



Promise 4 We will support the creation of a society where all people can actively participate, regardless of gender or age.

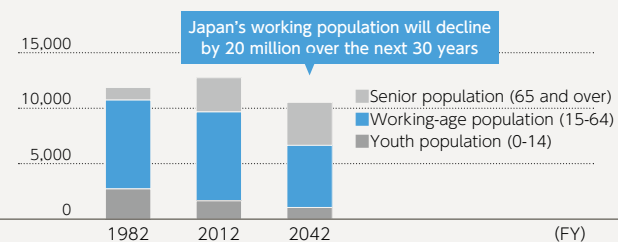


Social Background

In Japan, the birth rate is in decline, and the population is advancing in age. Over the next 30 years or so, the productive-aged population is projected to decline by over 20 million. Furthermore, there are many women who are denied the opportunity to work, for example because it is difficult to balance work with raising children, or because they have been unable to return to work after raising children. Furthermore, the ratio of women in management among private sector companies in Japan is relatively low by international standards at 11.6% (2012). Creating workplaces where women can play an active role is therefore an important task.

Changes in Population over 30-Year Periods

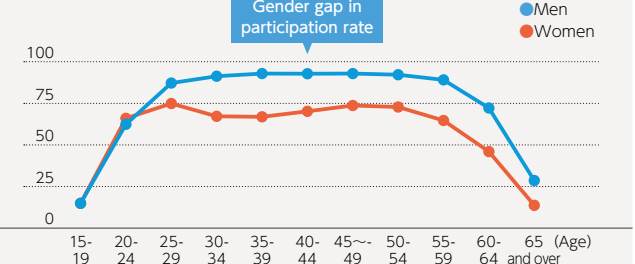
(million persons)



Source: Population Estimates, Statistics Bureau, Ministry of Internal Affairs and Communications
Population Projections for Japan (January 2012 Estimates) . Statistics from the
National Institute of Population and Social Security Research

Rate of Employment by Gender (2013)

(%)



Source: Labor Force Survey (Ministry of Internal Affairs and Communications)

We strive to create workplaces where all employees feel fulfilled in their work and able to demonstrate their full potential. Furthermore, through our products and services we support women with the challenge of working while raising children.

Making Use of Diverse Human Resources

We are carrying out initiatives under the slogan "Diversity gives us power for tomorrow," fully recognizing that assuring the active role of women in our workplaces is an important challenge.

Assuring Fair Assessment and Treatment of Employees

We offer an internal recruiting system that enables employees to apply for positions that they want across different career tracks and Group companies, as well as a system that provides a pathway for part time staff to enter full-time employment.

Action on the Promises

Making Improvements Based on the Results of the Employee Opinion Survey

Based on the results of the employee opinion survey, each operating company carries out initiatives to foster a positive workplace culture and shares these across the Group.

Supporting Childcare and Child Raising

Our stores provide a host of different support options for families raising children to address the trend toward a nuclear family, which has made it more difficult for people to seek advice about raising children.

Created Value

Value for Society

Creation of workplaces where anyone can play an active role

Achieve work-life balance

Value for Seven & i Holdings

Enhance competitiveness through the promotion of diversity

Secure the necessary human resources during an era of working-population shortfalls



We will support the creation of a society where all people can actively participate, regardless of gender or age.

Making Use of Diverse Human Resources

● Enhancing Corporate Competitiveness through Active Participation of Women

Seven & i Holdings aims to enhance its corporate competitiveness through active participation of diverse human resources, with the goal of becoming a company with a sustainable competitive advantage.

In 2012, we established the Seven & i Group Diversity Promotion Project. Since most of customers who visit the Group's stores are women, we have identified promotion of active roles for women as a priority within diversity, and established targets that we are currently working to achieve. Achieving greater participation by women in various situations will help us to create stores and products that delight our customers.

The Four Targets to Be Attained by the End of February 2016

1. Percentage of female managers:
Section manager or higher: 20%
Team leader or higher: 30%
2. Encourage male employees to participate in childcare
3. Improve employee satisfaction
4. Improve external evaluation (revised March 2014)

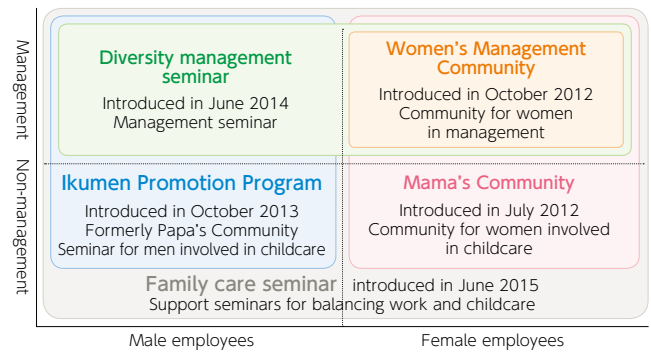
Since September 2012, the Diversity Promotion Project has been holding diversity promotion liaison meetings each quarter. The meetings are attended by people from the eight main operating companies*1, and they share the Group's policies as well as sharing and spreading the initiatives undertaken by each company. Since 2013, dedicated organizations for promoting active roles for women have been launched within SEJ, IY, Sogo & Seibu, and YB, and we have been working to improve our flexibility even further.

● Extending the Ratio of Female Managers

At the end of February 2014, we had reached our target of a 20% ratio of female managers a year early. We therefore revised the target in March 2014, and increased the new target to a 30% ratio of female managers by the end of February 2016. As of the end of February 2015, we have female management ratios of 22.9% for positions of team leader or higher, and 19.7% for section leader or higher.

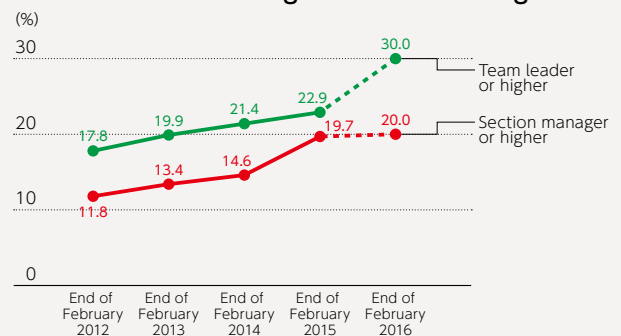
● Fostering a Culture Where Diverse Personnel Can Play an Active Role

Seven & i Holdings believes that promoting active roles for women requires a change in awareness at various levels. To this end, we have been conducting diverse community activities and seminars.



In 2011, we interviewed female employees to identify challenges facing their more active involvement in the workplace. We found that many were concerned about achieving a balance between work and childcare, so in 2012 we started organizing events called Mama's Community for women involved in childcare to resolve their concerns and build a network. During these events, which are held at lunchtime, women are able to discuss issues about achieving a balance between work and childcare, which has helped to improve employee motivation and alleviate some of the concerns held by female employees. On the other hand, in October 2013, we launched the Ikumen Promotion Program for male employees with children because the participation of men in the childcare process is key to helping women play a more active role in the workplace and society. We have been reviewing the traditional approach to working style and are working to increase their interest in participating in childcare.

Trends in the Percentage of Female Managers



*1 Seven & i Holdings, Seven-Eleven Japan, Ito-Yokado, Sogo & Seibu, York Benimaru, Seven & i Food Systems, Akachan Honpo, Seven Bank

Moreover, in October 2012, we launched the Women's Management Community for female managers to help build networks of female managers across the Group and to increase their skills. The community provides opportunities for self-improvement, such as presentations by experts and lectures about business skills. The diversity management seminar was introduced in June 2014 to change the awareness of managers. So far, around 1,700 people have participated in the seminar, and are now using what they have learned in day-to-day management. Moreover, we have also distributed the Diversity Management Handbook to managers, which is designed to promote communication with their subordinates. The handbook is used in training for newly appointed officers and other scenarios, to help develop managers who are able to utilize diverse human resources.

● Improving Employee Satisfaction

In May 2015, Seven & i Holdings conducted an employee opinion survey for employees at 28 Group companies. Comparing the answers for the questions relating to the status of women's active participation, the number of respondents who said that continuing to work while raising children was "easy" or "relatively easy" to do has increased by 11.3% since 2013. Moreover, the number of respondents who said that it was "possible" or "relatively possible" to advance their career while raising children increased by 12.6% since 2013. These kinds of quantitative changes show that our various internal awareness-raising activities are changing employee awareness.

● Improving External Evaluation

Seven & i Holdings has established specific targets for promoting the active role of women, and the entire Group has worked together to make progress on them. The Group's high ratios of female corporate officers and female managers, and its disclosure of the active roles of women, as well as efforts such as changing the awareness of women, men, and management, respectively, have been highly rated. We received the Prime Minister's Award at the Leading Companies Where Women Shine Awards established by the Cabinet Office.



Award ceremony (January 2015)

● Promoting Employment of People with Disabilities

Seven & i Holdings is assisting people with disabilities to demonstrate their abilities at their workplaces based on its commitment to provide an environment where everyone can play an active role. To this end, all Group companies consult with employees with disabilities to determine the workplaces, jobs and working hours that are suitable in consideration of the level and details of their disability and their own preferences. In this way, people with disabilities work in various divisions.

In recruitment, we coordinate with special-needs schools and participate in job interviews organized by local employment agencies and partner with vocational schools. Furthermore, all Group companies are provided with the Seven & i Holdings Normalization Support Guide, which contains basic knowledge and practical recruitment methods when employing people with disabilities, to ensure that all people who are responsible for recruitment and education at Group companies are aware of considerations regarding disabilities and that they implement them.

Furthermore, Terube Ltd.*¹, which is a special subsidiary established to foster the employment of people with severe disabilities, employs 19 people with disabilities as of June 1, 2015. As a result, the Group's employment rate of people with disabilities*² including those employed by Terre Verte came to 2.19% (as of June 1, 2015)

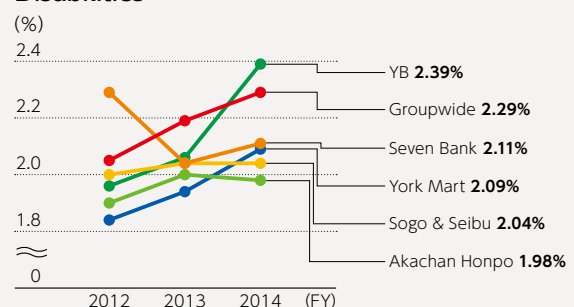
*¹ Established in 1994 through joint investments from Seven & i Holdings, Seven-Eleven Japan, Ito-Yokado, York-Benimaru, Seven & i Food Systems, and the City of Kitami in Hokkaido Prefecture.

The company offers secure, long-term employment for people with disabilities and carries out activities to raise awareness about the concept of normalization.

*² The Group's employment rate of people with disabilities covers the five companies of Seven & i Holdings, Terre Verte, Seven-Eleven Japan, Ito-Yokado, and Seven & i Food Systems.

Terre Verte Website (Japanese only): <http://terube.jp/index.html>

Trends in the Employment Rate of People with Disabilities



*Fiscal year data is as of June 1 of the following fiscal year



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Achieving a Work-Life Balance

●Enhancing Childcare and Family Care Assistance Systems

Since November 2014, Seven & i Holdings has been phasing in a childcare leave system to promote participation in childcare by men. The system is for employees with pre-school aged children, and the leave is available in units of one day, and is paid. The system allows employees to take leave for general reasons related to childcare, such as nursing a sick child, or attending events at day care or kindergarten. With increasing awareness among men regarding childcare and a rise in the number of households with two working parents, the childcare leave system has been used effectively since its introduction.

●“Platinum Kurumin” Certification

IY has become the first company in the Tokyo Metropolitan Area to receive “Platinum Kurumin” Mark certification from the Ministry of Health, Labour and Welfare, following a revision of the Act on Advancement of Measures to Support Raising Next-Generation Children. “Platinum Kurumin” is awarded to companies that have already received “Kurumin” certification and have advanced use of systems to support balancing work with childcare to a significant degree while implementing measures at a high level. The system was established in 2015 to promote continued initiatives. IY has already received the “Kurumin” certification twice, and has actively utilized its Re-Challenge Plan, a personnel system for supporting childcare to help workers balance work and childcare. Other initiatives include holding opinion exchange events with employees who are involved in childcare, diversity seminars at store manager meetings, and promoting the taking of annual paid leave by employees, especially part-time workers. These activities were highly rated. IY will make even further efforts to create an environment where employees can work with peace of mind going forward.



●Family Care Seminar

Since 2015, Seven & i Holdings has been promoting activities for balancing family care with work. To achieve a balance between family care and work, it is important to prepare before the need for family care arises. Therefore, we held Family Care Seminars for learning about preparing for family care. Employees showed great interest in the seminars, which were well attended. We also implemented diversity management seminars for managers regarding balancing family care with work, and we continue to promote the creation of an environment where workers can also care for their family members.



Family care seminar

●Volunteer Leave System

To support employee participation in volunteer activities for welfare, environmental beautification, disaster reconstruction support, and other objectives, Seven & i Holdings, SEJ, IY, York Mart, Seven & i Food Systems, and Seven Bank have instituted a volunteer leave system under which employees can take five days off per year for volunteer work.

In the fiscal year ended February 28, 2015, 13 Group employees took volunteer leave.

TOPIC

Making Improvements Based on Results of Employee Opinion Survey

Seven & i Holdings conducted an employee opinion survey in May 2015. Based on the results, the Corporate Ethics and Culture Subcommittee discusses improvement measures for issues implemented in the fiscal year ended February 28, 2014 and reviews the validity of work and employee development and training programs. Through these and other efforts, the Subcommittee examines improvement strategies for new issues to be addressed by the Group while grasping unique issues for each operating company and holding “issues and improvement strategy proposal meetings” for tackling improvements. Sharing the initiatives between each company helps to achieve further improvements.

Supporting Development of Employee Abilities

● Open Recruitment System for Human Resources

Seven & i Holdings implements an open recruitment system for human resources that encompasses all of its operating companies to respect the will of each individual employee and ensure the right person is placed in the right job to fully leverage their abilities and to invigorate the organization.

Employees who have worked in the same workplace and role for at least two years and who qualify for the recruitment conditions of the company they seek to join, can apply for a position regardless of work experience or seniority.

Moreover, the Group companies have also introduced internal recruitment systems. For example, at IY, any employee who has been with the company for three or more years can put themselves forward for a position or work type, except for executive roles, regardless of their current work details, experience, and seniority. A candidate screening examination is conducted, and appropriate candidates are appointed to their desired role or duties. The internal candidate system has been in place since 2002, and has helped over 1,500 people into their desired jobs.

● Enhancing the Training System

Seven & i Holdings has prepared training systems tailored to the business characteristics of each company, and works to develop its human resources. To provide safe, reliable, high-quality products, it is essential to build employees' capabilities. For this reason, we strive to support skills improvements for each individual employee, including part-time workers.

To prepare training systems matched to business characteristics, we opened the Ito Training Center in Yokohama City, Kanagawa Prefecture, to support specialized skills acquisition such as selling and food preparation. The center is 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.



Employees in training

Assuring Fair Assessment and Treatment of Employees

● Fairness Based on Self-Evaluations

Seven & i Holdings implements self evaluation-based assessment systems for employees to maximize their individual abilities and ensure fair assessments free of unreasonable discrimination, such as social status, birthplace, race, creed, or gender.

Under this system, evaluations are carried out at least twice a year and cover all employees, including part-timers. Employees first self-evaluate their job performance, then managers conduct their assessment, and the employee and manager meet to discuss the results. Through this process, employees are able to understand their performance results and challenges. The process also ensures evaluations maintain transparency and fairness.

● Selection of Various Work Styles

Seven & i Holdings' operating companies also focus on establishing systems that allow employees to choose various work styles to increase their motivation for work.

For example, IY has a program enabling part-timers to choose from diverse working styles. Under this system, part-timers may elect to step up a rank after acquiring a certain level of evaluation and sales skill. There is also a program in place where part-timers designated as highest level can be hired as a monthly salaried permanent employee or contract worker. To date (as of June 30, 2015), 77 part-timers have become monthly salaried permanent employees or contract workers. A large number of part-timers have also been hired on in managerial roles, such as sales floor manager or chief.

IY Step Up Elective System





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Assuring Consideration of Worker Health and Safety

●Seven & i Health Declaration 2018

When employees are healthy both mentally and physically, it not only makes their own lives more fulfilling but is also a source of vitality for the Company, and makes management more efficient. Based on this understanding, we launched the “Seven & i Health Declaration 2018: on October 1, 2014.

The declaration sets out targets for reducing the risk of lifestyle diseases and the smoking rate, increasing recognition of cancers that affect women, and promoting work-life balance, among others. Measures to support these efforts include the MY HEALTH WEB Health Management System, mental health training, and health events. In this way, we are working to support health maintenance for all employees.

The MY HEALTH WEB Health Management System in particular allows individuals to browse the past five years of their own diagnostic data on the Internet, and serves as a tool for checking and goal-setting on health status, and for receiving advice on how to improve health. Initially, the service was provided for approximately



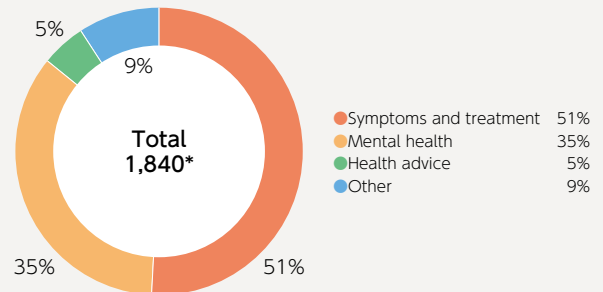
MY HEALTH WEB Health Management System

60,000 employees and their families (aged 30 and over), drawing attention as the largest initiative of its kind in the industry. We are constantly holding events for encouraging people to enjoy taking an interest in health, aiming to be a company that achieves sustainable corporate growth with an environment where employees can work with enthusiasm.

●Health Consultation Service

Seven & i Holdings is committed to maintaining safe and comfortable workplaces for employees. To this end, each operating company regularly holds meetings of its safety and health committee and provides employees with regular health checkups, while the Group’s Head Office has set up the 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. In addition, health counselor and medical institution referral services are available for both employees and their families.

Breakdown of Health Consultation Requests by Topic (FY2015)



*Including those from employees' families

TOPIC

Sound Labor-Management Relations

The Federation of Seven & i Group Labor Unions is composed of 11* Japanese unions. (The total number of members was about 63,000 as of June 2015). The unions are federated and complement one another’s strengths as well as unifying and improving common working conditions. In these ways, the respective unions and the federation work together with the basic concept of forming a stronger organization.

Seven & i Holdings and the labor unions work through numerous active discussions between labor and management to improve issues related to working conditions and employees’ working environments. For example, at IY, a collaborative project has been

established for making work improvements, including promoting the use of holidays and leave and reducing long working hours.

In the fiscal year ended February 28, 2015, labor and management negotiated on inspection and revision of the personnel system, including issues such as wage revision and bonuses. As a result, labor and management concluded labor agreements on revising the childcare support system and partial revision of the personnel treatment system for part-time workers.

* Ito-Yokado, Seven & i Food Systems, York Mart, Marudai, Sanei, York-Benimaru, Akachan Honpo, Sogo & Seibu, Life Foods, THE LOFT, and SHELL GARDEN

Support for Childcare and Child-Raising

●Childcare Counseling Service

IY and Sogo & Seibu provide maternity and childcare consultation offices (at 121 stores as of February 28, 2015) and Pre-Mama Stations (at 6 stores as of February 28, 2015), where public health nurses and midwives give counseling to pregnant women on their health and to mothers on childcare. They also provide rest areas equipped with booths for breast-feeding, hot-water suppliers, and toilets for children.



Maternity childcare consultation office

●Support for Dietary Education

Seven & i Holdings promotes dietary education activities for children to raise people who understand foods through various experiences and can practice a sound, healthy diet.

Seven & i Food Systems, at its chain of Denny's restaurants, hands out a booklet called "Bonolon and Food" that contains important information about food manners and knowledge and teaches children about the correct eating habits using games and quizzes.



A copy of "Bonolon and Food" handed out to children ©NSP2005
© Together with Bonolon, 2007

●Providing Opportunities for Workplace Experiences

Seven & i Holdings, at the request of elementary, junior high, and high schools in the communities where it operates, supports workplace experience learning at its Group stores, where children have the chance to take part in running a retail store in their community. We provide students with the chance to visit the workplaces of our employees, stock shelves in sales areas, provide customer service, and bag customers' products.

Furthermore, SEJ has a store in Shinagawa Student City, which has been run jointly by the City of Shinagawa and Junior Achievement Japan since 2003. The concept behind Shinagawa Student City is to create a virtual town inside an elementary school, with various companies setting up shops and providing work experience. The children working in the Seven-Eleven store experience customer service, sales space creation, and other operations to learn about the systems of a company. In the fiscal year ended February 28, 2015, 2,160 elementary school students staffed our store and learned about the joys and challenges of working through customer service and retail sales.



Shinagawa Student City

●Picture Book Storytelling Sessions

Seven Bank supports the publication of "Bonolon, Warrior of the Forest" picture book to be read to children as a means to foster parent-children communication. The bank continues to distribute the books for free and to hold storytelling sessions.



Storytelling session led by employee volunteers