

Messages from the CEO and COO

We will dynamically move forward with efforts to solve social issues collectively as a group of companies through our business activities.



Chairman and
Chief Executive Officer

鈴木 敏文



President and
Chief Operating Officer

森 紀敏

Japan's economy has finally escaped from a prolonged period of deflation and has begun to show signs of a recovery thanks to the effects of 'Abenomics'. Nevertheless, future economic trends still require caution given Japan's consumption tax hikes and instability in Europe's economy.

Turning our attention to the company, we find that Seven & i Holdings has expanded the number of operating companies under its umbrella to approximately 150 and for this reason we recognize the importance of constantly checking to make sure that our corporate governance system is functioning effectively for the entire Group, including at those companies that are newcomers.

Meanwhile, as for the social environment surrounding our operations, we find that companies are now more than ever expected to respond in a responsible manner to issues occurring from societal changes. These include global warming, rising demand for food safety, a declining birthrate and aging population, the advancement of women, and a declining number of retail and service outlets.

Amidst this, during the fiscal year under review we organized a stakeholder dialogue session required under the ISO26000 guidelines on corporate social responsibility. During this session, we were able to verify our CSR initiatives and identify material issues (materiality) we must address moving forward. This has enabled us to clarify the direction of Group-wide CSR activities. Some of these material issues identified include Japan's declining birthrate and aging population, the advancement of women in society, and the hollowing out of lifestyle hubs. In response to these, through our dialogue with stakeholders we have decided to expand the number of stores operated by Seven-Eleven, which is moving forward under the banner of "nearby, convenient stores," to help alleviate inconveniences faced by consumers. At the same time, in response to the needs of consumers today, we are offering home delivery services through Ito-Yokado's online supermarket and Seven-Eleven's own delivery service. Additionally, we are developing food products that are prepared easily under the private brand known as Seven Premium, with the goal of alleviating the burden placed on seniors in terms of meal preparation and clean up.

With a decrease in the working population inevitable,

encouraging the advancement of women in the workplace is of the greatest importance. Many of our customers are women and many more of our employees are also women. Given this unique aspect of our business, we recognize the importance of management leading by example in this matter. We have seen positive effects on our sales and marketing after proactively appointing women to be store managers and to work in our research and development departments. We plan on continuing with this proactive approach moving forward.

Today, the economy is more global than ever and the products we source and our manufacturing partners are now located in countries around the world. This has caused worldwide demand to rise for CSR management to be practiced across the entire supply chain, from raw materials procurement to sales and consumption.

We became a signatory to the UN Global Compact in July 2012 and since then have carefully abided by its 10 principles. This year we are focusing on promoting CSR through cooperation with our business partners and further expanding CSR audits carried out by third-party organizations primarily covering our private brand manufacturing partners for Seven Premium and other brands.

In addition, we launched initiatives under our Omni-Channel Strategy in the second half of fiscal 2013 in which we will seamlessly balance our approach to customers using both physical stores and our virtual presence on the Internet. We maintain a network in Japan comprising around 18,000 stores, which covers all aspects of retail, from convenience stores and general merchandise stores to department stores, supermarkets, specialty stores and restaurants. Combining these stores and our online presence will make it possible to provide a host of different products and services to consumers anytime and anywhere, enabling us to continually fulfill the needs of customers.

Moving forward, in conjunction with the unique businesses of our Group companies, we will carry out initiatives that resolve social issues through our core businesses and strive to be a company with integrity that is trusted by stakeholders.

CSR Policies

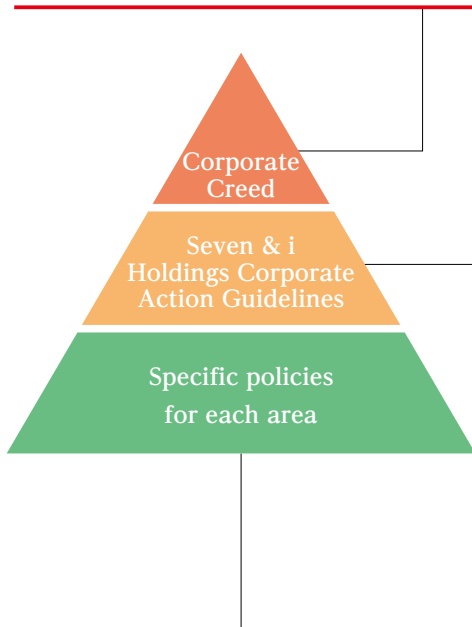
We conduct business activities based on the corporate creed of aiming to be a sincere company trusted by all stakeholders. In the form of Corporate Action Guidelines, we have stated the actions for realizing that creed.

Corporate Creed

We aim to be a sincere company that our customers trust.

We aim to be a sincere company that our business partners, shareholders and local communities trust.

We aim to be a sincere company that our employees trust.



The basic posture of Seven & i Holdings employees

• <http://www.7andi.com/en/csr/policy/guidelines.html>

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|---|--|
| 1. Compliance | 6. Human Resources and Workplace Environment |
| 2. Relationship with Customers | 7. Environmental Management |
| 3. Relationship with Business Partners | 8. Social and Cultural Contribution Activities |
| 4. Relationship with Shareholders and Investors | 9. Reporting Misconduct and Violative Conduct |
| 5. Relationship with Local Communities | |

Policies for each measure

Quality Policy (In Japanese)

• <http://www.7andi.com/csr/policy/quality.html>

Basic Policy on Sustainable Procurement (In Japanese)

• <http://www.7andi.com/csr/policy/procurement.html>

Environmental guidelines and environmental rules

• http://www.7andi.com/en/csr/policy/environment_02.html

Seven & i Holdings Environmental Declaration

Fundamental Policies Relating to Measures to Contribute to the Prevention of Global Warming

• http://www.7andi.com/en/csr/policy/environment_02.html

Basic Policy on Social and Cultural Contribution, Social and Cultural Contribution Action Guidelines

• <http://www.7andi.com/en/csr/policy/contribute.html>

Seven & i Holdings supports the 10 principles of the UN Global Compact, a worldwide framework for achieving sustainable growth, and carries out CSR activities through its core businesses to fulfill these principles.

* Visit the following link to learn more about the UN Global Compact.

• <http://www.unglobalcompact.org/index.html>

