

CSR Management

Seven & i Holdings works toward solving social issues in its core operations through promotion and development of businesses such as products and services. At the same time, we aim for sustainable development that creates value for both companies and society.

Organization of CSR Management Committee

Seven & i Holdings seeks to promote Group-wide CSR activities that are effective and efficient. To this end, we hold regular, twice-yearly meetings of the CSR Management Committee, which is chaired by the President and Representative Director. At these meetings, we offer guidance and make improvements based on reports received from the four subcommittees. The meetings also help to strengthen the framework of collaboration between the holding company and operating companies.

Corporate Ethics and Culture Subcommittee

The Corporate Ethics and Culture Subcommittee conducts initiatives to ensure compliance and create fulfilling workplaces for Group employees.

In our initiatives to ensure compliance, we are making everyone aware of the Corporate Creed and the Corporate Action Guidelines. Moreover, in September 2016 we revised the Corporate Action Guidelines in response to changes in the social environment both in Japan and overseas.

In our initiatives to create fulfilling workplaces, we are working to improve work environments, beginning with rectifying long working hours, along with making progress on promoting active roles for diverse human resources, including women and people with disabilities, and helping employees balance work and family care responsibilities. In addition, we are encouraging employees to take days off on holidays and acquire leave.

To enable timely verification of progress at each company in relation to these initiatives, a biennial opinion survey has been conducted among Group employees since 2013. Group companies share information on the progress and accomplishments of measures to improve the issues identified by this survey at meetings of the Work Satisfaction Improvement Committee, which are attended by the relevant personnel of each Group company. Through these efforts, we seek to improve on those issues.

▶ [For details about the Seven & i Group Corporate Action Guidelines](#)

Consumer Affairs and Fair Business Practices Subcommittee

The Consumer Affairs and Fair Business Practices Subcommittee aims to improve product quality and ensure safety in the products and services handled at Group companies. It also strives to disclose appropriate and clear information that helps customers to select and use products.

To improve product quality and ensure safety, the Subcommittee aims to establish and strengthen its own quality levels and control systems for each Group company based on Group-wide quality policies.

In disclosing appropriate and clear information, purchasing staff at each Group company are notified of the latest work-related information, such as changes in laws, and regularly receive training and education.

Furthermore, to ensure that we meet our social responsibilities regarding products and services across the entire supply chain, we ask business partners to understand and implement the Seven & i Group Business Partner Action Guidelines, and regularly confirm and assess their compliance. Additionally, to ensure fairness and transparency in our relationships with business partners, we have enhanced employee training and set up a dedicated external contact for business partners in an effort to ensure legal compliance and fair trade practices.

▶ [For details about the Seven & i Group Business Partner Action Guidelines](#)

Environment Subcommittee

The Environment Subcommittee works through business activities to reduce CO₂ emissions and make effective use of limited resources, among other goals.

In reducing CO₂ emissions, we assess environmental loads at each stage of the supply chain from product development through production, shipment, sales, and consumption, and take steps to reduce CO₂ emissions. We also strive to ensure compliance with laws and regulations related to the environment, such as those dealing with chlorofluorocarbons.

To make effective use of limited resources, we promote foodstuff recycling and reduction of waste, effective use of forest thinning and recycled materials, preservation of diversity and procurement of sustainable raw materials.

In addition, the Seven & i Group possesses social infrastructure in the form of store networks in various regions. In this respect, we are utilizing the Seven & i Group's business characteristics as a social infrastructure to expand commercial recharging services for environmentally conscious automobiles such as electric vehicles and plug-in hybrids, to advance the environmental business in response to customers' needs.

To promote these initiatives within the Group, we are engaged in various activities to raise employees' awareness. For example, we conduct regular environmental education for Group employees, work to raise awareness through events in Environment Month in June, promote acquisition of the Certification Test for Environmental Specialists (Eco Test), and undertake conservation activities at Seven Forest.

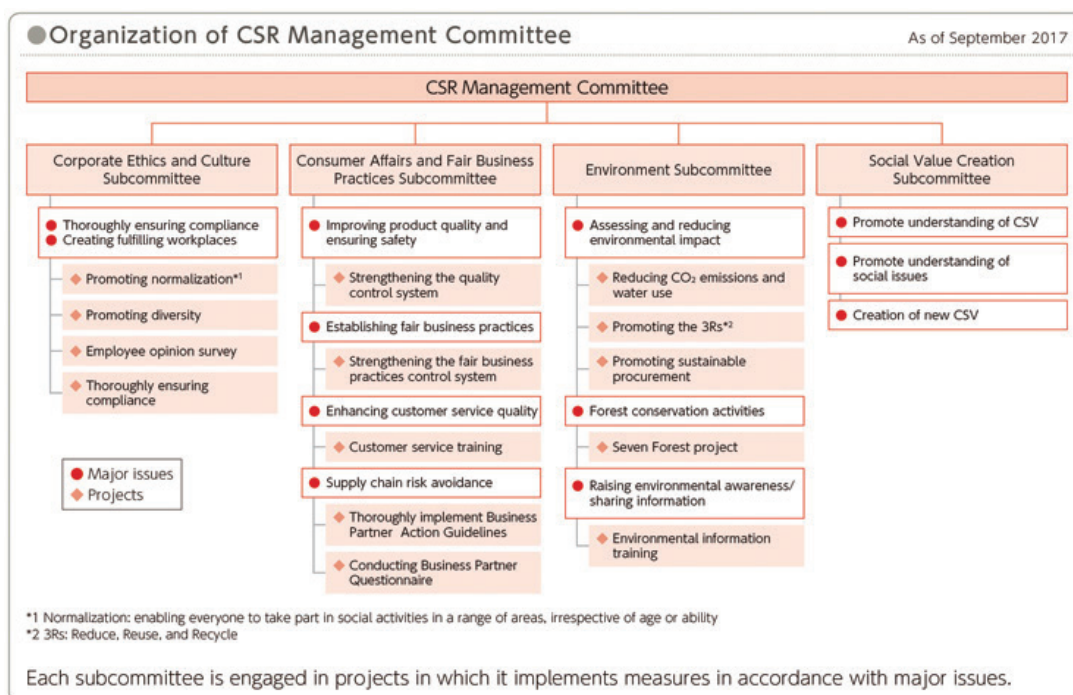
Social Value Creation Subcommittee

The Social Value Creation Subcommittee was newly established in June 2016 for the purpose of creating businesses that solve social issues (based on the concept of CSV=Creating Shared Value).

Aiming to realize a sustainable society, the Seven & i Group has identified five material issues that it must address through engagement with various stakeholders. In response, the Social Value Creation Subcommittee is working to plan, examine, and formulate new businesses originating from social issues to be addressed through core businesses by leveraging business characteristics and management resources, including the Group's business infrastructure and expertise cultivated to date.

Moreover, it has created internal promotional frameworks by setting up conference structures similar to the Social Value Creation Subcommittee at each Group company. In addition, it will hold regular study sessions for subcommittee members and relevant personnel from each Group company to foster an understanding of CSV and social issues.

Apart from this, the subcommittee will strive to deepen initiatives with a view to fostering external collaboration with NPOs, business partners, social entrepreneurs and other partners.



Targets and Progress by Each Subcommittee

○: Achieved, △: Almost achieved, ×: Far from achieved

Major FY2016 Targets	Results for FY2016	Evaluation	Plans for FY2017
Corporate Ethics and Culture Subcommittee			
① Thoroughly ensuring compliance			
<ul style="list-style-type: none"> • Create e-learning course materials on the three CSR items making reference to initiatives of the Corporate Ethics and Culture Subcommittee, existing CSR training materials at Group companies and CSR trends, etc., in Japan and overseas. Begin using the materials from the second half of the fiscal year ending February 28, 2018 	<ul style="list-style-type: none"> • Created two types of e-learning course materials: (1) the Corporate Creed and Founding Principles, and (2) CSR • Implemented the e-learning course on the Corporate Creed and Founding Principles in November 2016. 	△	<ul style="list-style-type: none"> • Conduct e-learning on CSR and human rights (harassment) to foster a stronger awareness of CSR and compliance among employees, in response to the revision of the Seven & i Holdings Corporate Action Guidelines in 2016
<ul style="list-style-type: none"> • Hold joint Group intellectual property rights training regarding one risk from among the identified risks to which the existing organization cannot respond. 	<ul style="list-style-type: none"> • Invited an external lecturer and held a seminar on the theme of intellectual property in June 2016 • Approximately 900 attendees from the product, sales promotion and certain other departments of 25 Group companies 	○	<ul style="list-style-type: none"> • Continue to implement awareness-raising activities for employees through such means as incorporating intellectual property into Groupwide e-learning and the existing training curricula of each company
② Creating fulfilling workplaces			
<p>[Employee opinion survey]</p> <ul style="list-style-type: none"> • Establish the Professional Liaison Meeting to regularly report progress on revised plans incorporating issues raised in the opinion survey. The meeting is to be held every four months to drive improvement activities and expand beneficial initiatives to other companies 	<ul style="list-style-type: none"> • Established the Professional Liaison Meeting • Held three meetings in March, July, and November 2016. Confirmed progress on improvement activities of each operating company and shared examples of activities. 	○	<ul style="list-style-type: none"> • Conduct the third employee opinion survey • Hold meetings to discuss issues and devise improvement measures, with the goals of verifying the results of activities and identifying new issues in response to the results of the employee opinion survey • Rename the Professional Liaison Meeting as the Work Satisfaction Improvement Committee and continue to confirm the progress of improvement activities and share examples of activities

Major FY2016 Targets	Results for FY2016	Evaluation	Plans for FY2017
<p>[Promoting normalization]</p> <ul style="list-style-type: none"> Support operating companies that permanently employ more than 101 workers in hiring people with disabilities Conduct education using normalization education DVD regarding people with hearing disabilities Maintain or exceed the statutory employment rate for people with disabilities at the five applicable Group companies 	<ul style="list-style-type: none"> Interviewed and provided advice on hiring for operating companies concerned Conducted education using normalization education DVD regarding people with hearing disabilities Achieved employment rate for people with disabilities of 2.51% (Groupwide) 	○	<ul style="list-style-type: none"> Strengthen support for operating companies that permanently employ at least 101 workers in hiring people with disabilities, ahead of the reduction of the statutory employment rate for people with disabilities from April 1, 2018 Conduct education using the Human Rights Awareness Handbook booklet and DVD Maintain or exceed the statutory employment rate for people with disabilities at the five applicable Group companies
<p>[Promoting normalization]</p> <ul style="list-style-type: none"> Continue cognitive impairment supporter training courses at operating companies, aiming to have around 20,000 supporters Groupwide 	<ul style="list-style-type: none"> Certified approximately 23,000 cognitive impairment supporters Groupwide on a cumulative basis at the end of February 2017 (Certified approximately 6,300 individuals in the fiscal year ended February 28, 2017) 	○	<ul style="list-style-type: none"> Continue cognitive impairment supporter training courses at operating companies, aiming to have around 26,000 supporters Groupwide
<ul style="list-style-type: none"> Implement employee health promotion measures and mental health strategies to help achieve the targets of Health Declaration 2018 	<ul style="list-style-type: none"> Conducted stress checks in accordance with laws Provided healthy, low-sodium dishes at the employee cafeteria Held health campaigns 	○	<ul style="list-style-type: none"> Launch the MY HEALTH WEB smartphone app service Continue to conduct stress checks Continue to provide healthy, low-sodium dishes at the employee cafeteria Continue to hold health campaigns
③ Diversity Promotion Project			
<ul style="list-style-type: none"> Continue to hold seminars aimed at improving the management abilities of female managers Implement measures to foster career ambition among female employees involved in childcare 	<ul style="list-style-type: none"> Percentage of female managers (Section manager or higher positions): 23.0% (February 28, 2017) Held four seminars aimed at improving the management abilities of female managers Presented message from the president to employees returning to work from after taking paid childcare leave 	○	<ul style="list-style-type: none"> Strengthen training of female candidates for management positions

Major FY2016 Targets	Results for FY2016	Evaluation	Plans for FY2017
<ul style="list-style-type: none"> Implement measures to change awareness among management for managing diverse subordinates and innovating work styles Promote use of childcare leave among male employees and continue holding Ikumen seminars 	<ul style="list-style-type: none"> Continued to hold diversity management seminars (four seminars with 1,640 attendees) Use of childcare leave among male employees—Seven & i Holdings: 44 employees; SEJ: 461 employees; IY: 498 employees 	○	<ul style="list-style-type: none"> Continue to conduct awareness-raising activities targeting the executives and managers of Group companies Promote use of childcare leave among male employees
<ul style="list-style-type: none"> Promote knowledge and awareness of systems for balancing family care with work 	<ul style="list-style-type: none"> Produced and utilized the Handbook for Helping Employees to Balance Work and Family Care Responsibilities Held two family care seminars and two care community events 	○	<ul style="list-style-type: none"> Disseminate basic knowledge on balancing work and family care responsibilities
<ul style="list-style-type: none"> Continue to distribute internal notices for raising awareness of diversity promotion and work style innovation Aggressive external communication 	<ul style="list-style-type: none"> Posted articles on role models (women, men involved in childcare, bosses that encourage childcare, family care) in the monthly internal newsletter Chosen as a Nadeshiko Brand for 2017 Obtained the highest L-Boshi ranking of Level 3 as a gender-advanced company based on the Act on the Promotion of Women's Participation and Advancement in the Workplace Ranked second place overall for the second straight year in the "100 Best Companies Where Women Play an Active Part" ranking by Nikkei Woman 	○	<ul style="list-style-type: none"> Continue to distribute internal notices related to diversity promotion and work style innovation Conduct awareness-raising activities regarding LGBT issues Aggressive external communication

Major FY2016 Targets	Results for FY2016	Evaluation	Plans for FY2017
Consumer Affairs and Fair Business Practices Subcommittee			
① Improving product quality and ensuring safety			
<p>Apparel and Household Goods</p> <ul style="list-style-type: none"> Respond to regulation of azo dyes that generate specified aromatic amines Respond to revision of laundry care labels Formulate guidelines on ingredients labeling (production history guarantee) 	<ul style="list-style-type: none"> Responded to regulation of azo dyes: Requested business partners to submit "Pledge of Non-Use" and "Proof of Analysis" and related documents, and held briefings for related departments of Group companies Responded to revision of laundry care labels: Conducted training for procurement officers and sales floor supervisors, and increased awareness of customers Formulated guidelines on ingredients labeling: Issued guidelines on confirming the factual basis and using suitable expressions when promoting the source regions of raw materials, etc. 	○	<ul style="list-style-type: none"> Advance the development of a Groupwide quality control system <ul style="list-style-type: none"> Develop the foundations of quality control departments at each company (personnel structure and business domains) Establish reporting lines for use in the event of incidents (establish reporting procedures) Formulate guidelines for responding to incidents Risk management training (Implement training to enhance specialized skills for quality control managers)
<p>Apparel and Household Goods</p> <ul style="list-style-type: none"> Plan to conduct basic, intermediate, and advanced training for apparel products (400 employees) Conduct training on laundry care labels for apparel product purchasing staff (440 employees) Continuously to offer QC test and TES qualification 	<ul style="list-style-type: none"> Participants in training for apparel products: 391 employees Participants in training on laundry care labels: 440 employees QC test: 8 employees passed TES qualification: 21 employees passed 	○	<ul style="list-style-type: none"> Plan to conduct basic, intermediate, and advanced training for apparel products (400 employees) Continue to offer QC test and TES qualification
<p>Food</p> <ul style="list-style-type: none"> Strengthen information sharing through participation in Group company quality control managers in meetings regarding manufacture of Seven Premium items Have Group companies check quality control systems at manufacturing plants Check food product labeling prior to store delivery 	<ul style="list-style-type: none"> Participated in monthly conferences on production and shared information through projects Imparted knowledge of plant audit items and implemented plant checks by quality control managers Checked food product labeling of Seven Premium products at Group companies 	○	<ul style="list-style-type: none"> Advance the responses of Group companies to compulsory HACCP implementation Address in-store food preparation Address manufacturing plants from a supply chain perspective

Major FY2016 Targets	Results for FY2016	Evaluation	Plans for FY2017
② Establishing fair business practices			
<ul style="list-style-type: none"> With regard to legal and regulatory compliance, hold meetings as necessary to actively gather and share information within the Group, and strengthen management systems at Group companies 	<ul style="list-style-type: none"> Held four FT Project meetings, sharing information and implementing remediation measures 	○	<ul style="list-style-type: none"> Share information, identify issues and implement remedial measures by holding meetings as necessary
<ul style="list-style-type: none"> Continue to conduct twice-yearly group training for newly appointed product development managers Conduct e-learning and training at each Group company on the Antimonopoly Act and Subcontracting Act for employees involved in negotiating with business partners, including the abovementioned managers 	<ul style="list-style-type: none"> Held group training for newly appointed managers in March and October. Training was attended by 195 employees from 16 companies. Held e-learning on the Antimonopoly Act (abuse of dominant bargaining position) and Subcontracting Act in March and November. 5,472 employees from 23 companies Group-wide participated in e-learning. 	○	<ul style="list-style-type: none"> Conduct group training in March and October Conduct e-learning on product labeling in June, the Act against Unjustifiable Premiums and Misleading Representations in September, and the Antimonopoly Act (abuse of dominant bargaining position) and Subcontracting Act in November
<ul style="list-style-type: none"> Conduct business partner survey to ensure regulatory and legal compliance in dealings with business partners and boost ethicality 	<ul style="list-style-type: none"> Surveyed the product, systems, construction, and certain other departments of five companies (IY, SEJ, Sogo & Seibu, Seven & i Food Systems and Seven & i Holdings). 5,534 responses were received, and remedial measures were implemented at each department and company. 	○	<ul style="list-style-type: none"> Conduct at 27 Group companies
Environment Subcommittee			
① Understanding and reducing environmental impacts			
<ul style="list-style-type: none"> Continue to calculate Scope 3 emissions for 10 Group companies 	<ul style="list-style-type: none"> Continued to calculate for 10 Group companies 	○	<ul style="list-style-type: none"> Implement third-party trials at Category 1 for SEJ, which has a large amount of Scope 3 emissions
<ul style="list-style-type: none"> Install test machines at four 7-Eleven stores using the Ministry of Environment's trial project on automatic PET bottle recovery machines 	<ul style="list-style-type: none"> In addition to the four 7-Eleven stores undertaking the Ministry of Environment's trial project, tests of small machines for convenience stores were initiated following installation at five stores in total. 	○	<ul style="list-style-type: none"> Expand stores installing small machines for convenience stores in the fiscal year ending February 28, 2018 by using the Ministry of Environment's trial project
<ul style="list-style-type: none"> Move the four companies to the revised standard 2015 version of ISO 14001 	<ul style="list-style-type: none"> Finished moving the four companies 	○	

Major FY2016 Targets	Results for FY2016	Evaluation	Plans for FY2017
② Forest conservation activities			
<ul style="list-style-type: none"> Conduct activities with consideration for diversity, aiming to have at least 120 participants in both the spring and autumn Nagano Seven Forest preservation activities 	<ul style="list-style-type: none"> Seven Forest preservation activities had 83 participants in the spring and 97 participants in the autumn 	△	<ul style="list-style-type: none"> Begin Nagano Seven Forest preservation activities at a new location in Nagano, following the expiry of the agreement for the current Nagano Seven Forest
<ul style="list-style-type: none"> Use environmentally friendly packaging (products) in at least 100 Seven Premium items 	<ul style="list-style-type: none"> Used environmentally friendly packaging materials in 150 items 	○	<ul style="list-style-type: none"> Use environmentally friendly packaging materials in 740 Seven Premium items
③ Raising environmental awareness/sharing information			
<ul style="list-style-type: none"> Aim to have 1,000 employees take the Certification Test for Environmental Specialists, with 700 passing for a cumulative total of over 2,000 qualified personnel 	<ul style="list-style-type: none"> 1,255 employees took the Certification Test for Environmental Specialists 983 employees passed the Certification Test for Environmental Specialists Cumulative total of qualified personnel: 2,364 employees 	○	<ul style="list-style-type: none"> Aim to have 1,700 employees pass the Certification Test for Environmental Specialists
Social Value Creation Subcommittee			
① Promote understanding of CSV			
<ul style="list-style-type: none"> Disseminate the CSV approach 	<ul style="list-style-type: none"> Communicated information through the Company newsletter and other means Held study sessions led by CSV experts invited to serve as instructors from outside the Company, in order to instill a firm understanding of CSV 	–	<ul style="list-style-type: none"> Create opportunities to promote understanding of CSV
② Promote understanding of social issues			
<ul style="list-style-type: none"> Monitor the impact of the Company on the environment and society 	<ul style="list-style-type: none"> Held study sessions led by instructors invited from two NPOs and other companies involved in solving social issues, in order to gain a deep understanding of social issues 	–	<ul style="list-style-type: none"> Create opportunities for employees to gain a deep understanding of the social issues underlying the five material issues that the Group should address
③ Create new CSV businesses			
<ul style="list-style-type: none"> Establish promotional frameworks at operating companies 	<ul style="list-style-type: none"> Internal promotional frameworks were established by 19 operating companies with a view to creating businesses originating from social issues 	–	<ul style="list-style-type: none"> Plan, formulate, and execute new businesses originating from social issues at Group companies Consider collaborations led by Group companies and external collaborations with NPOs and business partners

CSR Training for Employees

Seven & i Holdings provides employees with CSR training via group training when they join the company or are appointed to a new position through promotion or advancement in rank, in addition to using such means as the Company newsletter, quarterly reports, and the CSR Report.

Study groups, seminars, and the like are held regularly for specialized fields including compliance, diversity, and the environment, and information about volunteering is communicated to employees through the intranet.

Additionally, in the fiscal year ending February 28, 2017, we plan to conduct CSR training via e-Learning for all employees at domestic Group companies.

