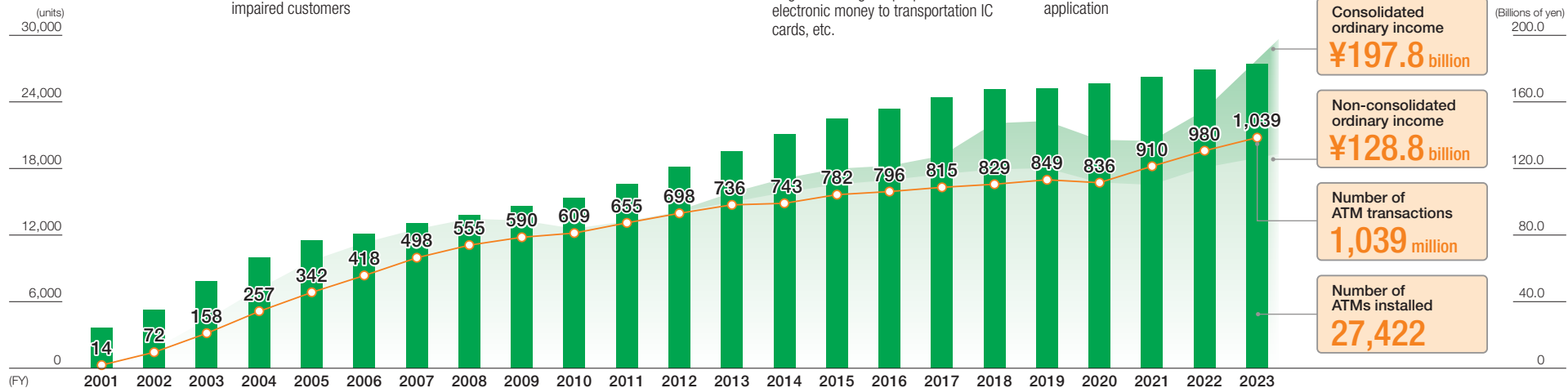


History of Evolution

“If there was an ATM at 7-Eleven, it would be more convenient ...” Seven Bank was established in 2001 in response to such customers’ wishes. We have worked to develop a secure and efficient settlement infrastructure by providing ATM services that can be used “anytime, anywhere, by anyone, and with safety and security.” We have grown into playing a role as part of the social infrastructure with currently more than 27,000 ATMs covering all prefectures in Japan and used by 2.84 million customers a day.



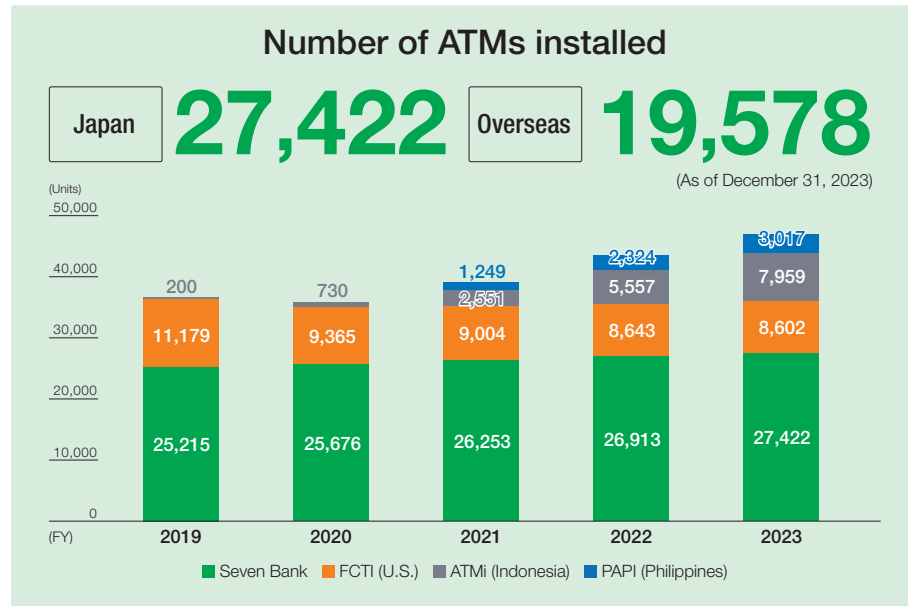
- 2001**
IY Bank Co., Ltd. established
Initiated bank account services and ATM services at the same time
Began providing services for acceptance of cash proceeds from sales
- 2005**
Introduction of second-generation ATMs that provide Japan's first second display and improved operational efficiency
Company name changed to Seven Bank, Ltd.
- 2007**
Completed installation of ATMs in all 47 prefectures, and began installation of ATMs in locations outside of Seven & i Group
Initiated services for cards issued overseas and began handling a top-up service at ATMs for nanaco electronic money cards
Initiated voice-guided services for visually impaired customers
- 2008**
Listed on the then JASDAQ Securities Exchange (at the time)
- 2010**
Introduction of third-generation ATMs that allow speedy transactions partly due to increased banknote processing speed
- 2011**
Listed on the then First Section of the Tokyo Stock Exchange (at the time)
Initiated international money transfer services at ATMs
- 2012**
Turned a U.S. based ATM operating company into a wholly owned subsidiary
- 2014**
Established a joint venture operating ATMs in Indonesia
- 2017**
Began offering Smartphone ATM service to allow cardless deposits and withdrawals
- 2018**
Began offering ATM cash receiving services
Began handling a top-up service for electronic money to transportation IC cards, etc.
- 2019**
Introduction of fourth-generation ATMs equipped with various functions, such as facial recognition, reading functions for personal authentication documents and QR code, as well as Bluetooth
Established a subsidiary in the Philippines operating ATMs
- 2020**
Launched “My Seven Bank,” an app that enables instant account opening with a smartphone
Began ATM services for Individual Number Card Points preregistration/application
- 2021**
Formulated Purpose to mark the 20th anniversary of foundation of Seven Bank
Began ATM services for application to use Individual Number Card as a health insurance card
- 2022**
Transitioned to the Prime Market of the Tokyo Stock Exchange
- 2023**
Turned Seven Card Service into a consolidated subsidiary
Initiated “+Connect” services



*QR code is a registered trademark of DENSO WAVE INCORPORATED.

Seven Bank Group Today

Unless specifically stated otherwise, figures are as of fiscal 2023 or March 31, 2024.



Number of ATM transactions (Japan)
1,039 million

Average number of transactions per ATM per day (Japan)
105.0

Number of ATM partners
676

ATM operating rate
99.98%

Number of customers using ATMs
Approx. **2.84 million** per day

Individual accounts
3.03 million

Number of Seven Card Service credit members
Approx. **3.5 million**

Number of Seven Card Service nanaco members
Approx. **82 million**

Seven Bank Group 2023 Highlights & Topics

The number of ATMs marked 47,000 globally and the number of ATM transactions reached over 1,400 million



The number of ATMs installed and the number of transactions have steadily increased globally amid the increasing prevalence of cashless payment. The Group will take on new challenges to accommodate the next stage.

“+Connect” for the realization of an ATM+ world

“+Connect” offers a variety of highly convenient services to a wide range of industries, including banks, non-banks, operating companies and government, with the aim of the world of “Seven Bank ATMs the conduit for all manner of authentication and procedures.”

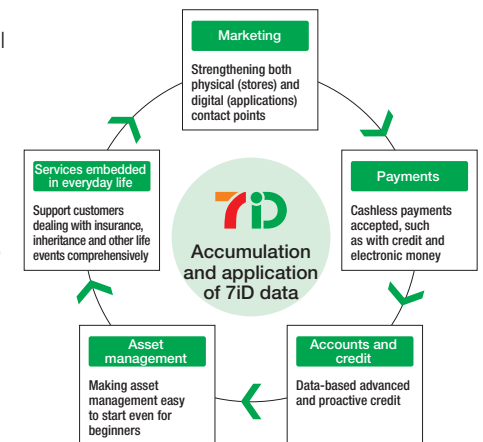


Integrated Seven Card Service enabled new services that integrate retail and finance

We offer financial services as a distributor/retail group to meet our customers’ diverse needs through expanding the integrated knowledge and expertise developed by each of the companies.

Demonstrating further group synergies through integrated 7iD

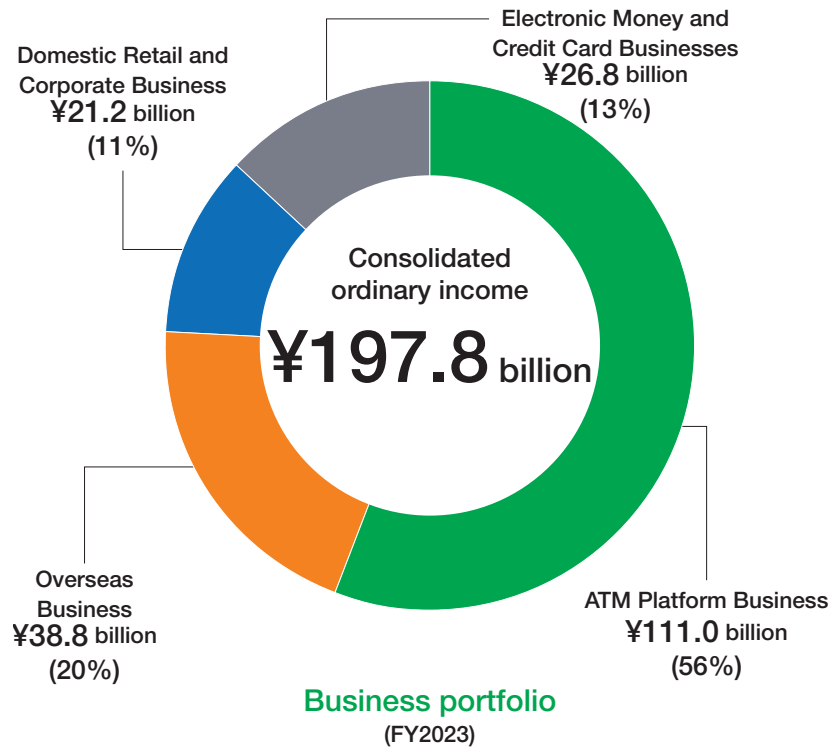
Service to register a Seven Bank account to 7iD, a membership platform common across the Seven & i Group. Through demonstrating group synergies, we aim to improve customer experience in retailing and financing, and thereby to offer unique user-friendly finance services.



Overview of Seven Bank Group



Profit Structure of Seven Bank Group



Domestic Business: Retail Strategy/Credit Card and Electronic Money Business

[Details on page 37](#)

[Details on page 39](#)

Income	Key drivers	Business environment (opportunities and risks)
<ul style="list-style-type: none"> Fees from affiliated stores Revolving credit and cash advance fees Interest on loans 	<ul style="list-style-type: none"> Numbers of accounts and members Amounts of credit card and electronic money payments Revolving credit and cash advance balances Loan balances 	<ul style="list-style-type: none"> Diverse payment methods have come to be used, and credit card transaction volumes in particular have been on an uptrend. Demand for financial services, including loans and post payments, remains elevated thanks to more active consumption activities, leading us to expect further demand growth. There have been a series of entry into the financial service industry by new players from other industries. We need to offer financial services with high added value that are unique to our combined retail x financial services.

Domestic Business: ATM Platform Strategy [Details on page 35](#)

Income	Key drivers	Business environment (opportunities and risks)
<ul style="list-style-type: none"> ATM-related fee income 	<ul style="list-style-type: none"> Number of ATMs installed Number of instances of use Unit fees 	<ul style="list-style-type: none"> Amounts of code settlement and top-up transactions for electronic money have increased and the number of use instances has been on an uptrend. Even as the total number of ATMs is on a decline in Japan, we have aggressively installed new ATMs to increase our share. A declining labor force due to declining birth-rates has driven more efficient business operations in all industries. "+Connect" has great potential and the significance of ATM as a social infrastructure will also grow.

Domestic Business: Corporate Strategy [Details on page 41](#)

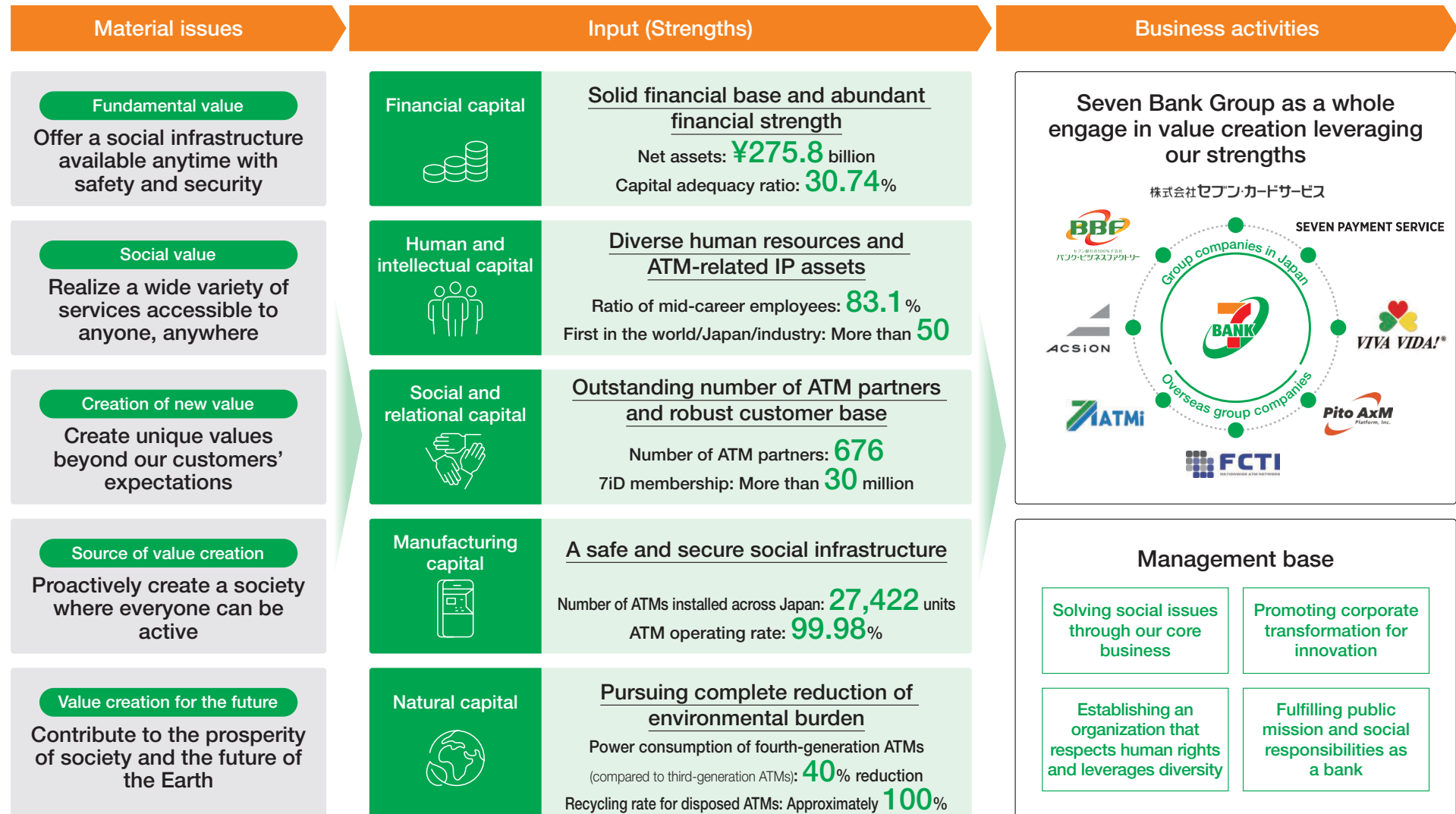
Income	Key drivers	Business environment (opportunities and risks)
<ul style="list-style-type: none"> Service fees 	<ul style="list-style-type: none"> Product and service features Number of contracts 	<ul style="list-style-type: none"> Laws and regulations on financial institutions and security measures present heavy load, and there is strong demand for outsourcing back-office operations. There is urgent need to address financial crimes. This is an area where abundant knowledge and know-how is required, and there is a strong market potential. Our ATM network covering areas across Japan is our strength in services for remittance and payment from operating companies and government agencies to individuals.

Overseas Business [Details on page 43](#)

Income	Key drivers	Business environment (opportunities and risks)
<ul style="list-style-type: none"> ATM-related fee income 	<ul style="list-style-type: none"> Number of ATMs installed Number of instances of use Unit fees Local partner companies 	<ul style="list-style-type: none"> As rises in policy rates drive rises in fund-procurement costs, fund management in each country remains a significant issue. As need for cash remains strong and the number of ATMs is in short in Asia, their number will remain on an uptrend. Relationship with local Seven-Eleven operators and partner companies will increase in significance. We need to develop financial services that ensure win-win relationship with local partners.

Value Creation Process

Our value creation is linked to the fulfilment of our Purpose. In order for Seven Bank Group to achieve our Purpose, we set five values that we co-create with our stakeholders as our material issues; fundamental value, social value, creation of new value, source of value creation, and value creation for the future. We are striving to create corporate value through focusing on fulfilling our Purpose and promoting the material issues.



Purpose We shape the future of everyday life by seeing your wishes and going beyond

Output (business results)

- ATM Platform Business**
Provide diverse services through more than 27,000 ATMs throughout Japan
 - Number of ATM transactions: 1,030 million
 - Launched “+Connect” services
- Domestic Retail Business**
Provide unique financial services to support the daily lives of customers
 - Number of accounts: 3.03 million
 - Number of credit card members: Approx. 3.5 million
 - Number of electronic money members: Approx. 82 million
- Domestic Corporate Business**
Provide corporate services with bank-quality reliability and enhanced convenience
 - Increase rate of partner companies: 124%
- Overseas Business**
Expand and enhance ATM services overseas
 - Number of ATMs installed overseas: 19,578 units
 - Number of ATM transactions overseas: 430 million

Outcome (capital impact)

- Financial capital**
Promoted the business for the next growth aiming for higher capital efficiency based on solid financial base
- Human and intellectual capital**
Accelerated growth through creating an environment where people with diverse backgrounds can contribute to success and through our organizational culture which promotes creating innovation
- Social and relational capital**
Expanded our services through increasing the number of ATM partners and leveraging our physical contact points which generate daily 22 million contacts for the group as a whole
- Manufacturing capital**
Developed “Non-stop ATMs” through the cooperation with highly specialized business partners
- Natural capital**
Established the most environmentally-friendly ATM network in the world through our initiatives in the reduction of environmental burden in cooperation with our business partners

Toward sustainable growth

- Accelerating growth strategy**
 - Realize an ATM+ world**
Support DX of all businesses and services to enhance convenience for consumers
 - Accelerate business diversification**
Provide financial services necessary for every person's life safely, easily, and seamlessly
 - Establish sustainability management**
Solve social issues and enhance corporate value through all of our business activities

- Promote working on material issues**
- Connectivity
 - Accessibility
 - Innovation
 - Collaboration
 - Responsibility

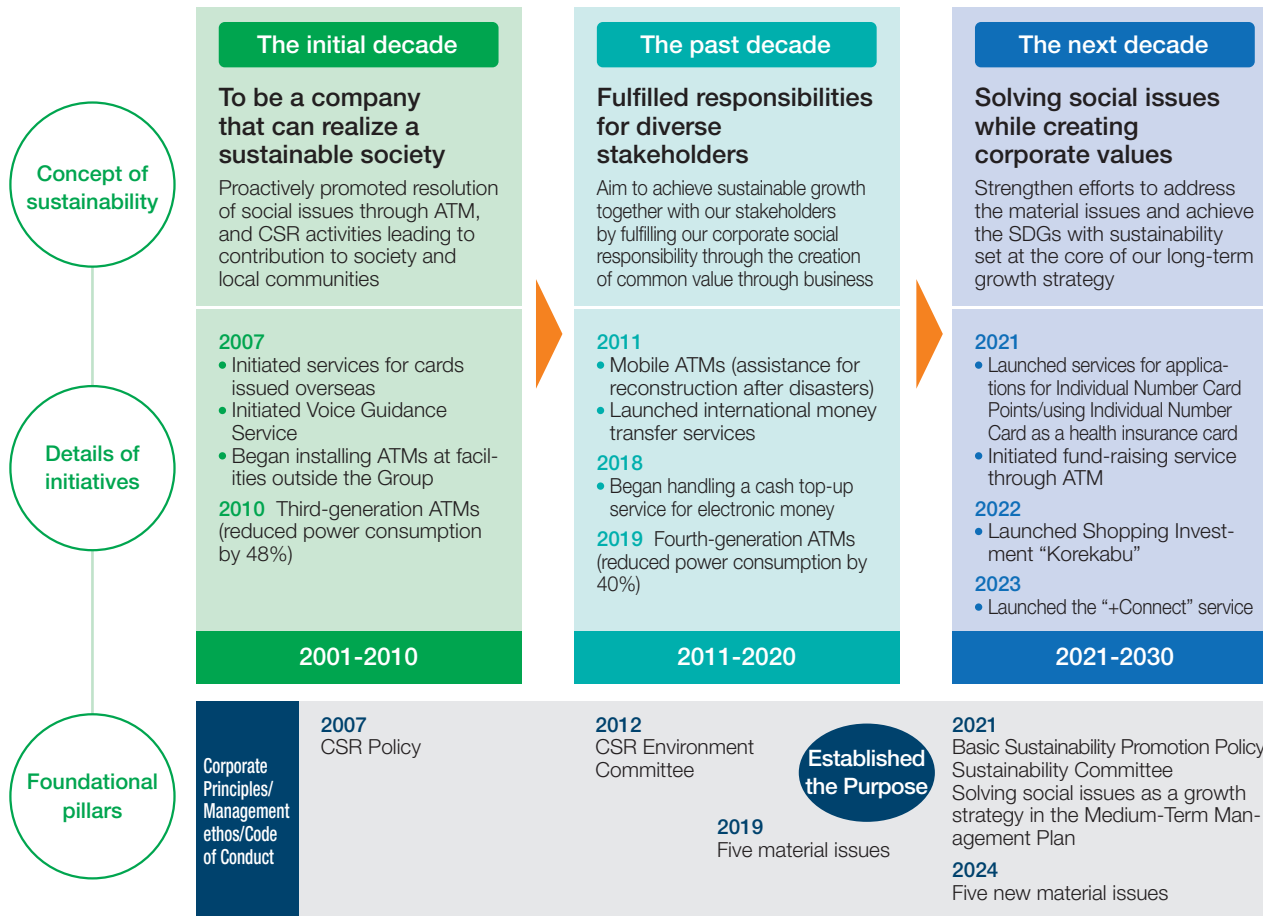
Social impact

-  Society with a diverse range of choices
-  Easy-to-live daily life
-  A world in which no one is left behind
-  Sustainable global environment

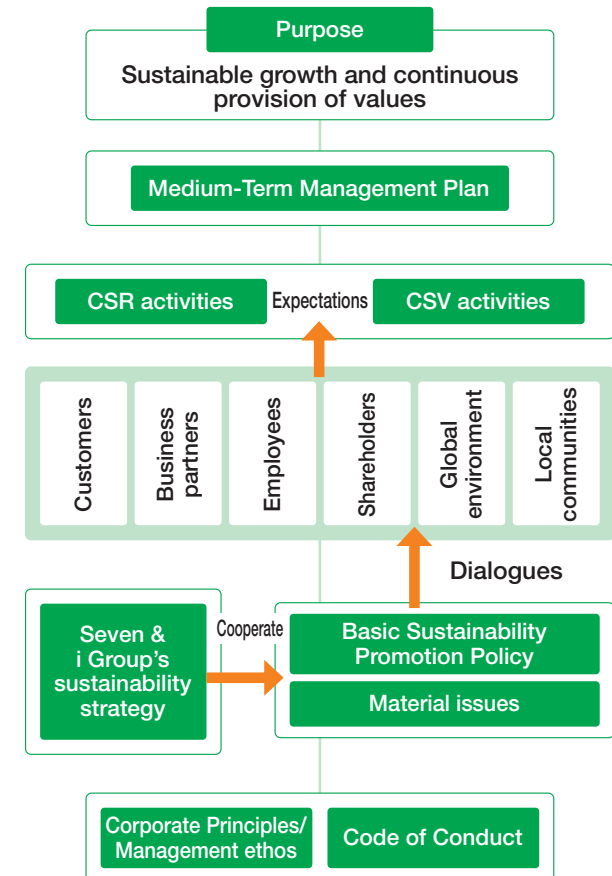
Toward Realization of Sustainable Growth

Since its founding, the Seven Bank Group has been working to solve social and environmental issues through its business activities. In 2007, we formulated our CSR Policy and started our efforts for sustainability in earnest, aiming to achieve sustainable growth together with our diverse stakeholders. Now, positioning sustainability as the basis for our long-term growth, we are further strengthening our efforts to address our materiality and achieve the SDGs. Thus, we have now updated our five material issues (materiality).

History of Seven Bank's Approach to Sustainability



Sustainability Overview



Seven Bank Group’s Direction of Sustainability Promotion

The Sustainability Committee formulates policies on sustainability and deliberates the appropriateness and validity of important matters. A system has been established to ensure that policies and important matters are referred to and reported to the Executive Committee and the Board of Directors, Executive Officers are responsible for sustainability promotion, and Directors supervise them.

As a member of the Seven & i Group, Seven Bank is also working with other group companies to promote sustainability activities leveraging our Group’s strengths.



Three focus topics

- Response to climate change** in linkage with Seven Bank Group companies
- Further promotion of **human capital management**
- Review of the five material issues** and **strengthening of communication** within and outside the Company

Goals of initiatives in FY2023

- Promote cooperation with the Seven & i Group companies in information sharing and initiatives:**
Seek group synergies through linkage with Seven Bank’s initiatives
 - Promote sustainability initiatives as the Seven Bank Group:**
Expand the scope of sustainability promotion activities to involve major Group companies in Japan
 - Strengthen disclosure of information related to sustainability:**
Enhance ESG information disclosure and strengthen internal and external communication to disseminate sustainability information
 - Fostering an awareness of sustainability in the Seven Bank Group:**
Promote initiatives involving Group company employees
- Promote dialogues with diverse stakeholders to be a company highly rated not only for its business strategy but also for its corporate management**

Initiatives in FY2023

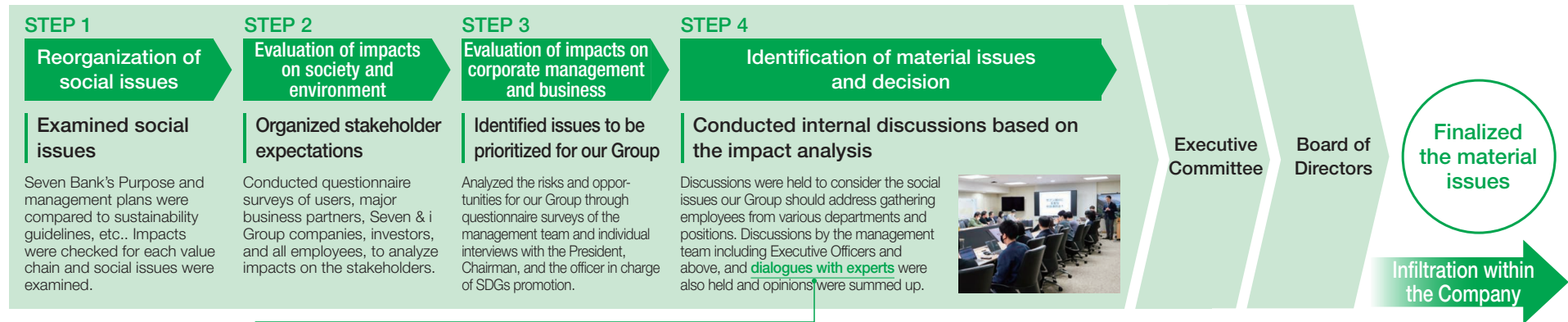
Topics	Initiatives to drive actions
Response to climate change in linkage with Seven Bank Group companies	<ul style="list-style-type: none"> Launched ATM Partner Sustainability Conference for collaboration across the supply chain Details on pages 57-60
Further promotion of human capital management	<ul style="list-style-type: none"> Implemented measures for recruitment/training and cultivation of organizational culture to achieve the Purpose Details on pages 45-52 Established the D&I Promotion Subcommittee as a subcommittee under the Sustainability Committee, and carried out activities involving all Group companies in Japan Details on page 51
Review of the five material issues and strengthening of communication within and outside the Company	<ul style="list-style-type: none"> Updated our materiality analysis to reflect changes in the environment and renewed the previously identified five material issues into new ones in July 2024 Details on pages 27-28

Major CSR activities

Promotion of environmental activities	<ul style="list-style-type: none"> Conducted in-house training about environment (e-learning) Nature conservation activities at Takaonomori Nature School Food drives and contact lens case recycling activities carried out by employees
Promotion of CSR activities Details on pages 81-82	<ul style="list-style-type: none"> Supported the publication of the free picture book series “Mori no Senshi (Guardian of the Forest) Bonolon” Collected donations (Seven Bank Charity Campaign) and gave them to Nippon Broadcasting System’s “Radio Charity Musicthon” Contributed 100 yen for every Bonolon cash card issued to present Bonolon picture books to 2,692 children’s centers nationwide Contributed donations collected from customers closing their international money transfer accounts to the World Toy Project to present toys to 200 children’s centers nationwide Provided a financial education program for elementary schools

Five Material Issues (Materiality)

The Seven Bank Group designated five material issues (materiality) in 2019 toward the achievement of sustainable growth. Then the development in the following five years, including the expansion of the retail financial business and overseas business, changed the Group's business portfolio significantly, and the external environment also has changed. To respond to these changes, we have re-examined the validity of our materiality, and identified the following five material issues anew. Currently, we are working on setting KPIs and targets.



Dialogues with experts



Financial expert
Mr. Mamoru Nagano
 Professor of Finance, Faculty of Economics, Seikei University
 Director, Center for Asian and Pacific Studies



Human resources expert
Ms. Sook Ja Pak
 Representative, Appassionata, Inc.



ESG investment expert
Ms. Yumiko Murakami
 MPower Partners Fund
 General Partner






We had dialogues with experts to incorporate stakeholder expectations into our materiality. The exchange of views with experts provided new perspectives and insights. From Seven Bank, the President, Chairman, and the officer in charge of SDGs promotion participated in the discussions.




Five material issues (updated)	Social issues to be solved
Offer a social infrastructure available anytime with safety and security	<ul style="list-style-type: none"> Strengthening information security and risk management Developing and offering products and services that contribute to the safety and security of society Improvement of quality and safety of products and services Provision of safety and security in the event of disasters
Realize a wide variety of services accessible to anyone, anywhere	<ul style="list-style-type: none"> Contributing to the development of local communities Resolving frustrations about access to financial services Pursuit of convenience of products and services for diverse customers Offering financial services for tourists from overseas Understanding needs for financial services in overseas markets
Create unique values beyond our customers' expectations	<ul style="list-style-type: none"> Innovating the business model with digital technology Response to diversifying needs created by lifestyle changes
Promote the creation of a society where everyone can be active	<ul style="list-style-type: none"> Creating a workplace where diverse people can play active roles Respect for human rights and prevention of discrimination and harassments Creating an environment that helps employees to achieve their potentials with job satisfaction Improving employees' well-being
Contribute to the prosperity of our society and the future of the Earth	<ul style="list-style-type: none"> Reducing CO₂ emissions Shift to a circular business model Strengthening corporate governance Expanding partnerships Financial education for children

Seven Bank Group's Five Material Issues (Materiality)



Category	Material issues	Social issues to be addressed	Vision
fundamental value  Connectivity	Offer a social infrastructure available anytime with safety and security	Amid drastic changes in the environment surrounding the financial sector, the provision of a safe and secure settlement infrastructure is now one of the most important issues against the backdrop of the growth of digital payments in addition to the increasing sophistication and ingenuity of financial crimes and increase in cyber attacks. In addition, as natural disasters are getting to cause severer damages than before, there is a need to establish and support a safe and secure infrastructure for people's life.	Seven Bank will provide ATM services that are available at any time in daily life by building a security system that is solid whether at normal times or in an emergency, as well as an organization and structure to minimize operation suspensions in the event of an emergency, to become a social infrastructure that provides safety and security to society.
Social value  Accessibility	Realize a wide variety of services accessible to anyone, anywhere	In order to address issues of disparities such as regional disparities and the digital divide (information gap), it is essential to build alternative social and information infrastructures. Driving DX across society through closer cooperation between the public and private sectors will lead to realizing a world where people of any age in any region can access the services they need.	Aiming to be "the most user-friendly digital channel in society," through a network of over 50,000 ATMs in five countries around the world, we will establish a social infrastructure accessible to anyone, anytime and anywhere to provide a variety of services needed by users.
Creation of new values  Innovation	Create unique values beyond our customers' expectations	The evolution of digital technology and lifestyle changes are making customers' values and needs more diverse than before. In addition to providing highly convenient financial services that meet the needs of individual customers, we are also required to build relationships with customers through providing new customer experiences.	On top of the basis of "being close-by and convenient" and "safety and security," through the development of new "retail x finance" services out of the box of conventional financial services, we will create new value that will connect us with customers in their daily lives.
Source of value creation  Collaboration	Create a society where everyone can be active	Now we live in the world where diversity is turned into strengths. In corporate management, to create a work environment suitable for diverse human resources and diverse work styles, as well as to develop every individual's career and skills will be the key to strengthening competitiveness. In society, respecting different cultures and values and working together across differences in nationality, gender and religion will lead us to solutions to issues and further development.	Respecting human rights and diversity, the entire Seven Bank Group will strive to be a group of companies that help everyone to have a sense of purpose in life and satisfaction in work. We will expand our drive to also involve our business partners and partner companies to achieve a society where diversity can thrive.
Value creation for the future  Responsibility	Contribute to the prosperity of our society and the future of the Earth	Addressing global environmental issues including weather disasters due to climate change and the loss of natural capital is an urgent challenge for corporate management. For the next generations, it will also be more necessary for financial institutions to work to develop new financial literacy among the public, about such things as electronic payments and digital currencies, in addition to preventing financial crimes and frauds.	To hand over the future of the Earth and society to future generations, we, as a corporate citizen, a financial institution, and a member of the Seven & i Group, will work on solutions to various issues that will allow companies, our society, and the planet to be sustainable.