim is to increase the degree of certainty that employees will achieve their goals, to provide realization, and to promote growth.

## Career Point System

This system was set up to grant transfer requests as much as possible for outstanding employees during regular transfers.

We convert personnel evaluations into points, and if an employee has more than a certain amount of points, they can put in a transfer request during the self-assessment meeting. After screening by the responsible party for the transfer destination division, the transfer will be reflected if the request receives approval.

## Evaluation/Compensation

FamilyMart is seeking for human resources who aim for innovation, relentlessly challenge growth opportunities, and act with purpose and speed in order to achieve sustainable growth.

The performance results evaluated are the results of specific actions based on the mission of each employee. We think that actions such as innovation and challenge will lead to the company's sustainable growth.

Therefore, FamilyMart does not just evaluate the results, but we separate action indicators (competency), which express each employee's mission as specific actions, from performance indicators, which represent the actual results of the action. By evaluating both action and performance respectively and applying them to compensation, we aim to achieve balanced and convincing evaluation and compensation.

## Action Evaluation

In order to evaluate the challenges themselves in the course of an employee's work and cultivate a corporate culture to allow mistakes and promote challenges, we added items such as challenges and response to changes during the revision in fiscal 2021.

For managers, this evaluation focuses on people management and human resources development.

## Performance Evaluation

The evaluation period is one year in order to create a goal of challenging what an employee can aim to achieve in the medium-term span according to our management plan.

In addition, the results are reflected in an employee's compensation in detail so that we can achieve balanced compensation.

## FamilyMart's Employee Benefits

### FAMIMA LIFE PLUS (WEL BOX)

FamilyMart has mental and financial support for employees in need of support due to illness, childcare, long-term care, or disaster through the employee mutual benefit association to set up an environment where employees can work feeling safe.

FAMIMA LIFE PLUS (WEL BOX), which is a portal site for the employee mutual benefit association, has benefits items an employee can use with people at work and family so that they can have vitalized communication at work and a fulfilling private life.



FAMIMA LIFE PLUS (WEL BOX), a portal site for the employee mutual benefit association

### Holiday entitlement

120 annual holidays  
Annual paid leave  
Annual refreshment leave  
Childcare leave  
Partner's childbirth leave

### Insurance

Health insurance/long-term care insurance  
Employer's pension insurance  
Unemployment insurance  
Industrial accident compensation insurance

### Employee benefits

Retirement bonus  
Defined contribution plan  
FamilyMart mutual benefit association  
FamilyMart employee shareholding association  
ITOCHU Group related coupons

## Highly Specialized Human Resources (SP jobs)

For a company to continually grow in a harsh market environment, it is absolutely important to secure and utilize highly specialized human resources with high market value who can create new value in the world where businesses are diversified and more complex.

FamilyMart has established a system to appropriately evaluate and compensate these highly specialized human resources, and it has been in operation since fiscal 2020.

With this system, we will appropriately compensate the specialized human resources who are imperative to our business development, improve our competitive power for hiring and retention, and maximize their performance.

### SP job system

This is a system to secure and utilize human resources who have highly specialized knowledge and skills necessary to develop our business and can contribute to the improvement of the company's special functions and company-wide performance by refining their knowledge and skills and building their careers in the relevant fields.

### Compensation

We have a separate benchmark from regular employees for these jobs in the areas of evaluation and compensation. We have created job descriptions per applicable job and evaluate the performance based on the job description to reflect on the compensation.

### Job examples

- Data scientist
- DX consultant
- Researcher
- SNS marketer
- Legal specialist

etc.

# Creating a Safe, Healthy and Comfortable Workplace Environment

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## ▼ FamilyMart's Health Management

### ▣ Basic Concept

Ensuring the safety and health of employees is one of a company's most important obligations. Enterprises are expected to systematically promote industrial safety and health measures under the exemplary leadership of their top management, to prevent industrial accidents and injuries, maintain and promote health, and create safe, healthy and comfortable workplace environments.

At FamilyMart, our management takes action to maintain the health management system and promotes health-conscious management based on the FamilyMart Health Charter. We also work on initiatives to contribute to the happy futures and health of all stakeholders including customers, franchisees, and suppliers.

## FamilyMart's Health Management



At FamilyMart, we believe that the health of our employees and everyone involved constitutes a vital foundation for realizing our vision of the future. Besides formulating a corporate Health Charter, as outlined below, we are also focusing on putting the right systems to promote in place, and on realizing effective health management.



## Health Charter

Recognizing that the health of FamilyMart's employees and all of our stakeholders is foundational to achieving the future we aim for, FamilyMart has established its Health Charter as follows.

1. *Creating a workplace environment where employees can work in health*  
FamilyMart will work to create an environment in which employees mentally satisfied and physically healthy, can enjoy the challenges of their jobs.

2. *Voluntary action by employees for health*

Employees will take responsibility for their own health and take voluntary action for the sake of long and rich lives.

3. *Contributing to the health of all of our stakeholders*

FamilyMart will help to bring a healthy and joyful future to franchisees, customers, and all of our stakeholders by taking initiatives to encourage health and providing products and services that contribute to mental and physical health.

Health Charter Establishment: October 2019

Representative Director and President, FamilyMart Co., Ltd.



FamilyMart has been certified as an Outstanding Enterprise under the Ministry of Economy, Trade and Industry's 2022 Certified Health & Productivity Management Organization Recognition Program (White 500) for three consecutive years since 2020. We were also certified as a Sports Yell Company 2022 by Japan Sports Agency in January 2022, and as a Tokyo Sports Promotion Company 2021 by Tokyo Metropolitan Government in December 2021, for our proactive efforts to drive sports activities for the improvement of our employees' health.

In the future, we will be making a concerted effort to enhance our corporate value by taking our health-oriented management to an even higher level.

**2022 Certified Health & Productivity  
Management Organization  
Recognition(White 500) Certified logo**



**Sports Yell Company  
by Japan Sports Agency  
Certified logo**



**Tokyo Sports Promotion Company  
Certified logo**

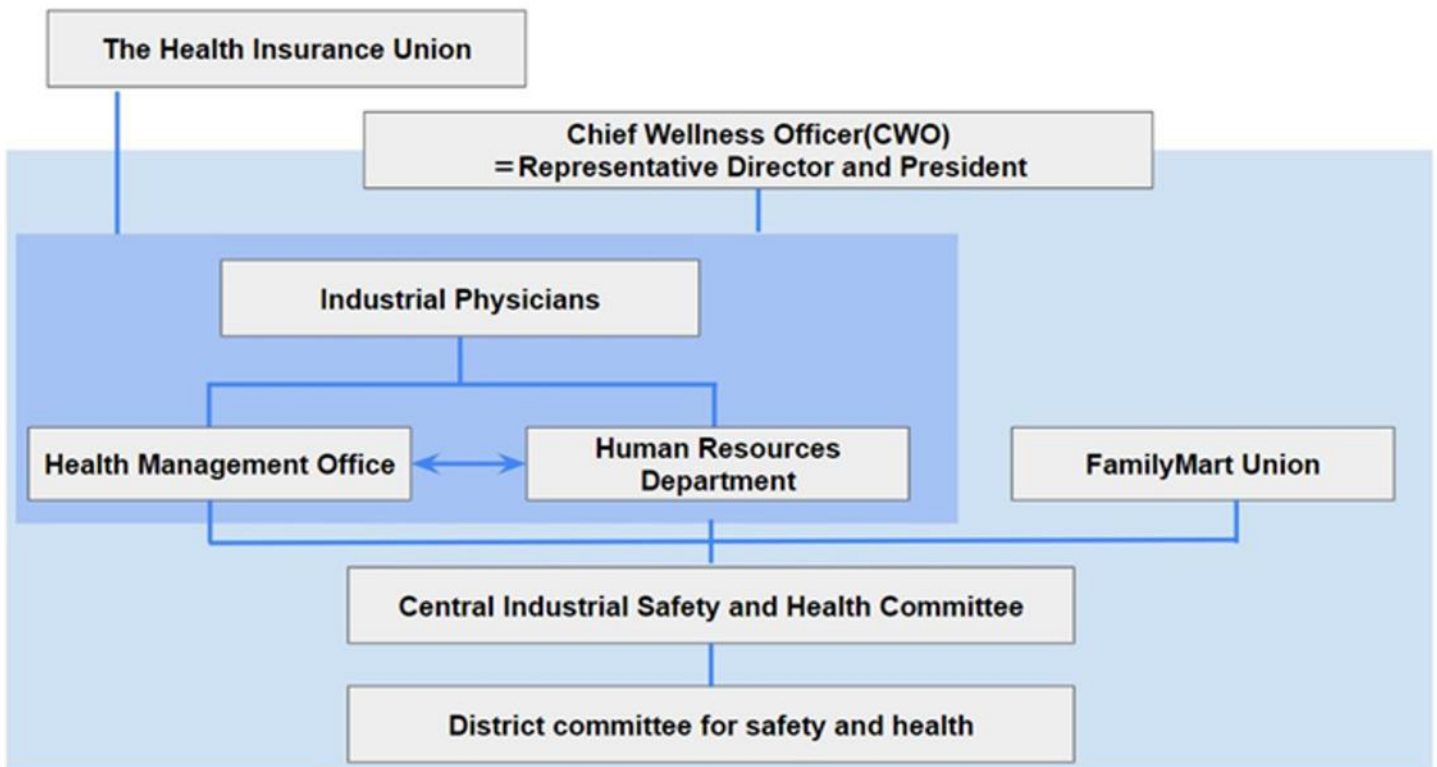


## Health Management System

Under the direction of the President, who also serves as Chief Wellness Officer (CWO), FamilyMart's Health Management Office (with our industrial physicians and public health nurses), Human Resources Department, Labor Union, and The Health Insurance Union, collaborate closely on the sharing of information and take steps to enhance employees' health.

In addition, meetings of the Industrial Safety and Health Committee are held on a monthly basis at each FamilyMart business location. Company-wide issues are shared at the regional level, and measures are discussed for addressing regional issues and situations. We are also putting in place a system whereby suggestions from the regional level are channeled through the Central Industrial Safety and Health Committee at head office so that company-wide feedback can be provided.

FamilyMart has implemented an industrial safety and health management system. We will continue to promote voluntary safety and health activities in each region to prevent work-related accidents, promote health of employees, and improve safety and health levels overall.



**(1) Industrial Physicians, Public Health Nurses**

9 industrial physicians (1 full-time, 8 part-time)  
2 full-time public health nurses

**(2) Regional Industrial Safety and Health Committee System**

Meetings of the Industrial Safety and Health Committee are held on a monthly basis at a total of 20 locations including the head office and regional offices. Fully exceeding the framework of legal compliance, even regional offices below 50 people also hold the monthly meeting of the Industrial Safety and Health Committee. In these meetings, we check the working hours of members, the status of paid leave utilization, nationwide work-related accidents and company-owned vehicle accidents, as well as exchange opinions on the status of infectious disease control measures and health improvement measures. We also hold lectures by our industrial physicians to commit ourselves to the improvement of health literacy and safety and health management levels overall.

As part of the mental health measures, in addition to the already existing lectures by our industrial physicians, e-learning, and webinars, we have started mental health lectures by our public health nurses since fiscal 2022.



**ファミリーマート安全衛生方針**

ファミリーマートにおける全ての店舗、及び事務所で働く人々が安全で安心して働くことのできる職場環境を確保していくことが必要不可欠であるため、全ての事業場において、以下の通り安全衛生方針の基本方針を定めます。

- 安全衛生の基本方針**
1. 各地における安全衛生関連法令、手順書/マニュアルを遵守し、安全衛生の水準向上を図ります。
  2. 適切な安全衛生活動を推進するための組織体制を整備し、それぞれの役割・責任を明確にします。
  3. 安全衛生活動を確実に実施するため、安全衛生に関する目標を定め、計画を作成・実行し、その結果を点検・確認し、定期的な見直しを行うことで、継続的な改善に取り組みます。
  4. 全ての社員に対し、安全衛生確保に必要な十分な教育・訓練を実施することで、安全衛生に対する意識の向上と自主的な活動を促します。

令和3年3月1日

会社名 株式会社ファミリーマート

代表者 岡見研介



FamilyMart industrial Safety and Health Policy

### (3) Industrial Safety and Health Policy (Tokyo Labor Bureau)

The Tokyo Labor Bureau has noted that “in the tertiary industry, there tends to be a lack of awareness among both firms and workers regarding occupational accident prevention. In order to prevent occupational accidents from occurring, it is very important that, prior to the formulation of specific strategies, there should be a clear policy message from senior management regarding the firm’s commitment to safeguarding employees’ safety and health.” The Tokyo Labor Bureau therefore encourages the drawing up of occupational safety and hygiene policies by the top management of business enterprises in the tertiary industry.

FamilyMart fully supports this approach and has formulated the occupational safety and hygiene policy outlined below, the content of which has been posted on the Tokyo Labor Bureau’s website.

[▶ Tokyo Labor Bureau’s website \(JP\) !\[\]\(e78f798d4ea5c530c9db49e7d26e6b95\_img.jpg\)](#)

FamilyMart has introduced the industrial safety and health management system. Based on the above-mentioned Safety and Health Policy, we strive to achieve zero work-related accidents that result in four or more days of absence in the area of safety, and a 100% regular health examination rate, a 5% reduction in the obesity rate, and a 5% reduction in the smoking rate in the area of health.

## Health Measures for Employees

### (1) Strategy Map and Overview

As for health measures, we set a goal to improve each and every employee’s performance and energize the organization. We will establish measures to create an environment where all employees are healthy in both mind and body and are able to maximize their capabilities and take on challenges with enthusiasm.

[PDF Strategy map \(JP\)](#)

### Overview of Measures Being Implemented

Building on the foundation provided by statutory industrial safety and health management, we have identified four key themes to focus on that have also been positioned as major health issues by the Japanese government, lifestyle habits, cancer, dementia, and mental health.

We check the effectiveness of the performed measures with health examinations, stress checks, and health awareness surveys, and we review, plan, and implement measures that will lead to the improvement of numerical statistics for health targets.

As we promote health-oriented management, we have been holding meetings with the Health Insurance Union to exchange opinions every month, discussing the current issues, how to promote health measures, participation rates regarding the measures, results and effectiveness, as well as further improvements.

Risk		Physical			Mental
		Lifestyle habits	Cancer	Dementia	
High	<ul style="list-style-type: none"> <li>•Treatment</li> <li>•Support for work-life balance</li> </ul>		<ul style="list-style-type: none"> <li>•Financial assistance for advanced medical treatment</li> </ul>		<ul style="list-style-type: none"> <li>•Follow-up by occupational physician</li> <li>•Return-to-work Program</li> <li>•Utilization of rework</li> <li>•Distribution of Acceptance Instructions</li> </ul>
		<ul style="list-style-type: none"> <li>Flexible leave accrual</li> <li>•Accumulated Annual Leave</li> <li>•Hourly annual leave, etc.</li> </ul>			
Medium	<ul style="list-style-type: none"> <li>•Early detection</li> <li>•Prevention</li> </ul>	<ul style="list-style-type: none"> <li>•Severe Disease Prevention Programs</li> <li>•Medical Examination Recommendation Programs</li> <li>•Lifestyle Improvement Programs</li> <li>•Measures against periodontal disease</li> </ul>	<ul style="list-style-type: none"> <li>•Cancer screening assistance</li> <li>•Assistance for brain docs</li> <li>•Smoking Cessation Programs</li> <li>•Assistance with infertility treatment</li> </ul>	<ul style="list-style-type: none"> <li>•Online Courses (Dementia and nursing care)</li> </ul>	<ul style="list-style-type: none"> <li>•Online Courses (Stress Management, Sleep)</li> </ul>
		<ul style="list-style-type: none"> <li>•Reinspection assistance</li> <li>•Health Practitioner Guidance</li> </ul>			
Low	<ul style="list-style-type: none"> <li>•Awareness Reform</li> <li>•Action Reform</li> </ul>	<ul style="list-style-type: none"> <li>•Health News (monthly)</li> <li>•riverside willow (esp. rosegold pussy willow, Salix gracilistyla)</li> </ul>	<ul style="list-style-type: none"> <li>•Provision of cancer information booklets</li> </ul>	<ul style="list-style-type: none"> <li>•Caravan Mate Training</li> <li>•Dementia Supporter Training</li> <li>•Seminar on Support for Balancing Work and Nursing Care</li> </ul>	<ul style="list-style-type: none"> <li>•Industrial physician's lecture</li> <li>•Public health nurse's lecture</li> </ul>
		<ul style="list-style-type: none"> <li>•Let's walk together project (twice a year)</li> <li>•Workplace Communication Planning</li> <li>•Healthy Staircase Project</li> <li>•Distribution of Health Care BOOK</li> <li>•Online health seminars (e-learning)</li> <li>•LIVE Seminars</li> </ul>			

Note: The above includes joint measures with health insurance unions and labor unions

### Promoting Health Collaboratively with the Health Insurance Union

In order to achieve enhanced collaboration with the Health Insurance Union, FamilyMart established a memorandum to promote health collaboratively with the Health Insurance Union in fiscal 2022.

This memorandum has enabled streamlining of the health management operations for preventing mid- to long-term lifestyle diseases, cancer, and implementing mental health measures. It has also made it easier to implement and promote both FamilyMart's and the Health Insurance Union's health improvement measures, allowing us to further promote the betterment of employees' health.

■ **Items to Improve and Reduce**

Items	FY2019	FY2020	FY2021	Reduction goal (compared to FY2019)
Percentage of BMI 25 or more	34.0%	35.6%	34.7%	▲5%
Smoking rate	35.0%	31.0%	30.0%	▲5%
Rate of skipping breakfast	21.0%	20.2%	19.0%	▲5%

**Initiatives So Far**

■ **BMI 25 or More (Overweight Percentage)**

As our employees continue to work remotely, we introduced stretch videos and tips about the walking activity. We will continue to take effective health improvement measures for the improvement of BMI values.

In fiscal 2021, we implemented a health initiative called the “Style-up Program,” a weight management program based on dietary treatment to work on the improvement of BMI values.

■ **Smoking Rate**

In the nationwide Industrial Safety and Health Committee meetings, our industrial physicians emphasized the necessity of quitting smoking. In fiscal 2021, we performed a quit-smoking program twice a year. As a result, though gradually, the smoking rate of FamilyMart employees has gone down to 30% in fiscal 2021, achieving the reduction goal of 5% compared to fiscal 2019.

■ **Rate of Skipping Breakfast**

Our industrial physicians also spoke about the importance of having breakfast in the nationwide Industrial Safety and Health Committee meetings, and conducted an awareness campaign with the keywords being “go to bed early, wake up early, and have breakfast.” We will continue the campaign emphasizing the importance of meals by providing information such as cooking using our own products.

The style-up program conducted in fiscal 2021 was based on a dietary treatment plan that limits caloric intake for dinner, and so this has contributed to the improvement of BMI values as well as the establishment of breakfast habits and a reduction in alcohol consumption.

**(2) Initiatives**

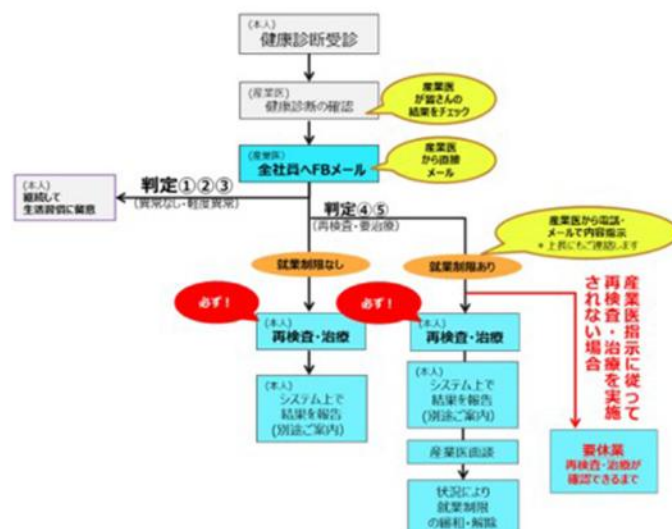
① **Health examinations**

**Regular health examination rate**

FY	FY2018	FY2019	FY2020	FY2021	FY2022 (goal)
Rate	93.0%	99.9%	100%	100%	100%

### ②Strengthening the aftercare system by introducing health management system

When a medical issue is discovered during a health examination, the employee in question will be asked to undergo a further examination; we have put in place a framework that facilitates seamless reporting of issues to the Health Management Office, after which a follow-up will be performed by an industrial physician and/or a public health nurse. Employees can use the system to check their own health examination results at any time, and can apply for financial assistance for further examinations. Rather than just getting employees to undergo health examinations, FamilyMart has put in place a cycle in which examination results are properly followed up and remedial action is taken.



FamilyMart's flow of follow-up actions

### Secondary Health Examination Rate and Number of Health Guidance Consultations

FY	FY2019	FY2020	FY2021
<b>Secondary health examination rate</b>	-	22.8%	-
<b>Health guidance consultation rate</b>	100%	100%	100%
<b>Specific health guidance consultation rate</b>	7.7%	66.3%	-

### ③Financial Assistance for Secondary Health Examinations

FamilyMart provides financial assistance for secondary health examinations to promote early discovery and treatment of diseases. With this, we aim to reduce employees with abnormal results of health examinations and eliminate absenteeism and presenteeism.

### ④Return-to-work Support Program

It is said that mental illnesses tend to relapse, and so FamilyMart has a return-to-work support program to help employees avoid taking additional leave.

The return-to-work support program helps achieve mental preparedness for the employee and their manager, creates a roadmap for their return, necessary procedures, and conditions of return, so that the employee can focus on recuperation while feeling safe, and prepare for their return.

The return-to-work support program also has a system to allow employees to practice commuting and rehabilitation of coming into work to reduce the rate of recurring leave from mental illness.

⑤ **Disease Risk Intervention Program**

The program was created by the Health Insurance Union and designed for employees who are judged to have a high risk from prediction of disease onset and severity of possessed risk factors among those who are being treated for lifestyle diseases at medical institutions. These employees are provided with a dedicated device to count and record steps, salt intake, and heart rate on an app on a smartphone to visualize their lifestyle habits as well as phone consultations with a healthcare worker. The program essentially implements a lifestyle habit improvement plan that is appropriate for each employee.

⑥ **Lifestyle Habits Improvement Program**

The lifestyle habits improvement program by the Health Insurance Union was designed to reduce as much as possible the risk of employees developing metabolic syndrome in the future. The program livestreams topics related to exercise and diet for a three-month span on the dedicated website on the health app and aims to create good habits.

⑦ **Quit-smoking Program**

This quit-smoking program allows employees to utilize video calls on a PC, smartphone, or tablet to get an online consultation from a doctor without the necessity of traveling to a medical institution.

We conducted this program twice in fiscal 2021 in hopes of having more people quit smoking due to COVID-19-related risks as one of the motivators. Related to World No Tobacco Day (May 31) set by the WHO (World Health Organization) to promote quitting smoking, we have promoted awareness in the nationwide Industrial Safety and Health Committee meetings, encouraged people to stop smoking on the portal site, and created digital signage and unique posters to appeal to smokers. FamilyMart focuses on reducing the smoking rate in this manner.

⑧ **Mental Health Measures**

FamilyMart conducts stress check to not limited workplaces with 50 or more employees but all employees, performs collective analysis on the stress check results, including the rate of high-stress employees, and implements improvement measures for the workplaces after analysis.

We will newly conduct resilience training to new employees, self-care education and “line-care” management awareness education via e-learning, as well as workshops to improve the workplace environment.

From fiscal 2022, we started conducting lectures by our public health nurses, focusing on mental health measures in various ways.

**Stress Check Rate (3 Years)**

FY	FY2019	FY2020	FY2021
<b>Rate</b>	94.2%	97.1%	95.6%



### ⑨Health Portal Site and Health News

FamilyMart issues health news every month, providing useful information for our employees (mental healthcare, guidance for health events, etc.).



### ⑩Collaborative Initiatives with the Labor Union

Health-oriented management does not work with just the company-side efforts. The labor union (FamilyMart Union) collaborates with the company to conduct health improvement measures.

We have issued a healthcare book, held RIZAP's live seminars, RIZAP's online health seminars (e-learning), and in fiscal 2021, we introduced RIZAP's 5-min training, RIZAP channel, and the Style-up Program along with RIZAP's seminars. We have continuously been implementing various health improvement measures.

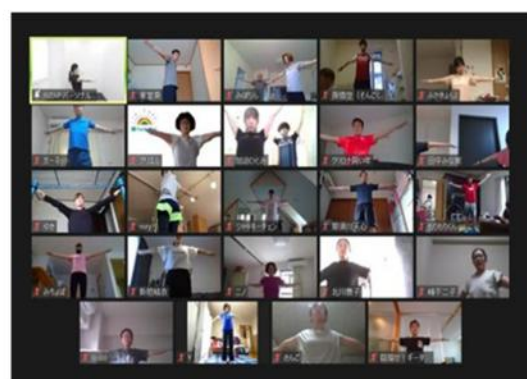
#### RIZAP's 5-min Training



RIZAP's 5-min training is a livestream of a 5-minute training video that is delivered to all employees every day for two weeks.

The contents are created in a way that employees who do not have much time to exercise can start using the little time they have. The program also introduces FamilyMart products recommended by the trainer. Knowing that our own products can promote good health created excitement among our employees.

#### RIZAP's Live Seminars



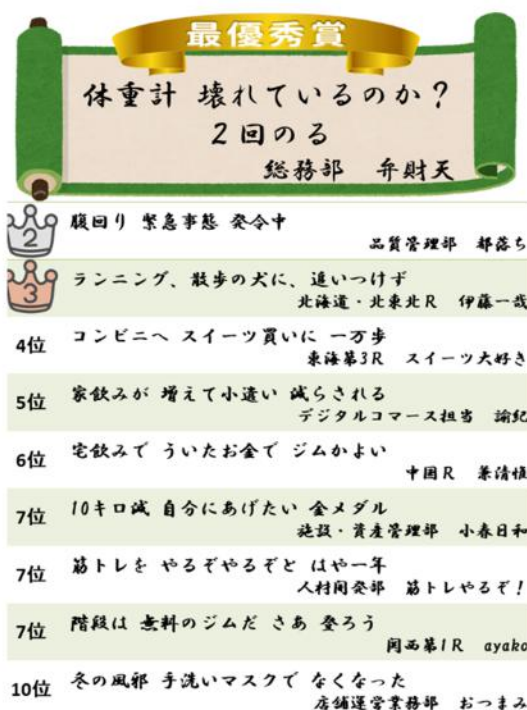
FamilyMart regularly holds RIZAP's live seminars. Participants have given us positive feedback such as "It feels like I get more energy by working out together with everyone. I would love to participate again", "It was harder than I thought it would be and made me realize how little I have been exercising", "This was a great chance to start exercising". We will continue holding these seminars regularly.

## RIZAP Channel



RIZAP channel is an on-demand delivery service to help improve various health issues in our employees as quickly as possible by focusing on each issue. Employees can watch all eight courses from fat burning, neck and shoulder aches, to backache as many times as they want in a certain time period. Produced in a way that the employees can watch casually, one video is anywhere from 5 to 10 minutes. We were able to assist promoting their health with these helpful videos.

## Famima's Humorous Health Haiku



We have been holding Famima's humorous health haiku contest for two years in a row. We had a lot of submissions in fiscal 2021, which helped with cultivating health awareness among employees.

Out of 133 submissions, after votes from employees, the haiku selected as the best was "On the bathroom scale, had to try using it twice, it was not broken".

We will continue nurturing Famima's humorous health haiku as a regular event so that our employees' health awareness will improve while having fun.

### ⑪ Style-up Program

In order to improve BMI values, we implemented the Style-up Program in fiscal 2021. This program replaces one regular meal with a balanced and nutritious meal to allow efficient restriction of caloric intake to help employees get their figure in shape. 377 employees participated in the program, but with the number of applications being way beyond what we initially anticipated, it showed the high level of health consciousness and interest in dieting among employees.

The average weight loss among participants is 2.6kg. In addition to feeling the beneficial effects of following a balanced diet, we also received reports such as “I tend to drink less now”, “I started eating breakfast”, indicating that we were able to contribute to well-regulated lifestyles and improvement of dietary habits among our employees. During the program, public health nurses checked up on the participants every day to try to help people stay committed. We will continue to implement programs that will be beneficial to our employees that they can participate in while having fun.



### ⑫ Webinars

In addition to our own health improvement promotion measures, we proactively leverage the Health Insurance Union’s webinars to improve our employees’ health awareness. In this fiscal year, beauty and self-care was added alongside topics like sleep, stress management in the COVID-19 era, women’s health, long-term care, and dementia to the webinars. As an opportunity to gain knowledge, we encourage our employees to take these webinars in the issued health news and Industrial Safety and Health Committee meetings. We will increase the opportunities for our employees to receive information by collaboratively promoting health with the Health Insurance Union and maximizing the use of various channels.

### ⑬ Walking/Exercise Events

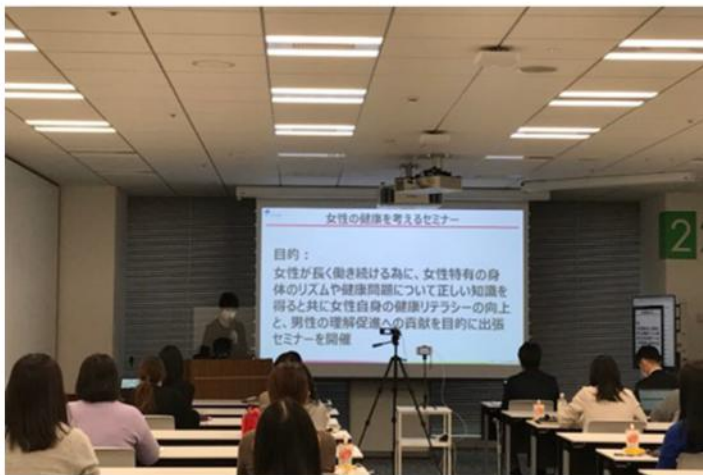
Half of FamilyMart’s employees take less than 6,000 steps per day on average, displaying a significant gap from target value of steps set by the government (Health Japan 21: 9,000 steps for males, 8,500 steps for females). As a motivator to increase the number of steps even a little and eliminate lack of exercise, we hold walking events led by the Labor Union twice a year (spring and autumn). This walking event is a regular health promotion event that has been taking place for over 15 years. In the event held in spring 2022, as many as 3,577 employees participated and increased their physical activity.

⑭ Women's Health Seminar

FamilyMart regularly holds women's health seminars.

The women's health seminar held in December 2022 was themed "Women should be aware of their health! Men properly understanding it leads to a great workplace and home life!" The number of attendees was restricted, and we also leveraged the online system to hold the event due to the measures against COVID-19.

The use of the online system made it possible for many regional employees, who previously had difficulties attending, to participate. Many managers and male employees also attended, resulting in reminding us of the high level of interest in this seminar.



⑮ Dementia supporters

According to a report published by the Ministry of Health, Labour and Welfare (MHLW), by 2025 around one in five senior citizens will be suffering from dementia.

FamilyMart believes that it is extremely important for Japanese society to develop a correct understanding of dementia, and we are aiming to ensure that all FamilyMart employees obtain Dementia Supporter certification.

Besides encouraging our employees to develop a correct understanding of dementia and working to help people make the right decisions regarding dementia prevention, we are also thinking carefully, on an ongoing basis, about what our response should be when employees' family members, franchisees, or customers in the regions where our stores are located, are affected by dementia.

Dementia support training is held twice a month, and there are currently 4,102 dementia support persons (as of June 2022). We can surely see that the network of FamilyMart's dementia support persons steadily spreading.

One of the employees who took the training felt strongly that the training contents need to be passed down to franchisees as well and that they wanted to spread the network of dementia support. They then conducted training at franchisees in Yonezawa, Yamagata Prefecture to spread the network.

This was welcomed by the franchisees as an opportunity to gain a proper understanding of dementia. In addition, the connection between FamilyMart and local municipalities was enhanced.



Training for the franchisees



Dementia support posted sticker of a franchisee

### ⑩ Other Measures Related to Physical Health

FamilyMart provides various kinds of support as part of our efforts to create a workplace where employees can work healthily, and we strive to achieve such a workplace.

#### Other initiatives

- Financial assistance for advanced medical care (medical procedures with advanced medical care is assisted up to 5 million yen)
- Financial assistance for fertility treatment (not limited to employees, applied also when their spouses receive treatment)
- Financial assistance for brain checkup (10,000 yen per person, not limited to employees, applied also to spouses)
- Periodontal disease measures (learning how to check your oral health properly without going to a dentist)
- Mediated sales of household medicine (provides household medicine and health products at a lower than market price)
- Physician visit encouragement program (provides encouragement to employees that have not visited a medical institution)

### ⑪ Workplace Communication Project

As remote work is promoted, communication among employees is one of the challenges remote work is facing. As part of our methods to promote communication at the workplace, FamilyMart partially assists financially for the activities. Our employees have come up with and held various unique ideas such as online sightseeing and online escape room games.

### ⑫ Financial Assistance for Book Purchases

We provide financial assistance for book purchases to create opportunities for personal development and life enrichment.

### ⑬ Health Awareness Survey

As we drive health-oriented management, we conduct a health awareness survey every year for the purpose of understanding employees' health awareness and behavior and developing measures that are effective and appropriate for their needs.

By conducting a fixed-point observation of changes in employees' health awareness and behavior, we are working to assess the effectiveness of each measure and the entire health management system.

Survey questions consist of health awareness, lifestyle habits, mental health, and productivity. In terms of FamilyMart's health-related issues discovered from the results, we are now seeing low physical activity and low count of average steps per day in addition to increased incidences of being overweight with a BMI value of 25 or more, smoking rates, and rates of skipping breakfast.

We need to establish well-regulated lifestyles in order to help address these issues. We promote attractive health improvement measures to assist with improving the lifestyle of employees as well as increasing their physical activity levels so that our employees' awareness and behavior will change.

We let our employees know of all the survey results (compared to the previous year) through the health news, Industrial Safety and Health Committee meetings, and the in-house portal site.

### Response Rate to the Health Awareness Survey

FY	FY2019	FY2020	FY2021
<b>Response rate</b>	91.5%	93.6%	95.2%

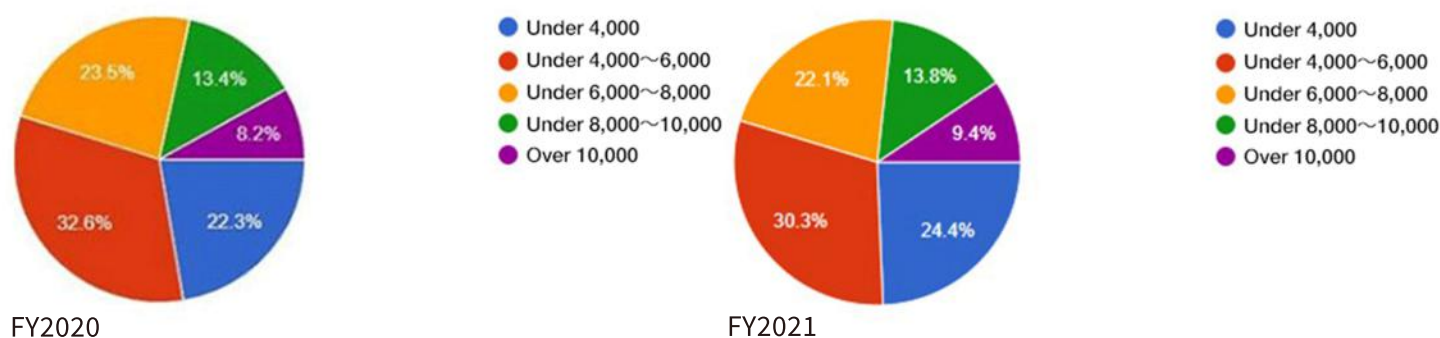
Due to the effects of COVID-19, the ratio of employees with less than 4,000 steps on average per day has increased from 22.3% to 24.4%.

However, the ratio of employees with 8,000 or more steps on average per day has increased from 21.6% to 23.2%, showing that there is a steady increase of employees being aware of their health and walking more.

It is said that a concrete method to increase the amount of physical activity in daily life, it is useful to increase the physical activity centered around walking and to set a target number of steps.

We will continue to hold walking events.

### Average steps per day for a FamilyMart employee



### ⑳ Education to Prevent Work-related Accidents

It is of utmost importance to secure a work environment where anyone who works at any stores and offices can feel safe and comfortable. At the Industrial Safety and Health Committee meetings held every month, we share information about work-related accidents that happened nationwide and exchange opinions between employers and employees in order to prevent the same type of accidents in the future.

We will continue to aim for a safe workplace that energizes everyone involved with FamilyMart and take measures to prevent work-related accidents day by day.

### Work-related accidents frequency rate, severity rate (including staff at directly-managed stores)

FY	FY2018	FY2019	FY2020	FY2021
<b>Frequency rate</b>	0.68	0.43	0.70	0.75
<b>Severity rate</b>	0.014	0.004	0.028	0.019

### ㉑ Measures against COVID-19 (Workplace Vaccination Program)

FamilyMart has built a system to help prevent infection clusters at the workplace by establishing our own standard for close contact persons and by setting a strict standard regarding coming into work.

We are focusing on measures against COVID-19 starting with installing hand sanitizers and barriers for preventing droplets at stores as well as acrylic partitions and contactless thermometers in offices.

We started working on the workplace vaccination program at an early stage and conducted vaccination in venues in Tamachi head office in Tokyo, Sapporo, Sendai, Omiya, Chiba, Yokohama, Nagoya, Osaka, Hiroshima, Fukuoka. In addition to employees and part-time staff at directly-managed stores, we have expanded the scope of coverage for vaccination to include franchisees and family members of employees, which resulted in approximately 14,000 people being vaccinated. We have also conducted an additional workplace vaccination program with the same scope of coverage. 6,000 employees, staff at directly-managed stores, franchisees, and family members of employees were vaccinated.



Workplace vaccination program at Tamachi head office

### ㉒ Establishment of Various Consultation Services

We have set up a dedicated health consultation service staffed by medical professionals, achieving a system that enables our public health nurses to respond quickly to employees' health concerns.

We are committed to creating an environment in which employees can feel free to ask questions and talk about their various concerns. Other than the mentioned service, we also have women-only consultation services for power harassment, sexual harassment, and birth and childcare by phone as well as email. Consultations for sexual harassment, birth, and childcare are always conducted by female employees.

## Office with Health Managed Environment

In Tamachi head office, we prepare all kinds of equipment and take initiatives for promoting the health of our employees.



Massage chairs



Rooms for resting



Mental health check device



Exercise equipment and blood pressure monitor



Healthy office (jump height meter)

## Initiatives Targeting our Franchise Stores

The health of our franchisees, with whom we work closely together, is just as vital to the ongoing development of our business as the health of our own employees.

We are implementing the following measures to help improve the health of FamilyMart franchisees.

### Subsidiary aid for health checkups and comprehensive medical examinations

We provide health examination subsidies with no limitations on the number of applicants, and have also introduced a system to simplify application procedures.

We will work to ensure that our franchisees can find time for their checkups.

### Mutual insurance

We offer a range of inexpensive group insurance policies, along with medical and injury cover, so that our franchisees can run FamilyMart stores with peace of mind, and to strengthen welfare provision for store staff.

## Health Promotion Projects

We have rolled out a range of different projects and products to enhance the health of all FamilyMart stakeholders.

▶ **FamilyMart was awarded the Minister of Health, Labor, and Welfare Grand Prize in the 9th Smart Life Project Award held by the Ministry of Health, Labor, and Welfare and Japan Sports Agency. (JP)**





# Our Foundation for Sustainable Growth

# Our Foundation for Sustainable Growth

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## Corporate Governance ▶

On FamilyMart corporate website, you will find basic policy on corporate governance and Internal Control System.

## Compliance ▶

On FamilyMart corporate website, you will find basic approach on compliance.

## Respect for Human Rights ▶

We have established “FamilyMart’s Human Rights Policy” and are promoting initiatives for respect on human rights of all people involved in our business activities.

## Risk management ▶

On FamilyMart corporate website, you will find operational and other risks.

## Joint Growth between Franchised Stores and Headquarters ▶

On FamilyMart corporate website, you will find joint growth between franchised stores and headquarters.

# Corporate Governance / Internal Control System



FamilyMart is striving to ensure the transparency and soundness of management for the sustainable development of the business and to further increase our corporate value.

[Basic Ethics and Compliance Policy](#)



[Corporate Governance](#)



[Basic Policy for Building the Internal Control System](#)



[Operational and Other Risks](#)



Information about our operational and other risks.

Information about our structure and operations of the Internal Control System.

[Compliance](#)



Information about our compliance principles and promotion system.

# Basic policy on ethics and compliance

---

FamilyMart, in accordance with its “FamilyMart Basic Policy”, will observe the ethics and compliance globally based on the following seven principles.

## **1.Sound business management**

We will manage a sound business by conducting appropriate organizational management and actively and fairly disclosing corporate information.

## **2.Providing safe and secure products and services**

We will ensure the quality control of our products and services and maintain an appropriate sales environment.

## **3.Fair trade**

Maintain fair, transparent and free trade. Also maintain a healthy and normal relationship with politics and government.

## **4.Appropriate information management**

We strictly manage the personal information and confidential information obtained through business activities.

## **5. Environmental awareness**

Recognizing that protection of the global environment is an essential requirement for the existence and activity of a company, we will engage in activities focused on the global environment.

## **6. Creation of an ideal workplace environment**

We respect the individual character and human rights of each employee and will endeavor to maintain an open workplace environment that values richness and comfort.

## **7.Non-association with criminal elements**

We do not associate at all with criminal elements and groups that threaten social order or safety.

FamilyMart Co., Ltd.  
Representative Director and President  
Kensuke Hosomi

# Corporate Governance

The Company has adopted a corporate auditor system.

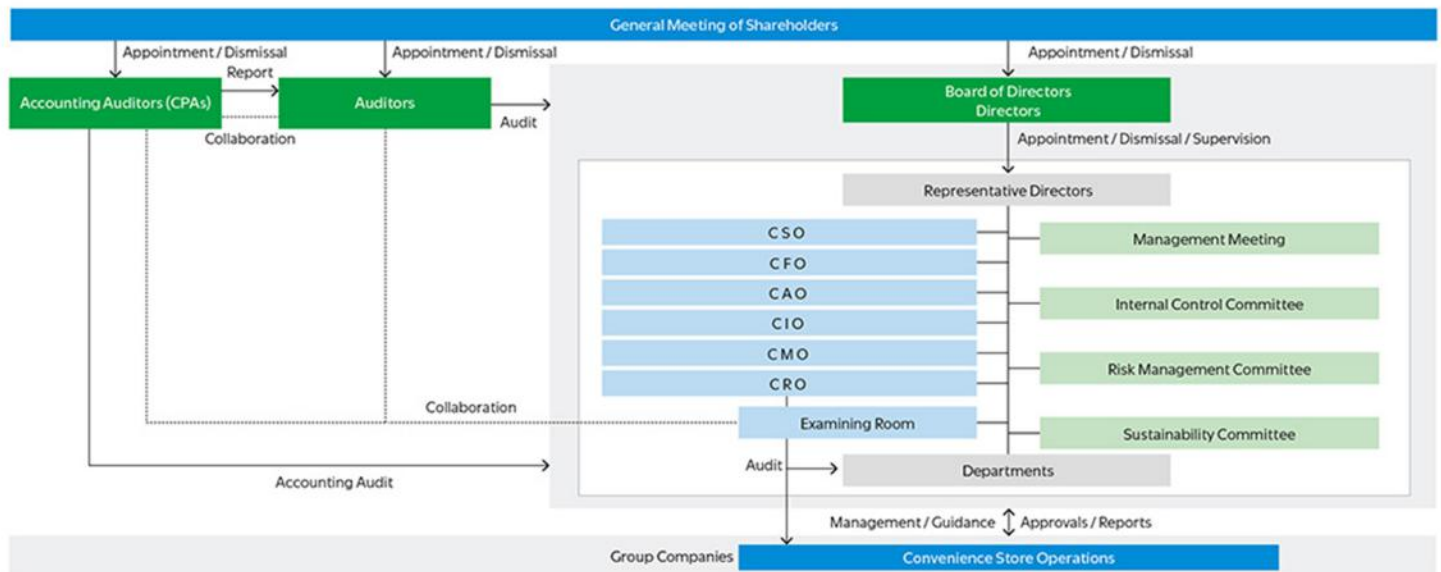
As a general rule, the Board of Directors meets once a month to make decisions on the execution of the Company's important operations and to supervise the duties of the Board.

We have adopted an executive officer system to enhance rapid decision-making and business execution. Executive officers are appointed and assigned duties by resolution of the Board of Directors, and execute their assigned duties. In addition, we have established departments for the purposes of developing risk management systems and enhancing ethical and legal compliance systems as well as specialized departments for the purpose of establishing internal controls and ensuring corporate governance.

The Audit Office established as the Internal Audit Division which reports directly to the Representative Director and President. The Audit Office conducts internal audits on company-wide management issues from the perspectives of efficiency in the execution of duties, risk management, compliance with laws and regulations, etc. For accounting audits, we have concluded an audit contract with Deloitte Touche Tohmatsu LLC, and have received audits under the Companies Act and the Financial Instruments and Exchange Act. The accounting auditor conducts audits of financial statements, etc. from the standpoint of an independent third party, and the Company receives reports on the audit results and exchanges opinions with them.

as of May,2021

## Corporate Governance System



# Internal Control System

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## 1. Systems to ensure compliance of the execution of duties by Directors, Executive Officers, and employees with laws, regulations, and the Articles of Incorporation of the Company

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- 1) The Board of Directors' meetings of the Company shall be held once every month, in principle, and, at the meetings, the representative director, etc., are required to report on the progress of their duties being executed. Auditors oversee the execution of duties by directors. To enhance the auditing function, the Company shall take the necessary measures to ensure the effectiveness of the audits conducted by the corporate auditors, whereas the corporate auditors shall examine whether the independence of the accounting auditors is being strictly maintained.
- 2) The Company shall establish a department specializing in compliance awareness activities and promote thorough compliance by appointing responsible staff at each department.
- 3) The Company shall formulate the Compliance Rules. Directors, executive officers, and employees shall be required to comply with such rules.
- 4) The Company shall establish the Audit Office, which is directly controlled by the president and representative director. The Audit Office shall conduct regular audits to evaluate the Company's compliance.
- 5) An internal reporting system shall be adopted and a point of contact for the provision of information shall be established internally and externally to promote the systems to rectify violations of compliance and prevent infringements. Furthermore, the Rules regarding Internal Reporting System shall prohibit any disadvantageous treatment against any person who engages in internal reporting on account of such report, and directors, executive officers, and employees shall be required to comply with such rules.
- 6) To eliminate and discontinue relations with antisocial forces, the Company shall establish a policy for blocking antisocial forces and take necessary measures to this end. Furthermore, the Company shall endeavor to properly deal with such antisocial forces as a unified organization by strengthening collaboration with external bodies, such as the police and lawyers, as well as with industrial organizations and local communities.

## 2. Rules and other systems regarding loss risk management

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- 1) The Company shall also establish a dedicated department to promote and thoroughly conduct risk management activities. Furthermore, the Company shall promote thorough risk management by appointing responsible staff at each department.
- 2) The Company shall formulate the Risk Management Rules, and regularly analyze and evaluate the risks that they might encounter. These risk factors shall be determined selectively, and rules regarding the system and methods for minimizing the effects of the risks concerned shall be developed in an effort to manage the risks appropriately.
- 3) The Company shall implement a business continuity plan (BCP), and disaster management business plan, to take emergency responsive measures to fulfill our mission to customers even in the event of large-scale disasters and other emergencies.

### **3. Systems to ensure the appropriateness of financial reporting**

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1) The Company shall implement the Unified Group Accounting Rules, the Accounting Rules, the Internal Control Rules regarding Financial Reporting, and other necessary rules; appoint a CFO; and develop necessary systems to ensure compliance with accounting standards and other related laws and regulations and the appropriateness and reliability of the financial reporting on a consolidated basis.

2) The Company shall regularly evaluate and improve the implementation and operation of the systems for ensuring the appropriateness and reliability of financial reporting. The Audit Office shall regularly conduct audits on the Company's systems to ensure the appropriateness of its financial reporting.

### **4. Systems to ensure efficient execution of the duties of Directors**

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1) The Company shall maintain the Management Meeting as an advisory body for decision-making on the execution of important business affairs through rapid and careful deliberations. This body is presided over by the president and representative director.

2) The Company shall adopt an executive officer system, with which the execution of business affairs can be made more efficient by delegating such execution to executive officers to the extent possible.

3) To ensure the proper and efficient execution of duties, the Board of Directors shall determine the scope of job responsibility for each director and establish the Rules on Operational Approvals, Functional Authority and Responsibility to clarify the functional authority and responsibility, etc., of the respective directors for more appropriate execution of business affairs.

### **5. Systems to keep and manage information pertaining to the execution of duties by Directors**

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1) The Company shall establish and maintain its document-handling rules compliant with relevant laws and regulations with regard to the preparation, preservation, and management, etc., of information stated or recorded in important documents for approval (including electronic media), such as minutes of important meetings, including those of the Board of Directors and the Management Meeting; Ringisho; and authorized documents. Moreover, the Company shall put in place a system to allow directors, corporate auditors, and other concerned parties to inspect the above documents.

2) The Company shall establish a department in charge of timely disclosure of important company information, IR and other disclosure. In addition, directors promptly and comprehensively collect the information to be disclosed, and will disclose it in a timely and appropriate manner in accordance with laws and regulations.

## **6. Systems to ensure the appropriateness of business operations conducted by the corporate group consisting of the Company, its parent company, and Group companies**

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- 1) The Company shall provide Group companies with business administration and management guidance in accordance with the Management Rules regarding Associated Companies. In addition, the Company shall strive to ensure the appropriateness of business operations based on the Basic Policy.
- 2) The Company shall clarify guidelines for business administration, etc., in the Management Rules regarding Associated Companies; on important managerial matters at Group companies in principle, each Group company requires prior approval from the Company in consideration of the business scope of each Group company and whether it is listed or unlisted.; identify matters that need to be reported to the Company; oblige Group companies to report such matters to the Company; and receive reports therefrom, as required.
- 3) The Company shall support Group companies in implementing and operating their internal control systems with regard to major internal control items while respecting their independence and control such operations when necessary. The Company shall also make Group companies formulate various rules depending on actual business conditions thereof for the purpose of establishing systems in accordance with such rules and provide education and training thereto so that internal control systems can be put in place across the entire Group.
- 4) Audit departments of Group companies and the Company's Audit Office shall collaborate with each other and the corporate auditors of Group companies, and the Company's Board of Corporate Auditors shall hold regular liaison meetings to exchange information and coordinate measures to furnish Groupwide internal control systems.
- 5) The Audit Office of the Company shall conduct audits of departments of the Company. The Audit Office shall also monitor and give advice regarding the establishment of appropriate internal controls at the Company and Group companies by conducting or controlling audits of Group companies. Furthermore, the Audit Office shall regularly report the established status of Groupwide internal controls to both the Board of Directors and the Board of Corporate Auditors.
- 6) The Company shall maintain a relationship with its parent company that allows for coordination with full respect paid to the independence and autonomy of both parties. Frameworks for discussing with and reporting to the parent company with regard to important matters shall be put in place. Transactions with the parent company and its group companies shall be conducted in accordance with the relevant laws and regulations.

## **7. Matters regarding employees in cases in which a Corporate Auditor requests the Company to dispatch employees to support his or her duties**

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The Company shall establish the Corporate Auditors' Secretariat and appoint several dedicated employees thereto to assist in the execution of the corporate auditor's duties. A corporate auditor may give directions or orders to such employees in respect of matters required for audit duties.



## **8. Independence from Directors for employees who are to assist the Corporate Auditors in the execution of their duties and assurance of effectiveness of their instructions**

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Employees who assist the corporate auditors in the execution of their duties shall obey only the directions or orders given by the corporate auditor concerned in carrying out their duties and shall not take directions or orders from any directors, executive officers, and/or other employees. With regard to the exercise of authority over personnel affairs, including personnel ratings, personnel changes, and disciplinary measures, the Company shall discuss with the corporate auditors in advance and shall exercise such authority only after the Company has obtained the consent of the corporate auditors.

## **9. Systems to help Directors and employees, etc., of the Company and Group companies report to the Corporate Auditors and other systems relating to reporting to the Corporate Auditors**

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- 1) The corporate auditors of the Company shall attend the Board of Directors' meetings; attend other important meetings, such as those of the Management Meeting; receive explanations from directors, executive officers, and employees; and examine associated materials.
- 2) Directors, executive officers, and employees of the Company shall periodically report to the corporate auditors the results of internal audits, the status of the execution of the internal reporting system, information about transactions involving competitors, or self-dealing transactions, etc.
- 3) Directors, executive officers, and employees of the Company as well as directors, corporate auditors, and employees of Group companies, shall, either directly or through the department in charge, swiftly report to the corporate auditors of the Company if they discover facts that could cause significant damage to or have a material impact on the Company or any Group companies. Furthermore, the corporate auditors may request, when necessary, that a relevant director or others at the Company or Group companies make a report to such corporate auditors.
- 4) In accordance with rules such as the Internal Reporting Policy Provisions, an individual who makes a report to the corporate auditors shall not receive any disadvantageous treatment due to the fact that he or she reported the issue. Directors, executive officers, and employees involved must abide by this rule.

## **10. Policies on prepayment or procedures for repayment of expenses incurred in executing duties as a Corporate Auditor and processing of expenses and liabilities incurred in executing duties as a Corporate Auditor**

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In the event that a corporate auditor requests for the prepayment of expenses or makes other such requests to the Company in connection with the execution of his or her duties, the Company shall promptly process the invoices for such expenses through the internal system unless the Company has proved that such expenses are not necessary for the execution of the duties of said corporate auditor.

## **11. Other systems to ensure effective audits by the Corporate Auditors**

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- 1) The corporate auditors of the Company shall periodically meet with representative directors to receive reports on managerial issues, the various risks surrounding the Company, and other subjects and to exchange opinions. Meanwhile, corporate auditors shall receive reports about the method and results of the accounting audit from the accounting auditors and reports about the internal audit from the Audit Office.
- 2) Any corporate auditor may commission research or seek advice from independent outside experts if it is deemed necessary in connection with an audit.

# Operational and Other Risks

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Among the matters related to business and financial operations stated in the securities report, here are the principal risks which the management recognizes as having the potential to make a significant effect on the financial position operating performance, and cash flow. As it is difficult to reasonably predict the degree of possibility or time frame when these risks could become prominent, it is not written down. In order to address these risks, we establish necessary risk management system and management methods as well as conduct risk monitoring and management; however, this does not necessarily mean that we will be able to avoid any and all risks. We also promote these activities in the Group companies.

This page includes matters related to the future which were evaluated as of the end of the current consolidated fiscal year.

## (1) Impact of the Spread of COVID-19

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Circumstances related to the spread of COVID-19 in Japan and overseas as well as changes in socioeconomic activities due to the Declaration of a State of Emergency and Priority Measures to Prevent the Spread of COVID-19, have had a significant impact on consumption, and the outlook continues to be uncertain and unpredictable. In the event that the pandemic spreads even further or longer in the future, possible issues may include the loss of sales due to the shortening of store hours or temporary closures, risks of product supply delay and downturn in consumption due to the stagnation of supply chains, and interference in business activities due to lack of human resources in production sites.

We started the workplace vaccination program in the beginning of July in 11 cities in Japan, targeting a total of approximately 15,000 Group company employees, families, and franchisees. We have taken measures such as introducing antibacterial films to our stores and set up systems for our employees to operate stores as safely as possible under the influence of the spread of COVID-19. We are also working to create an environment where customers can shop with peace of mind.

However, in the event that the predicted containment time of the pandemic and the impact to the economic environment radically change, these issues may affect our financial position and business performance.

## (2) Economic Situations

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### 1. Changes in Socioeconomic Activities

The Group primarily operates convenience store businesses in Japan and overseas. As such, the emergence of a competitive environment that transcends industry and business boundaries in Japan and in the countries or regions where we operate, transformation and establishment of lifestyles and consumer behavior due to the spread of COVID-19, and changes in economic conditions characterized by concerns about declining consumer confidence due to inflation may affect our financial position and business performance in the future.

### 2. Sharp Rise in Resource Prices

The Group primarily sells food to consumers in our main convenience store businesses. Direct and indirect impacts such as a sharp rise in food and energy resource prices, an increase in product purchase prices due to food and resource prices remaining high, and an increase in expenses related to store operations such as utility bills may affect our financial position and business performance in the future.

The Group gathers operating resources and promotes operational reforms towards mid- and long-term business growth and development of new businesses. For more details, please refer to “1. Management Policy, Business Environment, and Challenges to Address (4) Management Strategy, Businesses that need addressing with Priority, and Financial Challenges.”

### (3) Natural Disasters

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Risk related to natural disasters such as large-scale earthquakes, tsunami, typhoons, and flooding is going up every year, and it is anticipated to continue in the mid- and long-term as well as the expansion of their scale. In the event that these large-scale natural disasters, accidents, fires, terrorism, wars, or pandemics occur in Japan and overseas where we operate our businesses, these issues may affect our financial position and business performance in the future.

We have implemented business continuity planning (BCP) in case of large-scale disasters and pandemics, introduced a safety confirmation system, and taken measures such as disaster drills. The Group companies have also individually put various measures in place. Based on the Basic Act on Disaster Management, we have established a disaster management operations plan as a nationally designated public facility. We have created systems in the event of disasters such as disaster prevention measures and disaster emergency measures so that we can cooperate with related organizations to appropriately and immediately execute disaster management at the time of disasters.

However, in the event of natural disasters and pandemics, the Group can not completely avoid such damage, which may affect our financial position and business performance in the future.

### (4) Franchise System

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The Group adopt the franchise system in the convenience store business, one of its principal businesses, and provides "FamilyMart System," which the Company has developed and owns, to franchisees. The franchisees and the Group are in the relationship of coexistence and co-prosperity, and we aim to provide convenience to customers each day while we grow and prosper together.

In the franchise system, it is imperative that the Group and franchisees have mutual trust and cooperation. In the event that the trust between the Group and franchisees is damaged or many of the franchise contracts result in termination due to difficulties in franchisees continuing businesses from profitability deteriorating because of a slowdown in personal consumption or a sharp rise in labor, rent, and/or utility costs, these issues may affect our financial position and business performance in the future.

We have been working under the concepts "thoroughness of basics: three starting points," "operational reforms," and "challenges to new businesses." For more details, please refer to "3. Analysis of Financial Situation, Business Performance, and Cash Flow by Management (2) Management's Analysis and Discussion of Business Performance from the Perspective of Management."

In addition, in the event that various transactions are suspended or franchisees lose credibility due to acts that infringe on the FamilyMart system, and violations of laws and regulations or misconduct by franchisees or suppliers, these issues may affect our financial position and business performance in the future.

## (5) Safety of foods, etc.

In our mainstay convenience store business, the Group principally sells foods to consumers. In addition, other than foods, the Group also offers products for consumers' life such as clothes and daily necessities. In the event that a severe product-related accident including food poisoning, product tampering, mislabeling, or recall occurs, these issues may affect our financial position and business performance in the future.

The Group ensures safety and security of foods and other products by setting quality control standards, establishing the consistent quality control structure from manufacturing to sales together with business partners, and other means.

## (6) Impact of laws and regulations, etc.

In Japan and abroad where the Group operates the businesses, the Group applies Companies Act, Financial Instruments and Exchange Act, tax laws, Labor Standards Act (including other laws and regulations, etc. concerning labor management), Antimonopoly Acts and subcontracting acts, food-related laws, and other laws and regulations, etc. concerning environments, and has obtained administrative permits and approvals, etc. Based on the recognition that legal compliance is an extremely important corporate responsibility, the Group ensures legal compliance by strengthening the compliance structure.

However, even if such measures are taken, the Group can not avoid compliance-related risks or the risk that its social credibility may be damaged, including personal misconduct of an officer or employee.

In addition, we cannot deny the possibility of unforeseen enactment, amendment, or repeal of laws and regulations by domestic and foreign administrative, judicial, and regulatory authorities, or the possibility of significant changes in various regulations along with drastic changes in social and economic environments. In the event that these happen, these issues may affect our financial position and business performance in the future.

As of the present time, there has not been any lawsuits raised that could have a huge impact on our financial position and business performance. However, in the event that the Group's business activities or other activities have become a target for major lawsuits, these issues may affect our financial position and business performance in the future.

## (7) Human Rights

The Group agrees with The Ten Principles of the United Nations Global Compact, which includes the principles related to human rights. We comply with "Guiding Principles on Business and Human Rights" and "The OECD Guidelines for Multinational Enterprises" by the UN as well as respect the "International Bill of Human Rights" and "ILO Declaration on Fundamental Principles and Rights at Work," and we have established "FamilyMart's Human Rights Policy" as the basic policy on respect for human rights.

We recognize the possibility that our activities as well as activities of business partners such as supply chains and franchisees may have an impact on human rights of stakeholders including customers and local communities, and we expect that our business partners and other related parties understand this policy and support it. At the same time, we will continue to promote respect for human rights by communicating with them, sharing information, and collaborating with them.

However, in the unexpected event that the Group or a business partner experiences a human rights issue, there may be risk of the Group losing credibility or becoming subject to compensation liability. Consequently, these issues may affect our financial position and business performance.

## (8) Environment and Society

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The Group has positioned solving global issues related to the environment and society as one of the important challenges facing our management, and as such we have established the Basic Policy on Promotion of Sustainability. In addition, in order to contribute to solving social issues including environmental problems and achieving a sustainable society, we have created Famima Eco Vision 2050 as our mid- and long-term goals towards 2030 and 2050. We also actively work on risk management such as building an environmental management system to prevent environmental risk, including risk of legal conflicts in product handling, service provision, and business investment projects; and conducting wide-range sustainability surveys to supply chains. We have put in place the Sustainability Committee to appropriately handle the risk and opportunities related to climate. In this committee, we monitor natural disasters as well as trends of laws and regulations and examine a plan to handle them. We also set our goals and plans related to climate, including Famima Eco Vision 2050, manage progress, and evaluate.

Regarding climate change, which we consider an urgent issue, we agree with the recommendation by the Task Force on Climate-related Financial Disclosures (TCFD). We have participated in the TCFD Consortium led by the Ministry of Economy, Trade and Industry, the Ministry of the Environment, and the Financial Services Agency. Based on the recommendation by the TCFD, we analyze the impact that risk related to climate change has against businesses and business performance and their countermeasures, and disclose the results. Greenhouse gas emissions are calculated for the entire supply chain, and the reduction target is certified by the SBT initiative as “well-below 2°C” based on scientific evidence, compared to the “2°C target” goal set by the Paris Agreement.

However, even with these measures, in the event that an environment or social issue such as environmental pollution occurs due to the Group’s activities, the results may lead to delay and suspension of businesses, cost incurring for measures, lowering of public esteem, and may affect our financial position and business performance in the future.

## (9) Handling of personal information

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In the course of our business operation, the Group collects and maintains personal information including information on customers. In the event that an accident related to the leak of personal information or the like takes place, these issues may affect our financial position and business performance in the future.

To prevent unauthorized access to personal information and leakage of personal information among others, the Group takes organizational, personnel, physical and technical safety control measures that are generally considered highly reliable, and exercises necessary and appropriate supervision over employees handling personal information. We as well as our three subsidiaries have obtained the PrivacyMark certification by Japan Institute for Promotion of Digital Economy and Community (JIPDEC).

## (10) Information system and information security

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The Group has built an information system among the Group, business partners, and stores. In the event that circumstances that hinder the performance of business operations arise due to a failure in this information system or a fraudulent abuse of the system, these issues may affect our financial position and business performance in the future.

In order to conduct multi-layered monitoring of the development plan, development processes, and quality, as well as improve the design quality and testing comprehensiveness, the Group supervises the vendors and vice versa, having established an integrated development framework and promoting projects. We have also set the code of conduct related to the handling of information so that our employees can recognize that achieving a high information security level is an important matter. We have continued to work on maintaining the IT environment with cyber security risk in mind, enhancing technical security measures, and setting up thorough measures for risk management to secure the safety of the information system operations.

However, even with these measures in place, we cannot entirely avoid the risk of incidents such as leaks of confidential information and personal information due to unexpected external illegal access or breach by computer viruses, or suspension of the information system due to a failure of equipment and trouble on communication lines. Depending on the scale of the damage, these issues may gravely affect our financial position and business performance in the future.

## (11) Human resources

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In Japan and abroad where the Group operates the businesses, human resources for execution of the businesses, including communicating with customers and other various stakeholders, are essential. In the event that it becomes difficult to acquire appropriate human resources due to fiercer competition for personnel in each business, among others, the Group's execution of the businesses, operating results, financial conditions and others may be affected.

The Group respects the diversity of our employees and expands investment on human resources programs that allow each and every employee to grow. We recruit human resources externally on an as needed basis for senior management and general employee positions.

## (12) Credit Management

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The Group provides deposits and guarantees to lessors in the course of leasing stores. In the event that it becomes uncollectible due to deterioration in a lessor's credibility or the like, these issues may affect our financial position and business performance in the future.

The Group decides to open new stores after confirming the rights and other conditions of the subject property and determining the credibility of the lessor. With respect to other security deposits, we collect and evaluate information on the financial conditions of lessors in order to identify early concerns about collection and reduce credit risk, and take security measures such as collateral and guarantees as necessary.

## (13) Impairment Loss on Fixed Assets

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The Group holds a large amount of fixed assets such as tangible fixed assets, right-of-use assets, and goodwill related to stores. Impairment losses on these assets have been recognized as necessary at this point in time; however, in the event that the profitability of stores declines significantly due to unexpected deterioration in economic conditions or poor performance, and the book value of these assets no longer can be considered recoverable, new impairment loss might be recorded. These issues may affect our financial position and business performance in the future.

We strive to reduce such risks by making decisions on store openings based on store opening criteria and by monitoring store profits and losses periodically.

### Related Links

- [> Corporate Governance](#)
- [> Compliance](#)



# Compliance

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FamilyMart has established the Risk & Compliance Committee with the objectives of enhancing our risk management structure and strengthening our structure for compliance with ethics, laws and regulations. In addition, in order to make reports regarding social and environmental initiatives and hold deliberations on the issues, etc. we established the Sustainability Committee.

The committees hold deliberations and take action from the perspective of the opportunities and risks for the businesses with regards to the management of the risks faced by each business and compliance-related issues, and social and environmental issues.

Moreover, the Group has established the Basic Ethics and Compliance Policy, and the Compliance Rules, etc. and requires all of the directors, executive officers and employees to comply with these regulations, etc. We have established the internal reporting system to enable consultation with and reporting to experts inside and outside the company regarding the situation in the unlikely event that there is an action in violation of these regulations, etc., and we are operating under the slogan ""Do not do, do not allow, do not overlook."" By establishing contact points inside and outside the company in this way, we are aiming to correct and prevent in advance our own actions in violation of compliance.

## Use of Employee Hotline and Supplier Helpline in Fiscal 2021

Suspected fraud, law breaking, or rule violation	12
Inquiry about labor contract or working hours	0
Inquiry about products and quality	1
Inquiry about workplace conditions, behavior, language, or suspected harassment	98
Other	4
Total	115

## Ensuring Tax Transparency

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In order to fulfill tax return and tax payment obligations, we comply with the "FamilyMart Group Tax Regulations," which specifies the FamilyMart Group's basic stance and code of conduct regarding taxation. This includes preventing tax avoidance, maintaining an open and transparent relationship with tax authorities, filing accurate tax returns, and making proper tax payment. We comply with tax treaties, tax laws, and its spirit of all countries/regions in which we do business. In addition, we ensure tax transparency by disclosing tax payment information in a timely and appropriate manner to all stakeholders and cooperatively providing information to tax authorities.

[> Amount of taxes paid \(ESG data G: Governance aspects\)](#)

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### Related Links

[> Corporate Governance](#)

[> Operational and Other Risks](#)

# Joint Growth between Franchised Stores and Headquarters

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▼ The FamilyMart Franchise System

▼ Supporting the Training of Store Staff

▼ Crime Prevention System

▼ System of Mutual Insurance Aid for Franchisees

## The FamilyMart Franchise System

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FamilyMart has adopted a franchise system for its convenience store business. With the FamilyMart System, which the FamilyMart head office (hereinafter head office) owns, the franchisee and head office work together to enhance convenience and contribute to the local community by providing customers with affordable and convenient products and services. Prior to the franchised store opening, the head office provides training for store managers as well as training at directly managed stores, ensuring thorough preparations so that everything is in place and ready to go on opening day. In addition, even after the franchised store is up and running, a supervisor from the head office pays regular visits to provide backup – such as giving advice on the business plan or for bringing in new products – to help the store be successful.



## Supporting the Training of Store Staff

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For FamilyMart to fulfil its duty to society and maximize its existence value, it needs to rely on the abilities of each and every store staff, as they are the ones who interact directly with the customers. We are working to improve the organizational structure within stores and store management levels by establishing a system of training human resources so store staff can work with a sense of pride.

Additionally, refining both product quality and store quality—which together define “quality” in our customers’ eyes,—is the means by which we become the convenience store that customers choose to use. Store staff, who are responsible for store quality, are engaged in daily operations with the foremost objective of improving QSC (Quality, Service, Cleanliness) levels.

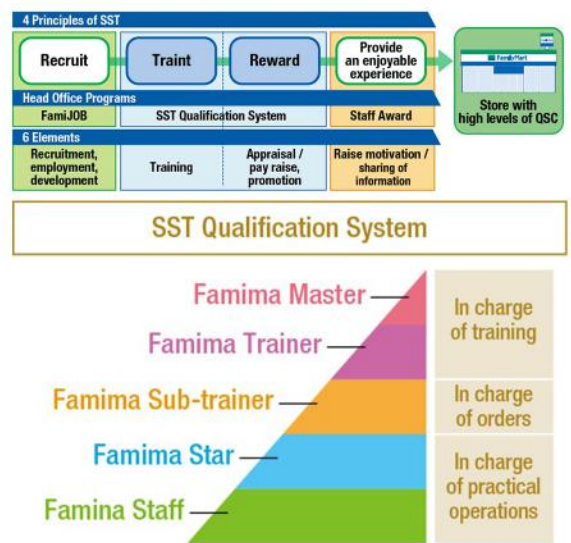
## Store Staff Total System

The Store Staff Total system is a human resources development system that aims to nurture independence and responsibility among store staff. With ranked trainings that improve skills, the system leads to facilitating self-growth.



## Human Resources Development System for Store Staff

There are approximately 250,000 store staff working at around 16,000 stores run by FamilyMart nationwide. The store staff are invaluable human resources who work on the frontlines of the stores, interacting with customers, organizing selling spaces, and cleaning and managing the stores on a daily basis. As a means of raising their motivation and making work worthwhile, FamilyMart has implemented a proprietary human resources development system known as the Store Staff Total (SST) system. Based on acquiring qualifications in stages, the system efficiently supports the development of store staff.



## Crime Prevention System

In order to ensure the safety of our customers and store staff, FamilyMart has various crime prevention measures in place at stores. For example, rotating security beacon lights are installed at the entrance of stores and anti-crime color balls are always on hand near the cash register. Furthermore, in case of an emergency, a security company that we outsource will immediately send personnel to the store.

In addition, the Company has formulated a list of “10 Ways to Prevent Crime” to enhance security. Four points among the list are designated key points and are strictly observed at all stores.



## System of Mutual Insurance Aid for Franchisees



FamilyMart has established the System of Mutual Insurance Aid for Franchisees, available to store owners and managers so that they can focus on store management with an easy mind. The system is founded on mutual aid between franchisees and allows members to obtain medical insurance and various other types of insurance at low cost. We also introduce members to free, individual consulting services with an affiliated life counselor who can give advice on various topics such as providing employees with benefits or for preparing funds for livelihood in later stages of life.

# Respect for Human Rights

- ▼ Establishment of Human Rights Policy
- ▼ Promotion System
- ▼ Human Rights Due Diligence
- ▼ Dissemination to Employees
- ▼ Initiatives with Stakeholders
- ▼ Grievance Adjustment Mechanism
- ▼ Respect for Human Rights through Our Stores

We believe that respect for human rights is not only the realization of our basic principles but also an essential social responsibility that we must fulfill. It is the foundation for sustainable growth, for our corporate activities involving many employees and business partners, including franchised stores and, suppliers, as well as stakeholders.

## Establishment of Human Rights Policy

We have established FamilyMart's Human Rights Policy to recognize the importance of respect for human rights as a universal value in Japan and overseas. It has also been created to demonstrate our stance on them as a responsible company.

To establish the policy, we formed a project team of members mainly from our Sustainability Promotion Department and other divisions closely related to human rights issues. The team consulted with experts to seek guidance on how to prepare an appropriate draft, which was then reviewed by the Sustainability Committee and approved by the Board of Directors and Management Meeting.

 [FamilyMart's Human Rights Policy \(JP\)](#)



## Promotion System

Based on the organizational structure of the Sustainability Committee, its chairperson (CAO\*) is responsible for supervising the Sustainability Promotion Department, which serves as a secretariat. This department collaborates and share information with other departments to promote our initiatives based on this policy and confirm their implementation status.

The Sustainability Committee meets twice a year to discuss reviews, reports, and proposals and then presents the result to the Board of Directors.

\*Chief Administrative Officer

▶ Sustainability Promotion System

### TOPICS

## Endorsement of the Ministry of Justice's My Jinken Declaration

As a company that acts in a manner that respects human rights, we have made the My Jinken Declaration promoted by the Ministry of Justice, and are promoting initiatives aimed at realizing a society where everyone respects human rights.

▶ My Jinken Declaration | Human Rights Library JAPAN (JP)



"My Jinken Declaration" promoted by the Ministry of Justice

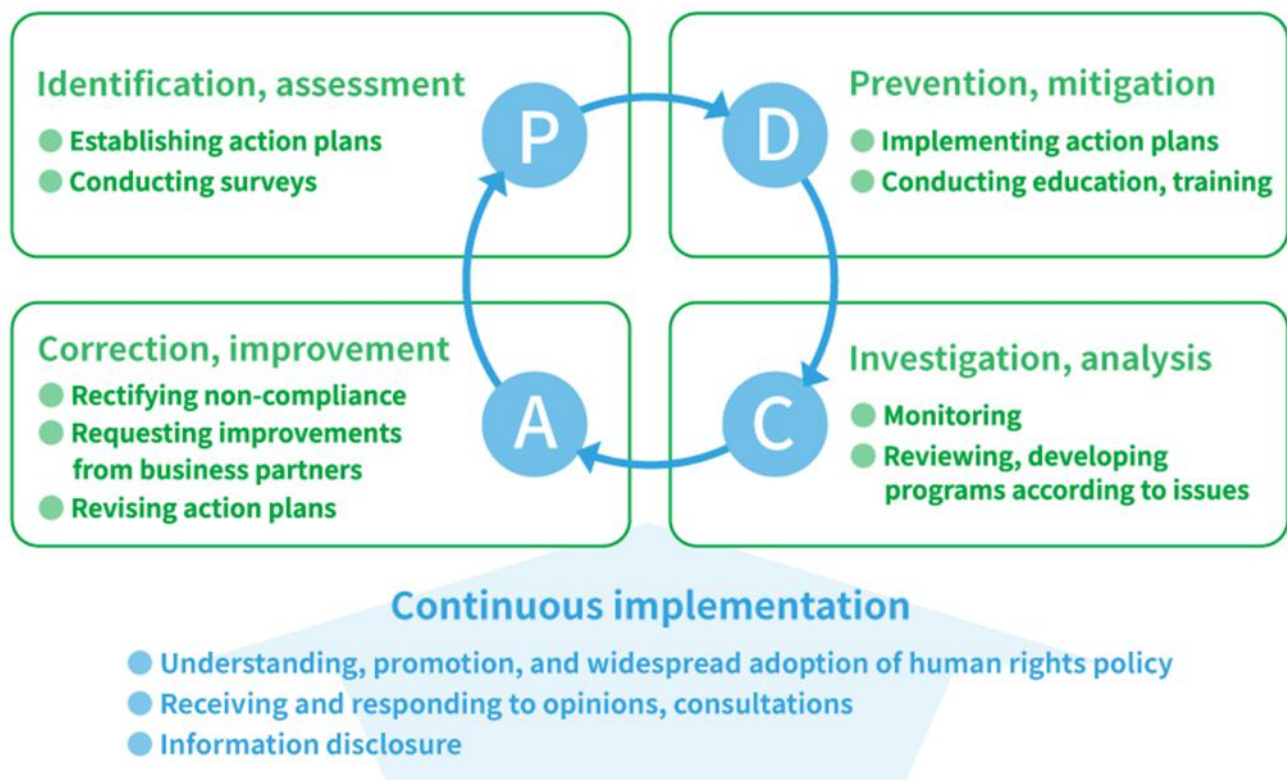
## Human Rights Due Diligence

Human rights due diligence is a continuous activity to counter adverse human rights impacts.

FamilyMart has established an appropriate system in compliance with the United Nations Guiding Principles on Business and Human Rights. This system allows us to identify and assess (Plan), prevent and mitigate (Do), investigate and analyze (Check), and correct and improve (Act) adverse human rights impacts of our business activities based mainly on information collected from reporting mechanisms, while carefully communicating with our stakeholders.

Our human rights due diligence will be reviewed as necessary in response to social changes, internal and external incidents, and the implementation of new projects.

### Overview of FamilyMart's human rights due diligence



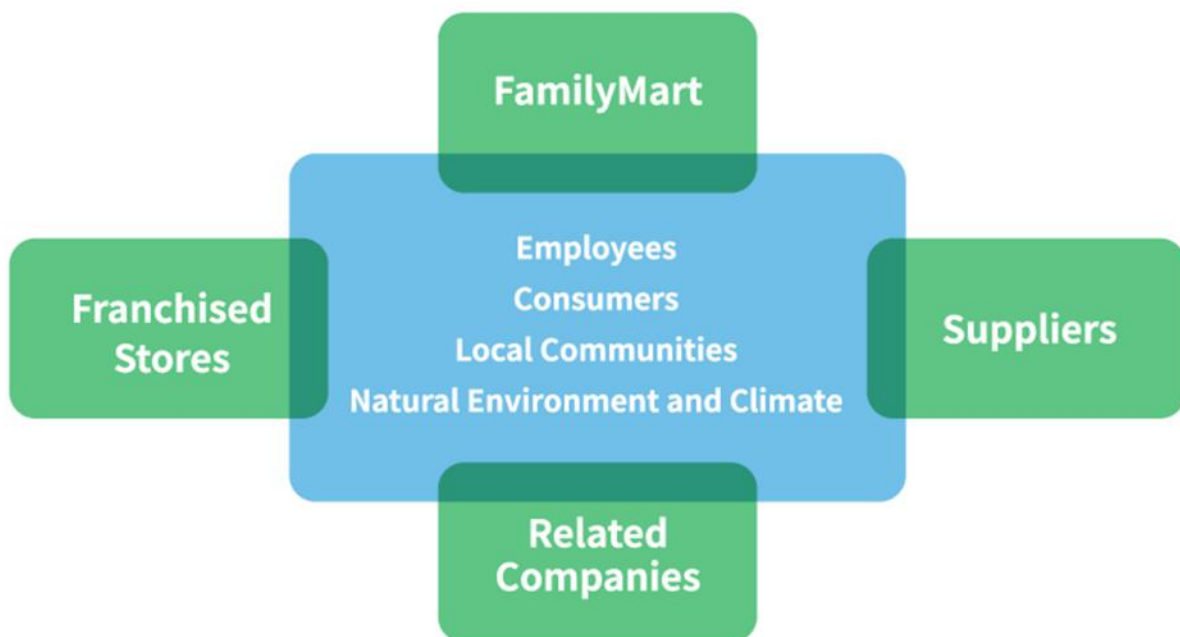
## Potential risks and issues of FamilyMart's Business Activities

By taking advice from external experts, we anticipate human rights risks of our business activities and incorporate them into our human rights due diligence plan, considering their frequency of occurrence and severity.

## Risk Mapping

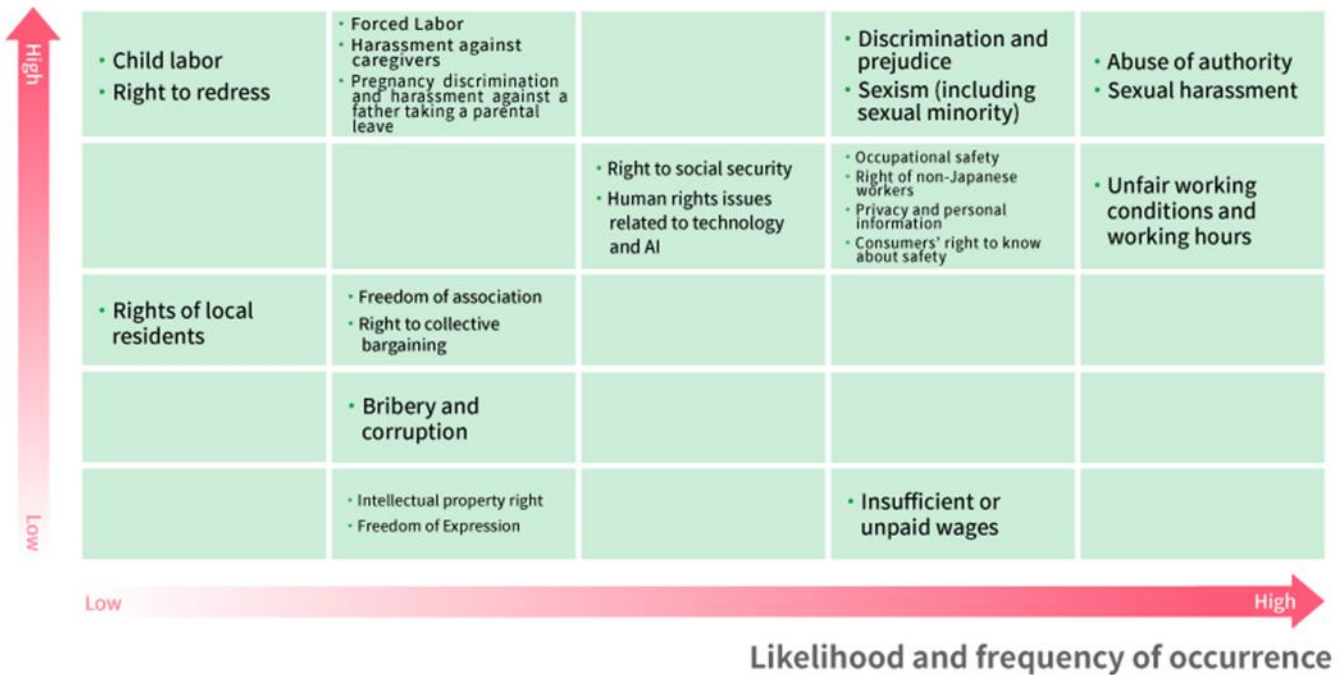
We have identified relevant human rights risks based on advice from external experts, feedback on our business activities, and complaints received by our consultation desks. We have created a risk map considering the people involved, frequency of occurrence, and severity.

### Main Parties Involved





Severity (impact level)



Severity (impact level)

Scale: Degree of impact of human-rights infringements on life and health

Scope: Whether the scope of impact of human-rights infringements is foreseeable or not, and whether it is geographically limited or not

Difficulty of remedy: Measured based on whether a human rights infringement is remediable or not

## Dissemination to Employees



We ensure that all our employees abide by FamilyMart's Human Rights Policy when they engage in our business activities by providing them opportunities to acquire knowledge on human rights and receive education to deepen their understanding of human rights risks and challenges in corporate activities.

## Education for Directors and Employees

We educate all our directors and employees through videos and outside instructors' lectures on human rights. As a relevant topic, human rights education is also incorporated into e-learning materials on other themes, such as SDGs.

In addition, the textbooks and other related educational materials used for education are posted on our learning system that is available to all our employees at any time.

Education theme	Main content	Held in
On Human Rights	<ul style="list-style-type: none"> <li>• Basic knowledge of human rights</li> <li>• Understanding FamilyMart's Human Rights Policy</li> </ul>	Fiscal 2020
On Unconscious Bias	<ul style="list-style-type: none"> <li>• Basic knowledge of unconscious bias</li> <li>• How to recognize and conquer your own bias</li> </ul>	Fiscal 2021
On Diversity Promotion	<ul style="list-style-type: none"> <li>• Importance of diversity for a corporation</li> <li>• FamilyMart's diversity promotion</li> </ul>	Fiscal 2021
On Human Rights-Conscious Expression and Communication	<ul style="list-style-type: none"> <li>• Expressions that companies should be aware and careful of</li> <li>• Review on basic knowledge of major human rights issues</li> <li>• Phrases to avoid and responses that companies should be aware of</li> </ul>	Fiscal 2021
On Business and Human Rights	<ul style="list-style-type: none"> <li>• Basic Knowledge of Business and Human Rights</li> <li>• Human Rights Infringements Closely Related to Us</li> </ul>	Fiscal 2021

## Education in Specific Divisions

We invite external experts to conduct educational sessions on each human rights risk and issue such as human rights enlightenment and food labeling guidelines including non-food products for related divisions.

## Education for Management Level

Our education for management includes human rights education to ensure that our managers can identify and mitigate the risk of harassment and other potential human rights violations based on accurate knowledge of human rights. By helping them to be precautious in their daily communication, we encourage them to act on their own initiatives to apply what they have learned in their work.

## Initiatives with Stakeholders



We are working to prevent and mitigate human rights risks throughout our supply chain by informing our stakeholders about FamilyMart's Human Rights Policy and approaching our business partners on various occasions to gain their understanding and support for this policy.

## With Our Franchised Stores

### Creation of Tools for Stores

We have distributed a guide that describes precautions in store management, human rights risks, and how to respond to such infringements. We also prepare and utilize tools, such as employment contracts and manuals. These tools are in languages other than Japanese, such as English, Chinese, Vietnamese, and Nepalese, since an increasing number of non-Japanese staff are playing active roles in our stores.



A Chinese version of our WELCOME BOOK, a store staff training tool

### Approaches to Franchised Stores

We raise awareness of our franchised stores by providing basic knowledge of human rights and information on human rights infringements that may occur in stores through the portal site for franchised stores, which is accessible from computers in their stores.

### Training program for Store managers

In our training for newly appointed store managers and franchisees who operate multiple stores, we provide information about the importance of respect for human rights in store operations, briefing on FamilyMart's Human Rights Policy, and case studies related to stores.

## With Our Suppliers

We provide opportunities for our suppliers to raise their awareness of respect for human rights. For example, we periodically remind them of our Human Rights Policy and other policies on sustainability, as well as invite them to Information Sharing Meetings with external experts. Additionally, we conduct questionnaires and monitoring audits to confirm the status of their efforts to respect human rights.

### Our Achievement in Fiscal 2021

- Creation of the "Human Rights Protection Checklist"
  - Dissemination of our sustainability policies to **482** companies
  - Self-assessment questionnaires conducted with **63** companies
  - Monitoring audits conducted to **10** companies
- Human Rights Information Sharing Meetings held with **26** companies
- Training on our sustainability policies implemented for **1** supplier

### Human Rights Due Diligence Process for Suppliers



## Implementation of Self-Assessment Questionnaires and Audits

Since fiscal 2020, we have been conducting questionnaires on human rights with our suppliers, subsidiaries, and others. Based on the previous survey results and issues that may arise, we will broaden its scope and improve its content to carry out this survey continuously.

Self-Assessment Questionnaires			Monitoring Audits		
FY2020	FY2021	FY2022 plan	FY2020	FY2021	FY2022 plan
31	63	63	4	10	20

## Creation and Distribution of “Human Rights Protection Checklist” Tool

A growing number of our suppliers have requested us to share information about the education and communication of non-Japanese employees and foreign technical intern trainees. In response to this, we have prepared a “Human Rights Protection Checklist” under the supervision of external experts, which is helpful for human rights issues. We have distributed it to some of our suppliers.

## Grievance Adjustment Mechanism

FamilyMart has been operating several internal and external contact points through which all employees and business partners can ask for advice, file reports, and give comments at any time on any matters, including human-rights-related issues.

In case of possible human rights infringement reports, we will strive to protect whistleblowers by preserving the confidentiality of the reported information and forbidding disadvantageous treatment or retaliatory measures against the informant. At the same time, we will ensure that the departments involved confirm the facts, correct such violations, and prevent their recurrence. In this way, we seek to prevent human rights infringements and establish a corrective system when they occur.

Furthermore, in response to the enforcement of the Revised Whistle-Blower Protection Act of June 2022, we have revised our internal reporting system (hotline) regulation for our employees. It has been modified to be more secure for informants to report information. Items such as “expansion of the system to cover more people, including staff at directly-managed stores”, and “actions forbidden to take against informants” have been included.

In case of any issue that may potentially lead to a severe infringement, we seek to resolve it promptly by having the Risk & Compliance Committee report it to management so that they can take countermeasures.

In fiscal 2021, we received 115 reports, including those unrelated to human rights.

### ▶ Compliance

#### ■ For FamilyMart's employees

- **Internal contact points:** Hotline desk (internal reporting system), consultation desks for abuse of authority, and consultation desks for sexual harassment
- **External contact points:** Group employee hotline, hotline/external desks, and SOGI/LGBT consultation desks

#### ■ For our customers and business partners

Customer Service Office (internal contact point), Franchisee Relations Office (internal contact point), and Supplier Helpline (external contact point)

## Respect for Human Rights through Our Stores

### Goods and Services

#### Support for Pride Event with Rainbow Color

In celebration of Pride events held in various places, we released hot snack bags with six-color rainbow stripes in a limited quantity in 2021. We aimed to expand the circle of allies who understand and support LGBTQ and to support the goal of realizing a society where everyone can actively be themselves. In addition to this initiative, we sold Line Socks Rainbow (product name) as a part of our Convenience Wear at approximately 16,600 FamilyMart stores across Japan and donated a portion of the sales to ReBit in 2022. ReBit is a specified non-profit corporation that aims to deepen understanding of LGBTQ. They use donations for LGBTQ education for children and other activities.



#### Chocolate Confections Friendly to the Earth, People and Health

We sell chocolate made from 100% cacao with a Cocoa Horizons Certificate, which seeks to protect children and nature and improve the lives of cacao farmers and their communities, where forced labor and extremely low-priced trade have been problematic. Doing so contributes to the support for cacao producers, the protection of the global environment, and the eradication of child labor.

We meet the demands of our sustainability-minded customers who consider the ecology, people's health and happiness, and other concerns when purchasing goods.



## Fund Raising at Our Stores

### Collaborative Projects with NGOs and NPOs

We have regularly been promoting various initiatives with NGOs and NPOs to which we donate through our in-store fundraising campaign, the FamilyMart Connecting Dreams Foundation Donation.

#### Examples of Our Initiatives

- FamilyMart's Regional Activation and Community Ties Children's Cafeteria Support Project with National Children's Cafeteria Support Center Musubie (an authorized NPO) since 2021.
- We have been providing "Children's Food Support Boxes" with Save the Children Japan (a public interested incorporated association) since 2020 to improve children's food situation.
- We have been holding joint classes on SDGs with Save the Children Japan (a public interest incorporated association) since 2021.
- We have been supporting the growth of children around the world through school lunch support and emergency food aid in emergencies with the Japan Association for the United Nations World Food Programme (a specified non-profit corporation) since 2006.

▶ **Initiatives that Utilize the FamilyMart Connecting Dreams Foundation Donation**

## Stores Accessible to Everyone

### Providing information on stores with accessible restrooms to the barrier-free information map apps

We were the first private company to provide information on our stores with restrooms accessible to customers in wheelchairs to WheelLog. (a general incorporated association that offers a barrier-free information map) The data has been available since 2020 on their smartphone and PC app “WheelLog!”.

Since 2013, an accessible restroom has been incorporated into FamilyMart's standard store layout. Currently, they are installed in approximately 4,500 of our stores across Japan. In 2017 we began to facilitate the search for stores with accessible restrooms on our website in response to customers' feedback which said, “It is difficult for wheelchair users to find restrooms when they go out. If they could know which convenience stores have an accessible restroom in advance, they could have a wider range of activities”.



### Wheelchair-Friendly Multi-Function Copier

Our new multi-function copier has improved user-friendliness with an easy-to-read, easy-to-operate, large color LCD touch panel. It also has a tiltable operation screen that allows users to choose a suitable angle. It is easy to handle for customers in wheelchairs.





# **Famima Eco Vision 2050**

**(Medium-to long-term environmental goals)**

# Famima Eco Vision 2050 (Medium-to long-term environmental goals)

FamilyMart has formulated Famima Eco Vision 2050, which sets out medium-to long-term environmental goals for 2030 and 2050, to help realize a sustainable society.

Under this vision, our medium- to long-term numerical targets are based on the three themes of reducing greenhouse gases (CO<sub>2</sub> emissions), plastic countermeasure, and reducing food wastage, with the aim of promoting initiatives that will achieve these reductions.

## Famima Eco Vision 2050

### Reduce Greenhouse Gases

CO<sub>2</sub> emissions from store operations (per store) (vs 2013)

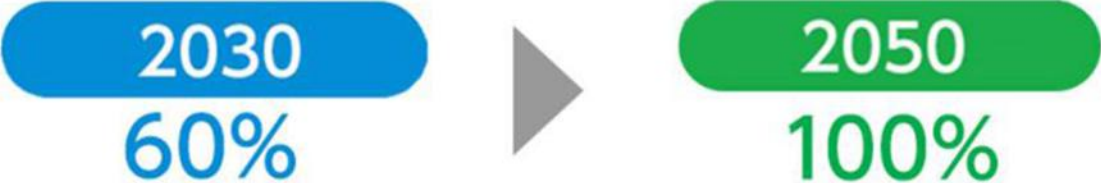


(Initiatives) We are taking steps to introduce energy-saving equipment aimed at constraining electricity use at stores and reducing CO<sub>2</sub> emissions.

In addition, We will calculate emissions throughout the supply chain, from purchasing to delivery, sales, and disposal, and implement measures to reduce emission volume.

### Plastic Countermeasures

Proportion of environmentally-friendly materials



(Initiatives) We will promote the use of environmentally-friendly materials, such as incorporating plant-based biomass plastic and recycled PET into its packaging and containers.

In addition, we are aiming to incorporate environmentally-friendly materials into 70% of its plastic bags and other supplies by fiscal 2030.

## Reduce Food Wastage

Food waste from stores (vs 2018)



(Initiatives) We are working to reduce food wastage by increasing product shelf life through implementation of more accurate product ordering and improved packaging and containers.

Efforts which include incorporating food waste into a recycling loop will also lead to a more effective use of resources.

Note: We will review goals in response to environmental changes.



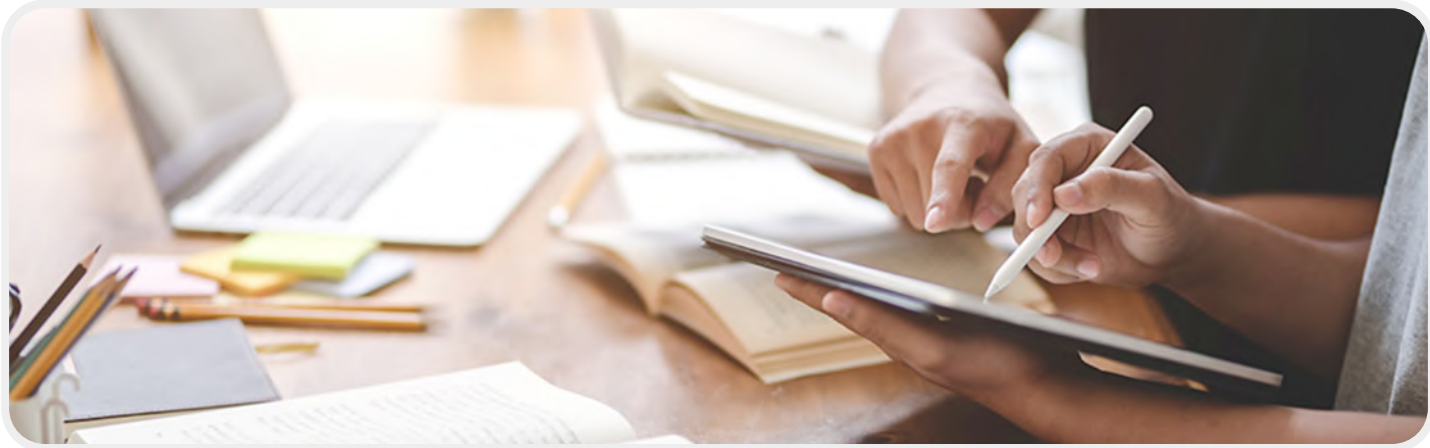
Revision of Greenhouse Gas (CO<sub>2</sub>) Reduction Target to 50% by 2030 under Famima Eco Vision 2050



# Sustainability Library

# Sustainability Library

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**ESG Data** ▶

**Editorial Policy** ▶

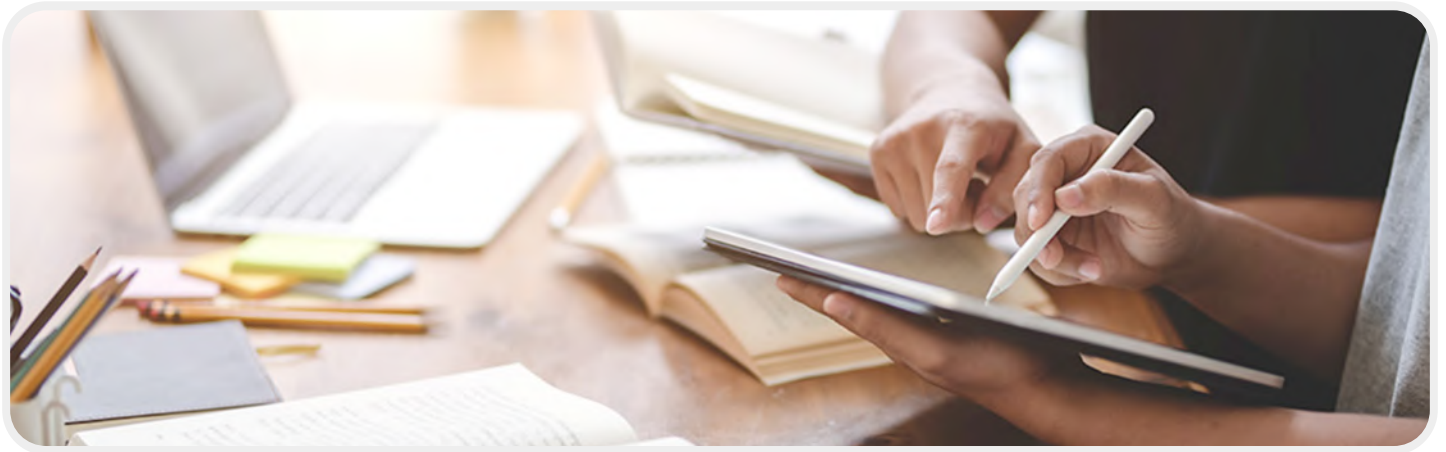
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**GRI Content Index** ▶

# Editorial policy

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Under the corporate motto, “FamilyMart, Where You Are One of the Family,” FamilyMart promotes sustainable activities to achieve a sustainable society.

The purpose of this sustainability website is to provide timely information on FamilyMart’s approach to sustainability and our store-based activities focused on contributing to solutions for social issues.

## Reporting Period

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March 2021 to February 2022 (some of the most recent activities after the target period are also included)

Updated: July 2022

## Scope of Coverage

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Environmental and social data: FamilyMart Co., Ltd. (Including some group companies)

## Reference Guidelines

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- GRI (Global Reporting Initiative) GRI Sustainability Reporting Standards \* This report refers to the GRI Standards.
- Ministry of the Environment, Environmental Reporting Guidelines (2018 Edition)
- Japanese Standards Association, ISO 26000:2010 Guidance on Social Responsibility
- Task Force on Climate-related Financial Disclosures (TCFD) Final Report Recommendations of the Task Force on Climate-related Financial Disclosures

## Contact us

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Sustainability Promotion Department, Administration Division, FamilyMart Co., Ltd.

# ESG Data

## Environmental Aspects

Disclosures	Unit	FY2019	FY2020	FY2021	Notes
<b>Environmental management / compliance</b>					
ISO 14001 certification acquisition ratio	%	100	100	100	
Costs of environmental fines or penalties	yen	0	0	0	
Violation of environmental regulations	cases	0	0	0	

## Climate change

Total supply chain GHG (CO2) emissions	t-CO2	7,002,534	6,381,542	6,396,727	Calculated based on MOE and METI Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain,
Scope1	t-CO2	44,646	50,603	58,633	
Scope2	t-CO2	1,139,491	1,078,013	1,048,715	Calculated based on market standards
Scope 3 emissions, by category	t-CO2	5,818,398	5,253,305	5,289,378	Numbers indicate categories
1 Purchased goods and services		5,313,457	4,787,506	4,750,429	
2 Capital goods		88,269	87,811	67,817	
3 Fuel and energy related activities not included in Scope 1 or 2		89,202	87,868	166,449	
4 Transportation and delivery		107,790	103,044	101,681	
5 Waste generated in operations		210,304	180,307	196,465	
6 Business Travel		2,312	961	1,050	
7 Employee commuting		1,242	1,122	1,234	
8 Leased assets (upstream)		0	0	0	
9 Transportation and delivery (downstream)		0	0	0	
10 Processing of sold products		0	0	0	
11 Use of sold products		414	393	375	
12 End-of-life treatment of sold products		5,408	4,293	3,878	

Leased assets (downstream)		0	0	0	
14 Franchises		0	0	0	
15 Investments		0	0	0	
Other		0	0	0	
GHG(CO2) emissions basic units	tons/ million	0.3994	0.4083	0.3896	CO2 emissions per sales volume, plus Scope 1 and 2
Scope 1 GHG breakdown	CO2	7,237	5,519	5,419	
	CO2 CFCs	37,409	45,084	53,214	

## Waste, recycling

Waste liquids leaked/discharged	t	0	0	0	
Hazardous waste discharged	t	0	0	0	
Waste discharged from stores routinely	t	312,604	279,083	280,936	
Non-recyclable waste generated	t	127,226	109,991	115,402	
Food waste generated	t	66,139	61,966	60,415	
Stores engaged in food recycling	stores	3,170	3,139	3,142	
Food recycling participation	%	59.4	60.8	61.7	
Ratio of declined plastic bags	%	30.0	62.3	76.3	

## Water

Groundwater collected	KL	77,147	74,729	82,140	Scope of work: Clear Water Tsunan Co., Ltd.
Amount of collected water sold as drinking water	KL	27,480	20,349	24,817	
Amount discharged to river	KL	49,666	54,380	57,323	



## Supply chain

Number of SAQ respondents regarding CSR procurement	companies	-	31	63	CSR Procurement: Social responsibility regarding the environment, human rights, labor, anticorruption, etc.
Number of Supplier plants receiving audits	companies	-	4	10	Company being audited for CSR procurement

## Social Aspects

Disclosures	Unit	FY2019	FY2020	FY2021	Notes
<b>Employees*</b>					
Number of employees (non-consolidated)	people	6,266	5,255	5,627	The number of employees includes full-time employees, contract employees, associates, and employees seconded from outside of the company. Does not include employees seconded outside the company, temporary or part-time employees, or casual workers.
Men	people	5,210	4,216	4,481	
Women	people	1,056	1,039	1,146	
Ratio of women	%	16.9	19.8	20.4	
Number of employees (consolidated)	people	13,955	13,070	6,881	Average age applies to full-time employees, contract employees, associates, and employees seconded from outside of the company.
Average age	years old	40.7	39.7	40.5	Does not include employees seconded outside the company, temporary or part-time employees, or casual workers.

Men	years old	41.4	40.3	41.2
Women	years old	36.9	37.1	38.0
Length of service	year	12.0	11.3	11.4
Men	year	13	12.4	12.4
Women	year	6.6	6.5	7.2
Temporary of employees (non-consolidated)	people	1,588	2,053	2,660
Men	people	575	814	1,081
Women	people	1,013	1,239	1,579
Ratio of temporary employees	%	20.2	28	32.1
Foreign national employees	people	156	142	137
Men	people	67	61	61
Women	people	89	81	76
Employees hired after retirement (age 60 or older)	people	122	83	104
Ratio	%	1.9	1.6	1.8
New graduates hired	people	286	92	120
Men	people	182	50	63
Women	people	104	42	57
Ratio of women	%	36.4	45.7	47.5
Mid-career employees	people	21	19	30
Men	people	16	11	22
Women	people	5	8	8
Ratio of women	%	23.8	42.1	26.7
Resignees/retirees	people	234	178	157
Men	people	185	136	120
Women	people	49	42	37
Turnover rate	%	4	3.7	3.3

Managers	people	643	526	571	Includes full-time employees, contract employees, associates, and employees seconded from outside of the company. Does not include employees seconded outside the company, temporary or part-time employees, or casual workers.
Men	people	611	499	541	
Women	people	32	27	30	
Ratio of women	%	5.0	5.1	5.3	

## Diversity, work style reform

Employees with	people	146	124	130	
Rate of employees with disabilities	%	2.68	2.62	2.52	
Employees taking a leave of absence for childcare	people	89	101	113	
Men	people	8	12	19	
Women	people	81	89	94	
Rate of returning to work after childcare leave	%	95.5	100	98.8	
Men	%	87.5	100	94.1	
Women	%	97.1	100	100	
Employees taking paid childcare leave	people	517	994	679	Paid childcare leave: The sum of short-term childcare leave for male and female employees and spouse maternity leave for male employees. *Short-term childcare leave is an annual five-day paid childcare leave available until children reach the first grade of elementary school.

Men	people	430	866	586
Women	people	87	98	93
Employees taking nursing care leave	people	8	6	2
Men	people	3	2	1
Women	people	5	4	1
Rate of taking paid leave	%	69.4	67.3	63.1
Total hours worked per year	hours	1,969	1,951	1,995
Average monthly overtime worked per person	hours	14.3	12.4	16.4

## Safety and hygiene

Occupational accident fatalities	people	0	0	0
Occupational accident mortality	%	0	0	0
Occupational accident severity rate	-	0.0004	0.028	0.019
Occupational accidents	cases	3	11	12
Occupational accident frequency rate	-	0.43	0.70	0.75
Employees taking leave for mental health	people	83	79	86
Employees taking regular health exams	%	100	100	100
Smoking rate	%	34.3	30.8	30

## Human resource development, compensation

Dementia Support training participants	people	148	225	2,644
Average training per person	hours	15.1	27.0	23.8
Average annual salary	yen	6,198,211	6,509,392	6,184,174

## Supply chain

Supplier plants receiving audits	companies	221	126	126	Total JFS plant audits and third-party audits
Ready-to-eat product producers inspected	companies	88	88	77	
Rate of ready-to-eat product producer inspections	%	100	100	100	

## CSR activities

CSR expenditures	Million yen	574	487	496
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\* Employee data is calculated at the end of each fiscal year.

## Governance Aspects

Disclosures	Unit	FY2019	FY2020	FY2021	Notes
<b>Board of Directors</b>					
Number of times held	times	24	24	16	
Directors*	people	11	12	11	
Female directors out of this total*	people	2	2	0	
Average director attendance	%	98.9	99.6	100	Rounded to the first decimal place

## Executive compensation

Total compensation	Million yen	244	288	367
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## Executive Officer

Ratio of female executive officers	%	0	0	0
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## Compliance

Whistleblowing/internal reporting	cases	61	44	115	
Rate of compliance e-learning attendance	%	92.8	100	100	Rounded to the first decimal place
Rate of information security e-learning attendance	%	100	100	100	

\* The number of directors and corporate auditors is the data as of the end each fiscal year.

# Download Reports

## Engagement Book

### Engagement Book “with Sustainability! 2022”

This report introduces the key points of FamilyMart’s sustainability initiatives in an easy-to-understand manner.

 [Batch download \(4.77MB\)\(JP\)](#)



## Sustainability Report 2022

This Sustainability Site reports on our basic approach, results of our efforts, and future plans, as well as detailed information on ESG and other non-financial aspects of our sustainability activities, with a focus on key issues that need to be resolved in order to realize a sustainable society.

As a reference material, a PDF version of the Sustainability Report 2022 is available on the Sustainability website as of November 2022. The Sustainability website will be updated as needed after November.

 [Download \(13.3MB\)](#)



## Past Reports

Reports we have issued in the past, such as the Sustainability Reports up until the previous fiscal year, Annual Reports (Social/Environment Combined Version), and CSR Hand Books are available.

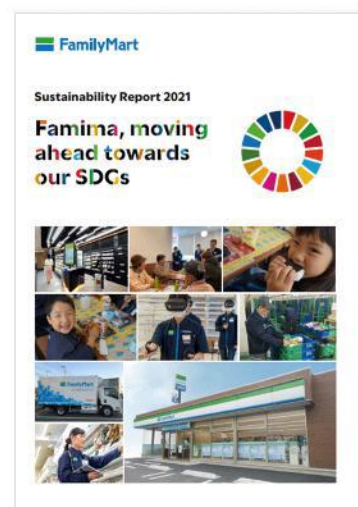
 [Past reports](#)

# Past Reports

## FY 2021

 [Sustainability Report 2021](#)

Sustainability Report 2021 introduces our philosophy and systems for promoting our sustainability activities while focusing on important challenges that FamilyMart hopes to address.



## Back numbers before FY2020

 [Sustainability Report 2020](#)

 [Sustainability Report 2019](#)

 [Sustainability Report 2018](#)

 [CSR Hand Book 2018 \(JP\)](#)

 [Sustainability Report 2017 \(JP\)](#)

 [CSR Hand Book 2017 \(JP\)](#)

 [CSR Hand Book 2016 \(JP\)](#)

 [CSR Report 2015 \(JP\)](#)

 [CSR Hand Book 2014 \(JP\)](#)

 [Social/Environment Report 2011 \(JP\)](#)

 [Social/Environment Report 2010 \(JP\)](#)

 [Social/Environment Report 2009 \(JP\)](#)

 [Social/Environment Report 2008 \(JP\)](#)

 [Social/Environment Report 2007 \(JP\)](#)

 [Social/Environment Report 2006 \(JP\)](#)

 [Social/Environment Report 2005 \(JP\)](#)

 [Social/Environment Report 2004 \(JP\)](#)

 [Environment Report 2003 \(JP\)](#)

 [Environment Report 2002 \(JP\)](#)

 [Environment Report 2001 \(JP\)](#)

 [Environment Report 2000 \(JP\)](#)

 [Integrated Report 2019 \(JP\)](#)

 [Integrated Report 2018 \(JP\)](#)

 [Annual Report 2017 \(JP\)](#)

 [Annual Report 2016 \(JP\)](#)

 [Annual Report 2015 \(JP\)](#)

 [Annual Report 2014 \(JP\)](#)

 [Annual Report 2013 \(JP\)](#)

 [Annual Report 2012 \(JP\)](#)

# GRI Content Index

Statement of use	FamilyMart has reported in accordance with the GRI Standards for the period March 2021-February 2022
GRI1 used	GRI1: Foundation 2021

## Common standard

- GRI 1: Foundation 2021
- GRI 2: General Disclosures 2021

### 1. The organization and its reporting practices

Disclosure 2-1	Organizational details	▶ Corporate Outline
Disclosure 2-2	Entities included in the organization’s sustainability reporting	▶ Editorial policy
Disclosure 2-3	Reporting period, frequency and contact point	▶ Editorial policy Summary of Business Results for the Fiscal Year Ending February 28, 2022(JP)
Disclosure 2-4	Restatements of information	-
Disclosure 2-5	External assurance	▶ Material issue 1: Contributing to the Future of the Earth and Its Regions through Environmental Consideration ▶ Climate Change Mitigation and Adaptation

### 2. Activities and workers

Disclosure 2-6	Activities, value chain, and other business relationships	▶ Corporate Outline ▶ Understanding the Convenience Store Business(JP) ▶ Products & Services ▶ FamilyMart Service
Disclosure 2-7	Employees	▶ ESG Data



### 3. Governance

Disclosure 2-9	Governance structure and composition	<ul style="list-style-type: none"> <li>▶ Corporate Governance / Internal Control System</li> <li>▶ Sustainability Promotion System</li> </ul>
Disclosure 2-12	Role of the highest governance body in overseeing the management of impacts	<ul style="list-style-type: none"> <li>▶ Endorsement of TCFD Recommendations</li> <li>▶ Sustainability Promotion System</li> </ul>
Disclosure 2-13	Delegation of responsibility for managing impacts	<ul style="list-style-type: none"> <li>▶ Endorsement of TCFD Recommendations</li> <li>▶ Sustainability Promotion System</li> </ul>
Disclosure 2-17	Collective knowledge of the highest governance body	<ul style="list-style-type: none"> <li>▶ Respect for Human Rights</li> </ul>

### 4. Strategy, policies and practices

Disclosure 2-22	Statement on sustainable development strategy	<ul style="list-style-type: none"> <li>▶ Top Message</li> </ul>
Disclosure 2-23	Policy commitments	<ul style="list-style-type: none"> <li>▶ Basic Policy</li> <li>▶ Promotion of Fair and Transparent Business Activities</li> <li>▶ Respect for Human Rights</li> </ul>
Disclosure 2-25	Processes to remediate negative impacts	<ul style="list-style-type: none"> <li>▶ Respect for Human Rights</li> <li>▶ Compliance</li> </ul>
Disclosure 2-26	Mechanisms for seeking advice and raising concerns	<ul style="list-style-type: none"> <li>▶ Respect for Human Rights</li> </ul>
Disclosure 2-27	Compliance with laws and regulations	-
Disclosure 2-28	Membership associations	<ul style="list-style-type: none"> <li>▶ Collaboration with International Society</li> </ul>

### 5. Stakeholder engagement

Disclosure 2-29	Approach to stakeholder engagement	<ul style="list-style-type: none"> <li>▶ Stakeholder Engagement</li> </ul>
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## ■ GRI 3: Material Topics 2021

### 1. Guidance to determine material topics

### 2. Disclosures on material topics

Disclosure 3-1	Process to determine material topics	▶ Identification of material issues
Disclosure 3-2	List of material topics	▶ Identification of material issues
Disclosure 3-3	Management of material topics	<p>▶ Respect for Human Rights</p> <p>Material issue 1: Contributing to the Future of the Earth and Its Regions through Environmental Consideration</p> <p>▶ Material Issue 2: Evolving as a Regional Revitalization Base Close to People</p> <p>Material issue 3: Creating Safe and Reliable Products and Services to Bring Convenience and Richness to Everyday Life</p> <p>▶ Material issue 4: Working with Suppliers to Pursue a Sustainable Supply Chain</p> <p>Material Issue 5: ▶ Building a Rewarding Work Culture with Motivated Employees</p>

## Economic

### ■ GRI 201: Economic Performance 2016

201-1	Direct economic value generated and distributed	▶ Fiscal Year Ending February 28, 2022 Financial Summary(JP)
201-2	Financial implications and other risks and opportunities due to climate change	▶ Endorsement of TCFD Recommendations

### ■ GRI 205: Anti-corruption 2016

205-2	Communication and training about anti-corruption policies and procedures	▶ Promotion of Fair and Transparent Business Activities
205-3	Confirmed incidents of corruption and actions taken	No cases

### ■ GRI 207: Tax 2019

207-1	Approach to tax	▶ Compliance
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## Environment

### ■ GRI 301: Materials 2016

301-2	Recycled input materials used	Use of Sustainable Resources ▶ and Prevention of Environmental Pollution
301-3	Reclaimed products and their packaging materials	Use of Sustainable Resources ▶ and Prevention of Environmental Pollution

### ■ GRI 303: Water 2018

303-3	Water withdrawal	▶ ESG Data
303-4	Water discharge	▶ ESG Data
303-5	Water consumption	▶ ESG Data

### ■ GRI 305: Emissions 2016

305-1	Direct (Scope 1) GHG emissions	▶ ESG Data Famima Eco Vision 2050 ▶ (Medium-to long-term environmental goals)
305-2	Energy indirect (Scope 2) GHG emissions	▶ ESG Data Famima Eco Vision 2050 ▶ (Medium-to long-term environmental goals)
305-3	Other indirect (Scope 3) GHG emissions	▶ ESG Data
305-4	GHG emissions intensity	▶ ESG Data
305-5	Reduction of GHG emissions	▶ ESG Data Famima Eco Vision 2050 ▶ (Medium-to long-term environmental goals)

### ■ GRI 306: Waste 2020

306-3	Waste generated	▶ ESG Data
306-5	Waste directed to disposal	▶ ESG Data

### ■ GRI 308: Supplier Environmental Assessment 2016

308-2	Negative environmental impacts in the supply chain and actions taken	Building Responsible Supply ▶ Chain Management / Promoting Sustainable Ingredient Sourcing  ▶ ESG Data
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## Social

### ■ GRI 401: Employment 2016

401-1	New employee hires and employee turnover	▶ ESG Data
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Creating a Safe, ▶ Healthy and Comfortable Workplace Environment
401-3	Parental leave	▶ ESG Data

### ■ GRI 403: Occupational Health and Safety 2018

403-1	Occupational health and safety management system	Creating a Safe, ▶ Healthy and Comfortable Workplace Environment
403-2	Hazard identification, risk assessment, and incident investigation	Creating a Safe, ▶ Healthy and Comfortable Workplace Environment
403-4	Worker participation, consultation, and communication on occupational health and safety	Creating a Safe, ▶ Healthy and Comfortable Workplace Environment
403-6	Promotion of worker health	Creating a Safe, ▶ Healthy and Comfortable Workplace Environment
403-9	Work-related injuries	▶ ESG Data
403-10	Work-related ill health	▶ ESG Data

### ■ GRI 404: Training and Education 2016

404-1	Average hours of training per year per employee	▶ ESG Data
404-2	Programs for upgrading employee skills and transition assistance programs	▶ Human Resource Development Initiatives

### ■ GRI 405: Diversity and Equal Opportunity 2016

405-1	Diversity of governance bodies and employees	▶ ESG Data
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### ■ GRI 412: Human Rights Assessment 2016

412-2	Employee training on human rights policies or procedures	▶ Respect for Human Rights
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### ■ GRI 413: Local Communities 2016

413-1	Operations with local community engagement, impact assessments, and development programs	▶ Development and Revitalization of Local Communities ▶ Supporting the Next Generation
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### ■ GRI 414: Supplier Social Assessment 2016

414-2	Negative social impacts in the supply chain and actions taken	▶ Building Responsible Supply Chain Management / Promoting Sustainable Ingredient Sourcing ▶ ESG Data
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### ■ GRI 417: Marketing and Labeling 2016

417-1	Requirements for product and service information and labeling	▶ Our Responsibilities to Provide Safe and Reliable Products / Services
417-2	Incidents of non-compliance concerning product and service information and labeling	▶ October 26, 2021 Apology and Notice Regarding Products(JP)