

# Corporate Social Responsibility (CSR)

## Basic Policy for CSR Activities

The retail businesses managed by all Group companies are closely connected to the daily lives of the Group's customers. Accordingly, our basic policy for our business activities is to take a sincere approach in dealing with all of our stakeholders, including shareholders, customers, business partners, local communities, and employees.

At the same time, we believe that ongoing examination of the relationships among society, individuals, and businesses from a CSR perspective, combined with continued innovation, are indispensable prerequisites for sound, sustainable corporate growth.

## Emphasis on Stakeholder Engagement

All Group companies are striving to engage in dialogue with the stakeholders who are supporting our business, including shareholders, customers, business partners, local communities, and employees, in order to understand and respond rapidly to their "voices," including their opinions, needs, areas of dissatisfaction, and complaints. We place great importance on this process of stakeholder engagement, in which the "voices" of stakeholders are reflected in the business decision-making process and the stakeholders are able to participate in management.

## Advance Group-wide CSR Activities

To facilitate stakeholder engagement, when the Company was established it formed the CSR Promotion Committee, which comprises 5 specialized sub-committees, and moved forward with a framework for the investigation and evaluation

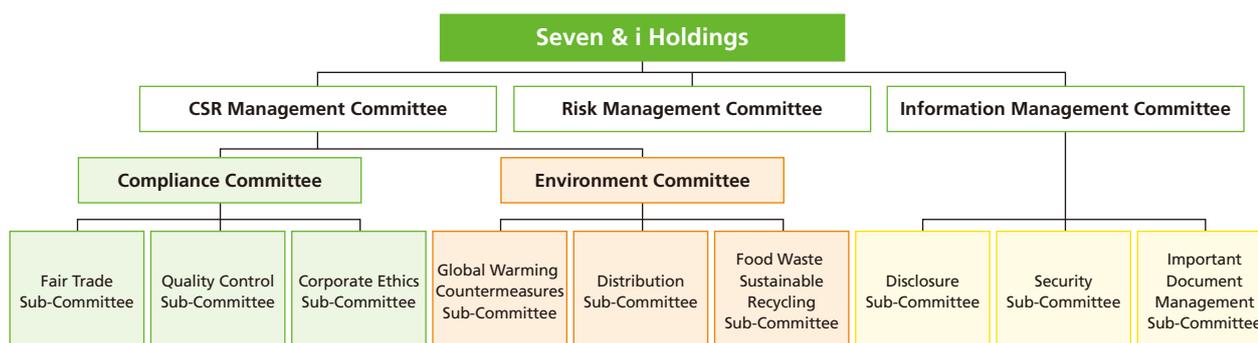
of the status of CSR activities at each operating company. However, with the objective of implementing more-effective CSR activities at a more-rapid pace, from February 2008, we reorganized the committees to separate the CSR management and supervision functions. The CSR Management Committee was established as the CSR promotion committee. At the same time, the CSR risk management function was consolidated into the Risk Management Committee, and the CSR information management function was incorporated into the Information Management Committee, which was newly established to handle information management for the Group as a whole.

Under the auspices of the CSR Management Committee, we established the Compliance Committee, which consists of the Fair Trade, Quality Control, and Corporate Ethics sub-committees, as well as the Environment Committee, which consists of the Global Warming Countermeasures, Distribution, and Food Waste Sustainable Recycling sub-committees.

## Customers

In recent years, there have been a number of reports of incidents that have shaken consumer trust, including the use of out-of-date ingredients, tampering with sell-by dates, and falsifying locations of origin. As a result, consumer concerns about safety and security have reached extremely high levels. To respond to this situation, the Company has not only adhered to the laws relating to its products, but also has established independent quality control standards far more rigorous than any legal requirements. In addition,

## CSR Management System



it is working to provide customers with safe and secure products by strengthening quality assurance measures at the point-of-delivery and by carrying out thorough sales floor inspections. Furthermore, for food, which is an essential part of daily life, we are working to build an original traceability system for the management of such information as production, processing, and distribution history.

### Business Partners

For a company to record ongoing growth and development, we believe that it must prosper together with its business partners. With this in mind, we take steps to ascertain that no illegal or antisocial activities are taking place—such as unwarranted returns of goods, improper discounting, or unfair requests for employee seconding. In addition, we have established specialized organizations to actively promote fair trade. Employee training is also conducted periodically.

Economic globalization has advanced, and outsourcing and production have expanded to countries around the world. In this setting, companies have a responsibility to meet their CSR obligations—such as strict observance of laws and regulations, environmental conservation, and normalization of working conditions—not only for their own operating activities, but also for the entire supply chain for their products and services.

Accordingly, in March 2007, we formulated the Seven & i Holdings Business Partner Action Guidelines, which describes items that we want our business partners to understand and follow. These guidelines went into effect in December 2007. Furthermore, we require all business partners in Japan and overseas that have been consigned production of original products from the Group or its operating companies to apply these guidelines and to prepare self-check sheets. These sheets include details on what must be followed in accordance with the guidelines.

We have also set up a helpline exclusively for our business partners so that they can have their questions answered and opinions heard. The helpline is managed by a third-party organization to ensure responses are fair and independent.

### Local Communities

The Company is developing a range of initiatives for local communities, such as conducting Safety Station activities to help create safe and secure communities, and campaigns to prevent smoking and alcohol consumption by minors. In particular, our efforts to create safe communities and provide disaster relief for local communities have been highly evaluated. In addition, Seven-Eleven Japan (SEJ) and Wakayama Prefecture concluded an agreement for cooperative activities in the prefecture in 2004, and by the end of February 2009, SEJ had signed a total of 19 of these agreements with prefectural authorities. Through these agreements, SEJ is strengthening bonds of mutual cooperation with local communities in a range of areas, including such initiatives as local production for local consumption, the promotion of healthy living, and disaster support. These types of initiatives are also being implemented by other operating companies. In April 2009, three Group companies—SEJ, Ito-Yokado, and York-Benimaru—signed Local Revitalization Comprehensive Partnership Agreements with Fukushima Prefecture. In these ways, we are deepening ties with local government.

### Employees

The Company aims to provide all employees with satisfying jobs and pleasant working environments. In particular, with Japan's declining birthrate and aging population, we place great importance in creating a workplace that can be shared by everyone, without regard to age, gender, or nationality. We respect the individuality and values of all of our employees and strive to maintain an environment where they can achieve their full potential.



Seven & i Holdings Environmental Stadium

### The Environment

In June 2008, to further strengthen the environmental measures that were being implemented by operating companies and to develop comprehensive activities centered on the prevention of global warming, the Company formulated the Seven & i Holdings Environmental Declaration and Seven & i Holdings Fundamental Policies Relating to Measures to Contribute to the Prevention of Global Warming.

In July 2008, we had an exhibit at The 2008 Exhibition on the Environment, which was held in advance of the G8 Hokkaido Toyako Summit. Moreover, for the first time, in December 2008, we had an exhibit at the largest environmental exhibition in Japan, Eco-Products 2008. Our booth, which was titled “Seven & i Holdings Environmental Stadium,” included a Seven & i Town diorama more than three-meters long. We explained the Group’s activities in an easy-to-understand, 25-minute theater-style presentation combined with an interactive quiz for booth visitors. In addition to environmental initiatives, such as SEJ’s distribution efficiency and energy-saving facilities and Ito-Yokado’s use of LED solar panels, we also worked to enhance understanding of Group activities, such as food safety and security activities and Safety Station, as well as SEJ’s safety and security bases in local communities. The theater-style presentation was very successful, with every showing filled to capacity. Over the period of the exhibition, the booth was visited by about 4,000 people.

### External Evaluation

Since 2006, Seven & i Holdings has been included in the FTSE4Good Global Index, which is one of the indices created and managed by FTSE, an independent company that is owned by The Financial Times and the London Stock Exchange.

In December 2008, we were selected as an original component of The Global Dow, an index of the world’s most innovative, vibrant, and influential companies. Components of the index are selected by the editors of Dow Jones.



### Disclosure

Detailed information about the Company’s CSR activities is provided in the CSR Report 2008. This report is available, in English and Japanese, on our web site at [http://www.7andi.com/en/csr/csrreport\\_2008.html](http://www.7andi.com/en/csr/csrreport_2008.html)