

## Material Issue 2 Providing Safety and Reliability through Products and Stores

### Approach to Material Issues

Seven & i Holdings handles about 3 million product items at Group stores, and also develops a variety of private brand products. Because of this, we place the utmost importance on ensuring the quality of our products, including their safety and reliability. We also recognize the material issue of our role as a social infrastructure that can be used at any time, even in emergencies such as natural disasters.

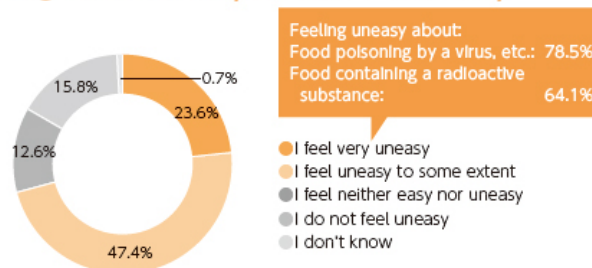
- Relevant policy
  - Quality Policy

### Background to Material Issues

#### Food Safety

With the globalization of food and the occurrence in recent years of incidents and accidents that threaten food safety and security food, there is a growing interest in food safety, including the issues of controlling raw materials, food additives, and residual agrichemicals. In particular, answers to a survey by the Cabinet Office showed that about 70% of people feel uneasy about food safety and want companies to be required to further strengthen their quality control systems.

#### Degree of Anxiety about Food Safety

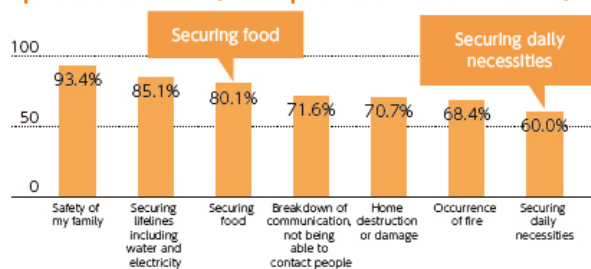


Source: Results of the report entitled Awareness About Food Safety (2015)  
 Consumer Affairs Agency

#### Frequent Natural Disasters

In recent years, floods and landslides due to heavy rain occur frequently, driven by climate change and other factors. Also, many natural disasters such as large-scale earthquakes continue to occur in connection with the location of the Japanese archipelago. In Japan, especially, where many people suffer due to natural disasters, social infrastructure, such as the provision of the goods and services necessary for daily life, plays an important role when a large-scale disaster occurs. The Company is expected to ensure business continuity to provide a safe and secure base.

#### What are your worries about when an earthquake occurs? (Multiple answers allowed)



Source: "Questionnaire on Disasters" (August 2011),  
 Meiji Yasuda Life Insurance Company

### Promotional Framework for Material Issues

This material issue is being promoted by collaboration between the Consumer Affairs and Fair Business Practices Subcommittee, and its parent organization, the CSR Management Committee, which is headed by the Senior Officer of the CSR Management Department of Seven & i Holdings, in collaboration with the Group companies and the respective divisions. The Group's Information Management Committee is promoting initiatives regarding information security.

### Contribution to SDGs

By tackling this priority issue, Seven & i Holdings will provide living bases that ensure people's safety and security in the event of natural disasters due to climate change, and will contribute to achieving Sustainable Development Goals 9 and 13.



## Seven & i Holdings' Initiatives

### Building a Quality Control System

We are working to adopt international management system standards and management techniques concerning quality and hygiene in order to provide safe and reliable products to customers.

[> More](#)

### Food Traceability

We proactively disclose product traceability information (distribution history) in all processes from the procurement of raw materials to sales.

[> More](#)

### Consideration to Health

In light of customers' increasing health consciousness, we are working to reduce the use of food additives and provide nutritionally well balanced food.

[> More](#)

### Communication with Customers

We have set up a "customer consultation desk" at each Group company to obtain opinions, requests, and other feedback from customers and respond promptly, in order to improve products and services from the standpoint of customers.

[> More](#)

### Information Security and Personal Information Protection

We are implementing information security measures based on the belief that appropriately securing and managing the safety of information assets handled by the Seven & i Group is a vital responsibility.

[> More](#)

### Appropriate Disclosure of Information on Products and Services

We strive to label products accurately and clearly in order to provide an appropriate selection of product and service options for customers, while taking care to avoid any misleading labeling.

[> More](#)

### Implementing Crime Prevention Measures for Local Communities

We cooperate with community crime prevention efforts in order to ensure that customers can visit and shop at our stores safely and reliably.

[> More](#)

### Disaster Assistance

We endeavor to reopen stores promptly and keep stores open in the event of a disaster to fulfill our mission as a lifeline for communities.

[> More](#)

### Disaster Reconstruction Support

Leveraging our strengths as a retailer, we are proactively procuring goods from business partners in the afflicted areas and selling them to customers across Japan.

[> More](#)

**Building a Quality Control System**

Seven & i Holdings is working to introduce management system standards and management methods regarding international quality and hygiene in order to provide safe and reliable products to customers.

**Coordination between Quality Control Departments in Each Group Company**

At Seven & i Holdings, the heads of the Group development division for the Seven Premium private brand and other divisions of Group companies, such as SEJ and IY, hold regular meetings in order to confirm current quality management issues and problems in an effort to share information aimed at improvement.

For example, they check progress on initiatives to counter the spread of the norovirus and prevent food poisoning, including ingredient and hygiene management at operating companies handling food products, and apply them rigorously throughout the Group to increase the level of quality control.

**Adoption of the NDF-HACCP Certification System**

SEJ has adopted the (Hazard Analysis and Critical Control Point) HACCP\*<sub>1</sub> method since 1997 as a method to manage food hygiene. In addition, for review and certification of the quality control status of dedicated plants, we check their compliance with a safety standard of approximately 140 check items based on HACCP. Based on the results of this check, high-quality plants recognized to be above a certain level are certified under our NDF-HACCP Certification System. A third party is commissioned with the inspection, and the results are inspected and certified by the Nihon Delica Foods Association (NDF)\*<sub>2</sub>. Moreover, Seven-Eleven Japan is conducting audits to maintain the level of quality management even after the acquisition of certification.

\*1 HACCP: A process management system that analyzes hazards at each step of production, from ingredient acceptance through to product finalization, and provides continuous monitoring and recording of critically important hazard prevention processes.

\*2 Nihon Delica Foods Association (NDF): The NDF was formed in 1979 to improve hygiene quality management levels at deli product manufacturing facilities and to eliminate region-based quality differences.

➤ [For more details about Seven-Eleven initiatives \(Japanese Only\)](#) 📄



**Acquisition of JGAP Certification**

For our private brands Fruits and Vegetables with Traceability at Ito-Yokado, we are working to acquire the Japan Good Agricultural Practice certification, recommended by the Ministry of Agriculture, Forestry and Fisheries, in order to further improve the level of our quality management. JGAP sets standards that should be implemented in day-to-day agricultural management to improve safety and protect the environment. Certification has been acquired for 17 locations as of February 29, 2016, and efforts will be made for further certification going forward.



➤ [For more details about Ito-Yokado initiatives \(Japanese Only\)](#) 📄

**JGAP Guidelines**

**Food Safety**

- Management of soil, water and propagation materials
- Fertilizer management
- Plant protection product management
- Hygiene management during Harvesting and transport
- Produce handling

**Environmentally Sustainable Agriculture**

- Water conservation
- Soil conservation
- Consideration for surrounding lands
- Waste management, reduction and recycling
- Energy efficiency
- Environmental awareness and biodiversity

## Hygiene Management Based on ISO 9001

At Seven & i Food Systems, the QC Office that serves as the hygiene management division has acquired the ISO 9001 international standard concerning quality management (application scope consisting of food hygiene management system standards and provision at stores). Utilizing this system, efforts are made to improve hygiene management at stores and educate employees.

In hygiene management, an emphasis is put on easy-to-understand freshness management that can be implemented by anyone. A dedicated internal department conducts checks at stores, and random checks of store hygiene are also conducted by a third-party hygiene inspection agency (wipe inspection).

▶ For more details about Seven & I Foods Systems initiatives (Japanese Only) [📄](#)



## Inspection for Radioactive Substances

In response to an increase in inquiries since the Great East Japan Earthquake, Seven & i Holdings has received voluntary inspections and confirmations to complement the monitoring survey of radioactive materials that was carried out by the government and we have posted details on our website.

The Radioactivity Project was established as an internal organization at YB to enable customers to shop with confidence by complementing the monitoring surveys on radioactive substances implemented by the government. We install equipment for measuring radioactive substances at key points within the area where we have established stores, and an internal organization conducts regular inspections. The inspection results are announced on the company's website. For the case of our private brand Three-Star Fruit and Vegetables, we endeavor to sell products that meet the criteria by having buyers visit production sites and conduct soil inspections and independent inspections on samples.

Inspections for radioactive substance are also conducted for IY's Foods with Traceability and the results are published on the company's website.

▶ For more details about Ito-Yokado initiatives (Japanese Only) [📄](#)

▶ For results of the inspection at York-Benimaru (Japanese Only) [📄](#)

**Food Traceability**

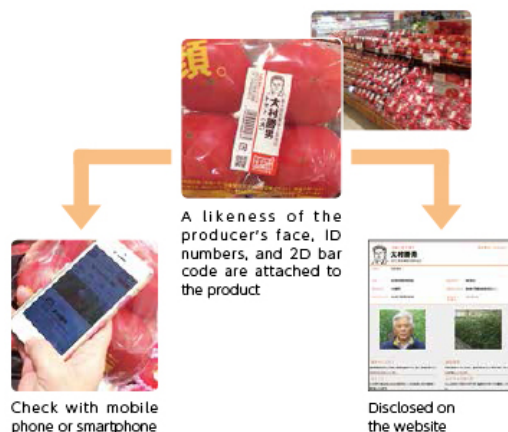
Seven & i Holdings proactively discloses traceability of products as an initiative to emphasize the safety and reliability of its products at all stages from raw materials procurement through to sales.

**"Fresh Foods with Traceability" and "Products with Visible Production Areas" Initiatives**

Ito-Yokado sells products under its private brand Foods with Traceability, where we achieve an accurate understanding of production sites, production methods, and distribution channels and communicate these to customers. For these products, our procurement officers check with producers at the production sites to ensure that they are using appropriate cultivation and stock-raising management. Before the products are sold, various tests are conducted, including agricultural chemical residue tests, as well as soil, feed, and water quality tests, and third-party confirmation is obtained. Furthermore, radioactive substances are also inspected under stringent standards that are stricter than the statutory standards. Customers can confirm producer and inspection-results information for Foods with Traceability products on the Ito-Yokado website using a PC, smartphone, or mobile phone. As of February 29, 2016, 227 items are handled under the Foods with Traceability brand, covering all fresh foods including vegetables, fruits, meat, eggs, and fish. Also, York-Benimaru has established a section called "York-Benimaru Products with Visible Production Areas" on its website, providing information on the production site, characteristics, production process, producers, and other aspects of the fresh food that the company has carefully selected. Customers can input the production number displayed the product label to display its production history. As of February 29, 2016, we are handling about 30 product items under this system.

- ▶ [For more details about Ito-Yokado initiatives \(Japanese Only\)](#)
- ▶ [For more details about York-Benimaru initiatives \(Japanese Only\)](#)

**Producer Information Disclosure Methods (Example of IY)**



**Ito-Yokado Private Brands and "Vegetables and Fruit with Traceability" Standards**

The methods and frequency of use of agricultural chemicals vary by region and crop. The "Vegetables and Fruit with Traceability" category at Ito-Yokado comprises foods grown with the goal of applying agrichemicals with half or lower of the usual frequency for each growing area (local government organizations and other public bodies stipulate the average number of applications for each crop). At our "Seven Farms," which are engaged in agriculture operations, and under our "Vegetables and Fruit with Traceability" brand, we aim to ensure safe agricultural produce, correct farm management, and so forth, and have acquired Japan Good Agricultural Practice (JGAP) certification.

JGAP is an agricultural production management method recommended by the Ministry of Agriculture, Forestry and Fisheries of Japan. It provides a set of standards to be followed in daily farm management to increase food safety and ensure environmental conservation. Since JGAP includes standards relating to "food safety" and "environmentally sustainable agriculture," the products sold under the "Vegetables and Fruit with Traceability" and Seven Farms brands use no more than the minimum necessary level of agricultural chemicals.

**Five Promises of "Vegetables and Fruit with Traceability"**

1. Only stock domestically grown agricultural products.
2. Producers who properly grow vegetables and fruit on suitable land are carefully selected from all over Japan.
3. Products are delivered to customers under the name of each individual producer.
4. Producers' discerning techniques and their personalities are introduced on the website and on sales floors.
5. **Agrichemical reduction targets are set and continuous checks are performed to detect agrichemicals and radioactive material.**

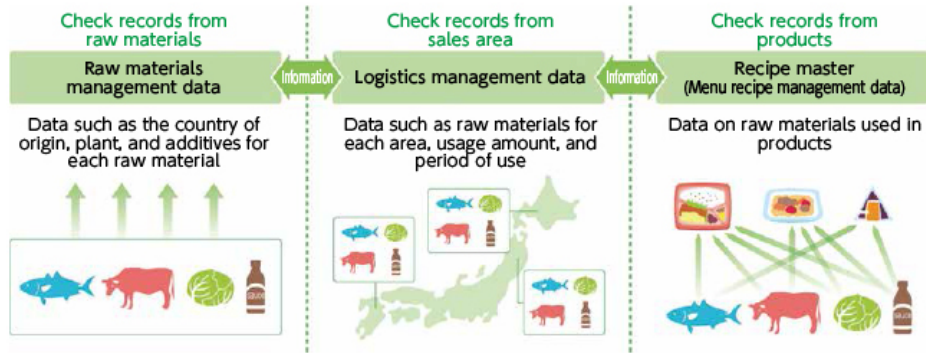
**Centralized Management of Production Records**

SEJ uses an average of 40 different food materials (including seasonings) per daily food product item, which includes rice and side dishes. To manage these individual products and correctly grasp which production facilities produced them and which materials have been used in which regions, SEJ manages information from all its approximately 160 dedicated plants using a database system that is linked to the point-of-sale data at its stores. This makes it possible to precisely manage the production history of its products, from the production region of the materials used to the stores where the products are sold, enabling any problems that arise in connection with food materials, for example, to be addressed immediately. Further, to make absolutely sure about the products it sells, SEJ also verifies whether products contain any additives or allergens. In addition, SEJ is also able to precisely track the volume of food materials, packaging and containers used at every plant, which helps it reduce

waste by limiting excess production, for instance. Moreover, the company voluntarily conducts DNA testing on rice to prevent the admixture of other varieties as well as testing for radioactive substances.

➤ For more details about SEJ's initiatives (Japanese Only) [📄](#)

### SEJ's Raw Material Production Record Management Framework



**Consideration to Health**

Amid increasing public interest in health and nutrition, including the problems of obesity, diabetes, metabolic syndrome and nutritional deficiencies, Seven & i Holdings is responding to a stronger health orientation among customers by working to reduce the use of food additives and provide food products with a good balance of nutrients.

**Reducing the Use of Food Additives**

Seven & i Holdings is taking steps to reduce the use of additives in food products as a step towards providing health conscious products. For example, SEJ's original daily foods, numbering around 2,000 items including rice balls and boxed lunches, and IY's delicatessen items, boxed lunches, and sushi produced in-store are all free from synthetic coloring agents and preservatives.

Further, since 2007 SEJ has eliminated phosphates, from approximately 30 varieties of ham and sausage products used in original sandwich products, as excessive consumption of phosphates may block the absorption of calcium. In addition, the company is continuing its own initiatives with food manufacturers to reduce trans fatty acid, which is said to increase the risk of heart disease. Based on the Guidelines on Trans Fatty Acid Labeling issued by the Consumer Affairs Agency, SEJ discloses information on its website on levels of saturated fatty acid, trans fatty acid, and cholesterol contained in its main food products.



**Reduction of Trans Fatty Acids** (Example) Amount per 100 g of Strawberry Jam & Margarine (9)

06/2	08/2	13/2
1.86g	0.18g	0.15g

[▶ For more details about SEJ initiatives \(Japanese only\)](#)

**Providing Healthy Meals Supervised by Managing Dieticians**

Seven-Meal, SEJ's home delivery service, delivers healthy meals with a good balance of nutrients adjusted for calories and sodium content, with physicians and managing dieticians supervising menu development, nutrient content, and other aspects of the meals. The service strives to develop products with authentic, home-cooked flavor that pursue enduring tastiness without the use of preservatives or synthetic coloring agents.



Seven-Meal

**Development of Health Food Products through the Supply Chain**

Seven & i Holdings manufactures its Seven Premium private-brand products using an integrated system from raw material procurement through to product development and quality control.

In development of Seven Premium products, the optimal supplier and Group product development division form a team for the product, and specialists from both sides contribute their information and expertise in a process called "team merchandizing." The teams include suppliers who have nutrition and health experts or R&D centers of their own. We have established seven key points for development of Seven Premium products. One of them is "health conscious," and accordingly, the calorie content of the products is displayed clearly on the front of the produce where it is easy for the customer to see when they are making a selection.



## Seven Premium Points of Seven Premium

1. Safe and reliable  
Manufactured in hygienic factories using rigorously selected materials.
2. Delicious  
Tastes that will appeal to everyone.
3. Regional flavors  
The taste of home cannot be beaten.
4. Cutting-edge technologies  
Jointly developed with manufacturers using the latest technologies.
5. Universally designed  
Labels and designs that are easy to read and understand.
6. Health conscious  
Calorie counts are printed on the front of the products.
7. Reasonably priced  
Provided at reasonable everyday prices.

## Sales of Products with Food Allergy Considerations

IY conducts reservation sales of rice flour and soy milk cream cakes containing no specified raw materials to allow people with food allergy concerns to enjoy cake on Christmas or their birthdays with complete peace of mind. For such products, all raw materials and products are managed by lot and inspections are also conducted by external agencies. In addition, at 87 stores (as of the end of February 2016), special areas have been set up within the food products sales area for products catering to customers with food allergies. The areas are stocked with allergy-conscious product lines from seasoning and food product manufacturers.

At the Denny's restaurant chain managed by Seven & i Food Systems, there is a low-allergen menu for children that does not include any of the seven specified allergens (eggs, milk, wheat, buckwheat, peanuts, shrimp, and crab), created out of consideration for children who have food allergies. When the meals are prepared at the restaurants, employees cook and arrange the food in an area separate from the regular cooking line, and the tableware is individually washed and stored to prevent secondary contamination by allergens.

> [For more details about IY's initiatives \(Japanese only\)](#)

> [For more details about Denny's initiatives \(Japanese only\)](#)



Rice Flour and Soy Milk Cream Cake



Low allergen menu

## Labeling of Allergy Information

Seven & i Holdings strives provide customers with clear product labelling so that people with allergies are also able to select products with confidence. Both products purchased from suppliers and products prepared in-store are labeled for allergen content, and the labels list allergens mandated under the Food Sanitation Act as well as items that are recommended for labeling.

For example, information on use of specified raw materials and equivalent items in products prepared in-store at 7-Eleven (hot snacks, oden, Chinese steamed buns, donuts) and in menu items at Denny's restaurants is provided on our website.

> [For more details about SEJ's initiatives \(Japanese only\)](#)



### Communication with Customers

Seven & i Holdings quickly responds to comments and requests provided by email or phone through customer consultation desks set up at each Group company in order to improve products and services from the customer's perspective. Given the need to protect privacy in connection with feedback received from customers, all personal information is deleted, and the feedback is then categorized by content and communicated to departments and stores for use in making improvements.

### Enhancing Customer Service Quality

Seven & i Holdings holds a monthly meeting of the Group's customer consultation desks, which is attended by customer service supervisors at each Group company, in order to reduce the factors that cause customer dissatisfaction and raise satisfaction levels throughout the Group, not just at individual operating companies. Measures taken in response to comments and requests received from customers are shared on a regular basis and the information is incorporated into products and services. Annual training is also held for customer consultation desk personnel at each Group company with a view to further refining customer service skills.



Customer consultation desk personnel training

### Collecting Customer Feedback

Seven & i Holdings collects feedback from customers who visit its stores on customer service, sales floor setup, product lineups, and other aspects of operations in order to further improve its products and services.

For example, at SEJ, a questionnaire is conducted every other year of 10,000 people to ascertain the needs of customers nationwide. In addition, at IY, store surveys are contracted to external agencies certified as consumer affairs advisors to collect feedback from store customers. Based on the results of the surveys, Group companies work to develop products that incorporate the evaluations and opinions of customers.

### Product Development Using a Website

For its's Seven Premium private-brand products, the Group launched "Premium Life Enhancement Committee" – a website community for product development that invites participation by customers in October 2009. The website features users' evaluations of individual products and original recipes using Seven Premium products. We also use the website to call for participants in product monitor surveys. The information gathered from the website enables us to understand the ways and scenarios in which customers use our products, and is reflected in product development.

▶ [For more details about Premium Life Enhancement Committee \(Japanese only\)](#) 

**Information Security and Personal Information Protection**

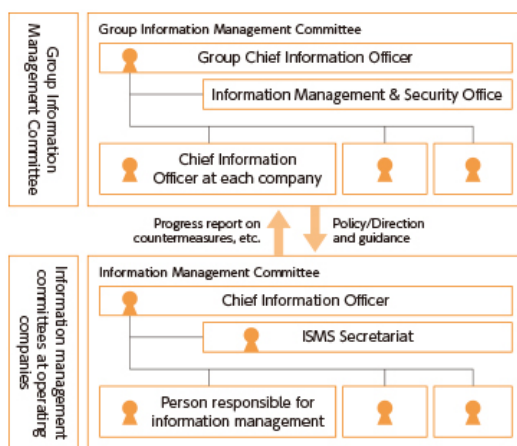
Seven & i Holdings positions the appropriate protection and security of information assets handled by the Group as an important priority and social responsibility of its management and operations and as mandatory for all executives and employees. We strictly manage personal information received from customers in particular and take special care to prevent information leaks and other such incidents.

**Development of Information Security Management System**

Seven & i Holdings anticipates that points of contact with customers will further increase through our Omni-Channel Strategy. In light of this, just as with food safety, initiatives to ensure the safety and security of information assets themselves constitute the foundation that will support the strategy. Seven & i Holdings has established the Basic Policy on Information Security and Basic Policy on Protection of Personal Information to promote the appropriate protection and use of customer information (personal information) acquired through Omni-Channel initiatives and further promote safe and secure business operations, and we have obtained ISMS certification (ISO 72001) for information security management systems. Through the implementation of a PDCA cycle for our ISMS we continue to develop a high-level information security system.

- ▶ [For more details about our Basic Policy on Information Security](#)
- ▶ [For more details about our Basic Policy on Personal Information Protection](#)
- ▶ [Further information about ISMS certification acquisition \(Japanese only\)](#)

Information security is also regarded as a type of risk, and we have established the Information Management Committee to analyze, assess and address this risk. Development of a management system based on this is conducted by the Information Management & Security Office.



Information security management system

**Cyber Attack Measures**

Seven & i Holdings has established the 7&i Computer Security Incident Response Team (7&i CSIRT) to respond to external cyber attacks and minimize their impact and potential damage, particularly from a technical standpoint. The team conducts quick and appropriate containment and other measures in response to information security incidents in an organized manner.

In addition, when an information security incident is judged to be a major incident by the 7&i CSIRT (based on the extent of damage, etc.), a response system has been built whereby the 7&i Security Incident Response Team (7&i SIRT) is mobilized to decide on and carry out emergency response measures, standard response measures for system recovery, and externally directed actions in particular, such how the incident is to be disclosed.

**Employee Training to Raise Awareness of Information Security and Cyber Security**

Seven & i Holdings conducts security training through e-learning and group training programs for the Group's approximately 100,000 executives and employees twice a year in order to raise employee awareness of information security and cyber security. The fiscal year ended February 29, 2016 training was on the theme of internal fraud, and in fiscal 2016 it is scheduled to focus on targeted cyber attacks. All employees at hiring and retirement sign a confidentiality pledge, which also raises awareness of information security. In the fiscal year ended February 29, 2016, there were no information security violations or other cyber security incidents.

In employee training through daily operations and regular meetings, employees are told to promptly report, communicate, and consult on any problems that may occur, and in e-learning and group training as well, employees are trained to immediately report suspicious occurrences. Reporting lines to upper management have been established depending on the severity of the occurrence. We have also created Reporting Guidelines for Significant Events, and when a significant event occurs that could potentially impact the entire Group, there is a reporting line depending on the severity level for reporting to upper management at the Group company where it occurred. There is also a reporting line for reporting the incident to the Information Management & Security Office and upper management of Seven & i Holdings. Creating these two reporting lines helps to ensure the accuracy of information conveyed and the promptness of our response.

**Appropriate Disclosure of Information on Products and Services**

Seven & i Holdings Corporate Action Guidelines stipulate that "We seek to display information that is accurate, easy to understand, and truthful so that customers can make an appropriate selection of products and services." Moreover, each Group company will check the following information and strive to inform customers.

- Provide beneficial information to customers, taking the customer's perspective, even if the information is negative from the Company's perspective.  
(For example: Consumption of this produce may be hazardous for health, etc.)
- For information such as images and recordings distributed as commercials and advertisements, we will use appropriate expressions for the audience
- We will provide information that meets or exceeds the legally mandatory level with regard to health, environment, and other sustainability aspects

**Establishment of Management System for Information Provided to Customers**

Seven & i Holdings verifies in advance that product and price information listed in advertising media, including newspaper inserts, pamphlets, and television commercials, is accurate and that they contain no information that might mislead customers. For example, IY requires that prior approval be obtained from its Fair Trade Committee Office when listing dual prices with the sales price and a comparison price, or discounts, in newspaper inserts and other media.

**Employee Training on Product Labeling**

Seven & i Holdings conducts regular, twice-yearly group training on labeling under the Act against Unjustifiable Premiums and Food Labeling Act for newly assigned purchasing personnel at Group companies to provide basic knowledge on improper labeling and excessive gifts or giveaways prohibited under laws and regulations. In the fiscal year ended February 29, 2016, 193 employees from 15 companies underwent this training. In addition, after group training, a test is held utilizing e-learning to confirm the comprehension of employees receiving the training. In the fiscal year ended February 29, 2016, 159 employees took the test.



Group training on labeling

**Prevention of Improper Labeling**

Seven & i Holdings has established the "Discretionary Guideline on Imprecise Labeling," and the "Discretionary Guideline on Imprecise Labeling for Menus" as unified guidelines on food labeling for the Group to prevent the use of expressions that could mislead customers. For example, "Brand Beef" can be applied only to products that have registered trademarks, have met producer's group standards in each production region for number of rearing days, type of feed, and so forth, and have meat of quality standard of at least grade 4 or 5.

**Genetically Modified Food Products**

Seven & i Holdings uses no genetically modified food products in any of its Seven Premium private-brand products, and clearly labels this information on the products.

Soy sauce with non-use of genetically modified soy beans is clearly explained on the front-side label

Non-use of genetically modified soy beans is indicated in the ingredients list on the back-side label



Ito-Yokado's website explains that the company does not stock food products made with genetically modified ingredients due to the large number of issues and uncertainties regarding their safety (except for certain soy sauces, oils, and similar products that use genetically modified potatoes, corn, soy beans, and other products that are approved for import by the Japanese government). For details, please refer to [Ito-Yokado's website](#) (In Japanese).

### Implementing Crime Prevention Measures for Local Communities

Seven & i Holdings cooperates in local crime prevention initiatives in line with the operational characteristics of each Group company to ensure that customers can use its facilities safely and with confidence.

#### Safety Station Activities

SEJ takes advantage of the fact that its stores stay open 24 hours a day every day of the year to conduct Safety Station activities. These involve looking out for the safety and security of the community through such activities as protecting women, children, and seniors, preventing robberies and shoplifting, responding to accidents and disasters, and helping in the case of a sudden illness.

SEJ stores work to promote a healthier environment for young people by not selling alcohol and tobacco products to minors, for example, and also provides information to raise awareness of compliance and crime prevention at franchised stores through product exhibitions held twice a year nationwide and a bimonthly journal.



Using the cash register screen to raise awareness



Preventing sales of adult magazines to minors

**Disaster Assistance**

Seven & i Holdings strives to quickly reopen its establishments and keep them in operation even during disasters as a part of its mission to serve as a community lifeline and fulfill its role as social infrastructure when disasters occur.

**Swift Regional Relief Activities in Disasters and Local Awareness-Raising**

Seven & i Holdings works with local municipalities to conclude agreements on assistance with relief provisions and support for evacuees during disasters, and is prepared to provide swift regional relief during disasters along with tap water, restroom facilities, disaster information, and other necessities. In addition, at stores and other establishments we set up disaster preparedness areas to help raise customer awareness of disasters.



Agreements on relief provisions signed with municipalities (as of September 30, 2016) (No. of Agreements)

IY	113
SEJ	65
York-Benimaru	27
York Mart	4
Sogo & Seibu	1

**Providing Means of Communication in Emergencies**

Seven & i Holdings allows its free Wi-Fi service Seven Spot, located at approximately 20,000 Seven & i Group sites nationwide, to be used on a special basis during emergencies even by people who have not registered as members. SEJ has also set up emergency phones that can be used free of charge (special public phones for use during disasters) at a portion of its stores within Tokyo's 23 wards.



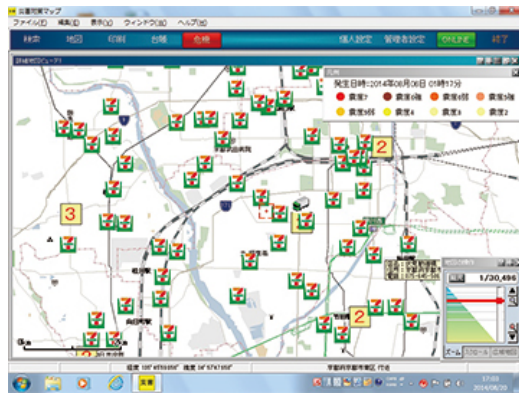
Emergency telephone



Free In-Store Wi-Fi Service Seven Spot

**7VIEW: Seven Visual Information Emergency Web**

Seven & i Holdings compiles a range of information within the Group but we have also joined with business partners to develop the 7VIEW system for providing, sharing, and utilizing disaster information more broadly. Various information sources from Group companies are combined and layered onto a map to enable more accurate decisions to be made about conditions in areas where the Group has establishments. The information is received and shared between companies as well as municipalities and local residents. The aim for the system is to enable information to be communicated to the community through our stores and other establishments.

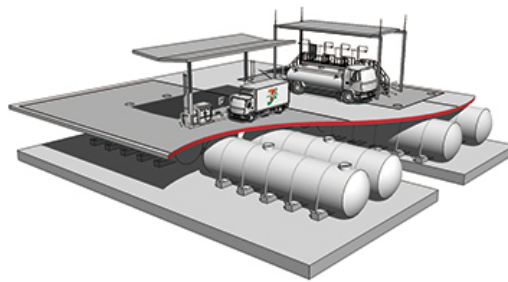


Seismic intensity information screen

## Fuel Depot for Delivery of Emergency Provisions

One of the important priorities of Seven & i Holdings in the area of business continuity in emergencies is maintaining fuel supply networks in the event of a major disaster. We have established a fuel depot at IY's distribution center in Saitama Prefecture that can be used by product delivery trucks to transport emergency provisions, a first for a Japanese retailer.

The depot maintains a permanent supply of 400 kiloliters of fuel, and when a disaster occurs it can be used to deliver emergency provisions and products for up to ten days to evacuation centers in affected regions and elsewhere and to Group stores and establishments in the Tokyo metropolitan area.



Fuel for vehicles is stored underground



**Disaster Reconstruction Support**

Seven & i Holdings strives to reopen its stores and establishments as quickly as possible and keep them in operation, even during disasters, as a part of its mission to maintain community lifelines and fulfill its role as social infrastructure during disasters.

**Disaster Support Activities During 2016 Kumamoto Earthquake**

During the 2016 Kumamoto Earthquake that occurred in April 2016, nearly all 7-Eleven stores stayed open, even when the power was out and water cut off, which was greatly appreciated by many customers. Head Office also provided support for stores in the form of product supplies and special assistance for staff members. In preparation for a wide range of situations, we work with the community to fulfill our role as important infrastructure for daily living.



**Delivering Emergency Relief Provisions and Raising Relief Funds**

Seven & i Holdings delivered emergency relief provisions to local areas heavily impacted by the 2016 Kumamoto Earthquake. In addition, to quickly provide support for people impacted by the earthquake, from April 15 to April 24, a first round of relief funds was raised and delivered to Kumamoto and Oita Prefectures on April 28. Thereafter, a second and third round of fundraising took place from April 25 to May 15, and from May 16 to May 31. Furthermore, when the disaster occurred, our free Wi-Fi service, Seven Spot, was made publicly available on a special basis at approximately 18,700 locations.

**Relief Provisions and Relief Funds**

<b>April 15</b>	To City Office at Mashiki Cho, Kumamoto Pref : 1,000 rice balls, 1,000 2 L bottles of water
<b>April 16</b>	To Kumamoto Prefectural Office : 3,000 rice balls, 6,000 2 L bottles of water
<b>April 18</b>	To Kumamoto Prefectural Office : Blankets, underwear, etc.
<b>April 21</b>	To Kumamoto Prefectural Office : Disposable diapers and wipes for babies
<b>April 28</b>	Relief funds (First round) : ¥249,544,411
<b>May 24</b>	Relief funds (Second round) : ¥238,040,505
<b>June 17</b>	Relief funds (Third round) : ¥176,347,796

**Reconstruction Assistance Activities for the Great East Japan Earthquake**

The Great East Japan Earthquake of March 2011 inflicted enormous damage on Tohoku and surrounding regions. Seven & i Holdings helps to support the reconstruction by working with employee volunteers and NPOs to conduct a variety of activities, including product sales, while leveraging its position as a retailer to connect consumers with producers.

**Tohoku Kakehashi Project**

Seven & i Holdings has held the Tohoku Kakehashi Project in support of the reconstruction three times a year since November 2011 in order to serve a bridge connecting the people of Tohoku with people around the country in their desire to support the reconstruction, with the cooperation of Fukushima, Miyagi, Iwate and other Tohoku Prefectures and various government agencies. In March 2016 (the 14th event), there were 267 sponsor and participant companies and 2,200 items, making the project over 10 times larger than when it first started. Procuring local products from disaster-affected regions helps revitalize agriculture and fishing industries. In addition, to keep affected regions fresh in the minds of people living outside of them, we purchase products from affected partner companies in Tohoku and the products of major food manufacturers produced in the region. We also hold sales events at approximately 400 stores in total, including IY and York-Benimaru.

**Tohoku Kakehashi Project**

	Starting Time	No. of co-sponsors and participating companies	No. of products
1st Round	From November 7, 2011	22Companies	Approx.200
2nd Round	From March 5, 2012	58Companies	Approx.600
3rd Round	From July 17, 2012	81Companies	Approx.800
4th Round	From November 19, 2012	109Companies	Approx.1,000
5th Round	From March 4, 2012	123Companies	Approx.1,200

6th Round	From July 9, 2013	160Companies	Approx.1,300
7th Round	From October 9, 2013	188Companies	Approx.1,400
8th Round	From March 4, 2014	219Companies	Approx.1,500
9th Round	From July 14, 2014	239Companies	Approx.1,710
10th Round	From October 6, 2014	247Companies	Approx.1,800
11th Round	From March 2, 2015	250Companies	Approx.1,850
12th Round	From July 14, 2015	257Companies	Approx.1,900
13th Round	From October 5, 2015	259Companies	Approx.2,000
14th Round	From March 7, 2016	267Companies	Approx.2,200

## Group Initiatives

At Seven & i Holdings, support initiatives of Group employees include support for Tohoku children's education through Bellmark program collections and donations to NPOs in the region through collection of redeemable unused postcards, used books, and other items.

At York-Benimaru, support is provided for PEP Kids Koriyama in Fukushima Prefecture, an indoor, active playground in the city of Koriyama founded on the concept of "Play, Learn and Grow," which allows children with fewer opportunities to play outside due to the nuclear accident that occurred with the Great East Japan Earthquake to actively engage in exuberant, physical play.



PEP Kids Koriyama

### ▶ [An overview of PEP Kids Koriyama \(Japanese only\)](#) 📄

Seven & i Food Systems conducts the Let's Eat in Support of the Affected Areas Program at stores and the Head Office cafeteria, providing dishes made with ingredients from Shichigahama in Miyagi Prefecture, which was affected by the Great East Japan Earthquake, and conducting sales of wakame and nori seaweed products.



Employees sorting wakame at Shichigahama



Volunteers preparing to sell Shichigama wakame in the employee cafeteria

In addition, Seven & i Holdings participates in the Seven-Eleven Foundation's Great East Japan Earthquake Recovery Project and continues to support recovery and reconstruction in areas that were severely affected.

### ▶ [For more details about the Great East Japan Earthquake Recovery Project of the Seven-Eleven Foundation \(Japanese only\)](#) 📄