



Creating Fulfilling Workplaces

Making use of diverse human resources

The Seven & i Group adheres to fair and unbiased employment, transfer, and promotion as its basic policy. In February 2010, the Human Rights Awareness Office was moved from Ito-Yokado to Seven & i Holdings to enhance human rights education and awareness across the Group.

Number of employees

| | |
|-----------------------------------|-----------------------------------|
| Employees | 83,301 |
| Percentage of full-time employees | 29% (males: 76% and females: 24%) |
| Percentage of part-time staff | 71% |

* Scope of aggregation: Six companies (Seven-Eleven Japan, Ito-Yokado, York-Benimaru, Sogo & Seibu, Seven & i Food Systems, and Seven Bank)

Placing the right people in the right jobs

With respect for the will of the employees so that they can fully demonstrate their abilities—we are implementing the “Human Resources Public Recruitment System” at the Seven & i Group that goes beyond the operating company.

Other Group companies also have in-house public recruitment systems. For example, Ito-Yokado, employees who have worked for at least two years for the company can apply for all the managerial positions and jobs regardless of their work experience or seniority. In FY2011, 102 of 462 applicants got the positions or jobs of their choice.

Promoting the employment of people with disabilities

We are committed to assisting people with disabilities to demonstrate abilities at their workplaces. To this end, the operating companies assign those employees to the workplaces and jobs that are suitable for them in consideration of the level and details of the disabilities and their own preferences.

The Group's employment rate of people with disabilities* including Terre Verte, which is a special subsidiary established to foster the employment of people with severe disabilities, is 1.89% (as of June 1, 2012) against the statutory rate of 1.8%.

* The percentage is for the five qualified Group companies: Seven & i Holdings, Terre Verte, Seven-Eleven Japan, Ito-Yokado, and Seven & i Food Systems.

Helping female employees demonstrate more of their abilities, aiming to create a system that provides a range of work style options

In FY2011, we began implementing measures to provide female employees, who tend to face the necessity of changing their work styles due to marriage, childbirth, and childcare, with a view to providing workplaces where a range of human resources can bring about new value and vigor to their company through friendly competition for a significant period of time.

As part of this effort, we have been operating an Ito-Yokado store, a York-Benimaru store, a Seibu store, and a Denny's restaurant where regular employees are all women since April 2012. Also Seven-Eleven Japan launched the store operation counseling service provided only by women in a district. Through the service we are reviewing the existing business operations, while creating and arranging sales floors, selecting products, and providing services from the viewpoints and sensibility of women in consideration of the fact that 70% of our customers are women.

Moreover in June 2012 we launched the Diversity Promotion Project. We will proactively implement measures going forward to help female employees demonstrate more of their abilities and support all employees in achieving their work-life balance.



Upper: Seven-Eleven Japan
Lower: Ito-Yokado

Supporting development of employee abilities

Seven & i Group operating companies are committed to developing human resources by providing employees with training programs suitable for their business features.

Ito-Yokado, York-Benimaru, and Seven & i Food Systems are operating in-house qualification programs to certify the skills necessary for their business operations. Ito-Yokado, Sogo & Seibu, and Seven Bank are supporting the self-education of employees by sharing the cost of correspondence education.

In FY2011, Seven-Eleven Japan began providing employees of its franchise stores with the Cashier Customer Service Training for Franchisees to improve their customer service abilities. Also Sogo & Seibu started the Career-Up Seminar as an open educational program in which employees can participate if they want.



Opening a training center

In March 2012, we opened a training center for the Group. The center is fully equipped with the rooms used for training on sales floor displays, checkout services, and skills for handling fresh foods (prepared foods, fish, sushi, meat, vegetables and fruits). In the skills training room, a large monitor on which trainees can see the hands of the lecturer in an enlarged size as well as a device to send the images shown on the monitor to each store are

prepared to provide an effective learning environment. Moreover there are 65 rooms for accommodations, including four rooms with universal design where people in wheelchairs can stay.



Assuring fair assessment and treatment of employees

Seven & i Group companies are implementing personnel evaluation systems to maximize employees' abilities and assess them in a transparent and fair manner. The companies' employees self-evaluate their job performance and then their managers also conduct an appraisal. Subsequently through interviews, the employees talk about the appraisal results with the managers to understand their strong points and challenges.

Moreover each Group company is working to establish the systems in which individuals can choose from among different working styles to work with higher motivation. For example, Ito-Yokado has a program enabling part-timers to choose from diverse working styles based on their personal circumstances and beliefs. Seven & i Food Systems promotes part-timers to full-timers, under which a total of 184 part-timers have actually got promotion for last five years, or appoints them as store managers.

Achieving a work-life balance

The Seven & i Group is improving its childcare and nursing care systems to help employees, including part-timers, continue working. All Group companies are operating childcare systems that are better than the legal standard.

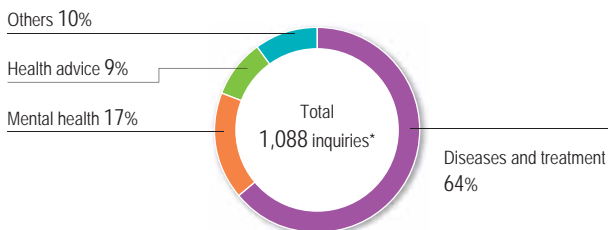
In April 2012, Ito-Yokado prolonged the deadline until which employees raising their children can work shorter hours from April 15 of the year in which the child becomes a second grader at elementary school to April 15 of the year in which the child becomes a fifth grader at elementary school. (Also Seven-Eleven Japan prolonged the deadline to the same date and Seven & i Food Systems to April 15 of the year in which the child becomes a first grader at junior high school.)

Moreover, Seven-Eleven Japan, Ito-Yokado, and Seven & i Food Systems have a volunteer leave system to support the participation of employees in volunteer activities. Further in FY2011, Ito-Yokado made it possible also for part-timers to take volunteer leave.

Assuring consideration for worker health and safety

The Seven & i Group is striving to maintain safe and comfortable workplaces for employees. To this end, each Group company regularly holds meetings of its safety and health committee and provides employees with regular health checkups, while the Group's headquarters set up a health management center for employees. Moreover, the group has introduced a system in which clinical psychotherapists and counselors provide employees with counseling services on their mental health by phone and via e-mail. The Group also provides both employees and their families with health counseling and services to introduce medical institutions.

Breakdown of consultation requests made by employees by topic (FY2011)



* Including those from employees' families

At the headquarters of Seven & i Holdings, health consultations are held by inviting dieticians of Seven & i Food Systems, which provide employees with opportunities to raise awareness about their health and dietary habits.

In addition, to prevent industrial accidents, Ito-Yokado provides employees dealing with fresh food with education on the treatment of knives and other tools, while at some meetings of Seven-Eleven Japan, executive managers give cautions for safe driving to OFC (Operations Field Consultants) who drive vehicles for their jobs. Seven & i Food Systems urges employees to prevent industrial accidents by posting awareness posters, etc. at its restaurants twice a year. The company also conducts interview surveys on those that had industrial accidents to investigate the cause and share the specific measures to prevent the reoccurrence of similar accidents.



Health consultation

TOPICS

Sound labor-management relationships

The federation of Seven & i Group labor unions is composed of eight*1 Japanese labor unions. The labor unions exchange information about the organizational management and working conditions for the members based on the principle of enhancing their organizations while maintaining their independence.

Ito-Yokado's labor union, which implements the union shop system, is the largest of the Group, with about 39,000 members. As of September 2012, 89% of all its employees, excluding students working as part-time staff, belong to the labor union.

Ito-Yokado respects the union's activities based on the three rights of labor. For example, when the labor union holds an important plenary meeting, a round table meeting or training seminar during the opening hours of the stores, the company makes necessary arrangements on the working hours of the union members. In FY2011, the company and labor union concluded seven labor agreements by discussing and negotiating on such

issues as revising wages and increasing the number of holidays given to part-timer members under the condolence leave and volunteer leave systems to the number of the holidays given to regular employees.

Furthermore, in FY2012 the personnel system was revised focusing on the management of labor hours by managers in charge, with a view to providing National/Area/Expert employees*2 with an appropriate treatment according to their job details, which has been continuously discussed.

*1 The labor unions of Ito-Yokado, Seven & i Food Systems, York Mart, Marudai, K.K. Sanei, York-Benimaru, Akachan Honpo, and Sogo & Seibu. The federation also shares information and cooperates with the labor unions of the following Group companies: Life Foods, SHELL GARDEN and THE LOFT. (Total of about 66,000 members as of September 2012)

*2 Ito-Yokado classifies its regular employees into these three types.