

CONTENTS

Messages from the CEO and COO	4
Group Overview	6

Process of Determining the Content of this Report 12

We studied and selected the content of this Report by referring to the expert opinions of professional external advisors.



Featured

CSR in Supply Chain 16

We will fulfill our social responsibility across our entire supply chain by cooperating with our business partners.

Strengthening Corporate Governance and CSR Management 20

Corporate Governance
CSR Management
Compliance

In Focus 1

Reducing the Environmental Impact 24

Our Group is enhancing measures for reducing the environmental impact in an integrated manner, with an emphasis on preventing global warming and creating a recycling society.

In Focus 2

Offering Safe, Reliable Products and Services 36

We strive to ensure and enhance the quality of our products and services to be a sincere company that our customers trust.

In Focus 3

Coexistence with Local Communities 48

We contribute to local communities by making use of the features of each business operation.

In Focus 4

Building Motivating Workplaces 60

We develop systems and environments that enable all our employees to work with objectives and a sense of fulfillment, regardless of the type of employment.

Voices from Stakeholders Related to the Points of In Focus 67

Overseas Activities 68

Report on Third Party Review of Data on CO₂ Emissions 76

General Overview of the Report / Postscript by the Editors 77

Data Separate Volume

EDITORIAL POLICY

What are the CSR issues that should be tackled by Seven & i Holdings?

What should a CSR report of a holding company look like?

— We sought the answers to these questions while editing this CSR Report 2009 (hereafter, the “Report”). Consequently, we improved this year’s Report over the previous ones, mainly in the following four areas:

- 1) We asked the three people who had given us third-party comments for last year’s CSR Report to join us at the editing stage of this report. We reflected their objective opinions regarding the appropriateness of the reported information in an attempt to improve the transparency of the Report.
- 2) Considering the profit structure of our Group and the expansion of our business overseas, the report boundary also included Seven Bank, Ltd., 7-Eleven, Inc. and our local subsidiaries in China that manage superstores to disclose a wider range of information. We also referred to the ways we manage and supervise the CSR activities of those operating companies as a holding company.
- 3) In determining the structure of this Report, we segmented our operations in the same way as we do in the financial information provided in the other disclosure documents we publish (see below for details), so that all the information about our Group is disclosed in a consistent manner.
- 4) We compiled the data in a separate volume to improve the visibility and readability of the body text.

■ Report boundary

Seven & i Holdings Co., Ltd., Seven-Eleven Japan Co., Ltd., Ito-Yokado Co., Ltd., Sogo & Seibu Co., Ltd., York-Benimaru Co., Ltd., Seven & i Food Systems Co., Ltd., and Seven Bank, Ltd. In addition to these seven companies, the Report also covers some of the other companies including 7-Eleven Inc., Hua Tang Yokado Commercial Co., Ltd., Chengdu Ito-Yokado Co., Ltd., and Beijing Wang fu jing Yokado Commercial Co., Ltd.

■ Report scope

This report examines the economic, social and environmental aspects of the activities carried out by the entities listed above, including related planning, performance, results and future policies.

■ Period of the Report

In principle, this Report covers our activities during FY2008 (March 1, 2008 to February 28, 2009). Some of our FY2009 activities are also included.

■ Reference

- Environmental Reporting Guidelines — Towards a Sustainable Society — (Fiscal Year 2007 Version), Ministry of the Environment, Government of Japan
- Sustainability Reporting Guidelines (Version 3.0), Global Reporting Initiative (GRI)
- ISO26000 (International Standard on Social Responsibility of Organizations), CD.1, Draft

■ Relationship with other disclosure documents

The main content of the information disclosed in this Report is our CSR information, which is non-financial. (For details of the CSR information of the individual operating companies, visit their websites or refer to their published materials.) Our financial information is disclosed and reported in our Annual Report, which we issue annually for our shareholders and investors. Our latest corporate information is available in our quarterly journal “Seven & i Holdings *Shikiho*.”

■ Publication schedule

Current report: October 2009
Next report scheduled to be published: September 2010

Seven & i Holdings 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.

Seven & i Holdings Corporate Action Guidelines (Formulated in 1993, last revised in 2007)

Preamble

The Company's mission is to provide customers with valuable products and services and to create new wealth and employment opportunities by conducting management with respect for business ethics.

All the management and staff of Seven & i Holdings view customer satisfaction as their highest responsibility, and are all engaged in the pursuit of this mission.

To this end, we have established a sound management structure. We meet our social responsibilities, employing business practices in accordance with laws, regulations and social norms and with respect for human rights, the dignity of everyone with whom we are associated and the diverse values of international society.

We conduct business based on these policies and in compliance with the following regulations:

Ethics and Compliance with Regulations

Basic policy

In operating our business, our corporate actions are developed to follow management ethics, comply with laws, ordinances, rules and social precepts, and fulfill our responsibilities to society.

Business activities

1. Relationships with customers / sales activities
2. Relationships with business partners / business activities
3. Relationships with shareholders
4. Promotion of fairness

Social responsibility

1. Respect for human rights and human dignity
2. Employment and the workplace environment
3. Environmental management
4. Relationship with the community
5. Information management

Disclaimer

In addition to past and current information concerning Seven & i Holdings and its operating companies, this report includes speculation about the state of society, as well as predictions concerning business plans and policies and their anticipated results. These predictions and speculation represent hypothetical conclusions based upon information available at the time they were recorded. Both the future state of society and the actual business results may vary due to changes in various factors. We request the understanding of our readers in this regard.

We respond to changes in public expectations and aim for sustainable development.

Toshifumi Suzuki

Chairman and Chief Executive Officer
Seven & i Holdings Co., Ltd.



We aim to be a “new, comprehensive lifestyle industry” that continues to respond to a variety of needs in the midst of dynamic societal changes.

The financial crisis triggered by the U.S. subprime mortgage problem in 2008 has developed into a global economic crisis that is said to be the worst in a century. Moreover, Japan faces a number of domestic issues that are becoming more and more serious, including the declining birth rate, aging population, shortage of employment and increasing concern over food safety and reliability, in addition to global issues such as global warming, the surge in resource and energy prices, the widening gap between the rich and the poor, and the outbreak of infectious diseases.

In response to these changes, we in the Seven & i Holdings Group (“our Group”) are aiming to create a “new, comprehensive lifestyle industry” that continues to respond to the needs of each of our customers. In this process, we make use of the synergy of our Group, centering on seven core operational areas that are closely connected to the daily lives of our customers: convenience stores, superstores, supermarkets, department stores, food services, financial services, and IT/services.

We work under three committees to take our groupwide CSR activities to the next level.

We undertake our corporate social responsibility (CSR) activities together with our Group companies based on the idea of our corporate creed: “We aim to be a sincere company that our stakeholders trust.” In fiscal year (FY) 2008, we set up three committees — the CSR Management Committee, the Risk Management Committee and the Information Management Committee — to take our groupwide CSR activities to the next level.

Each committee analyzes and verifies global issues — their relationship with domestic issues and the sustainability of our Group’s operations — identifies the issues we should tackle, and determines future policy. In this way, each committee reviews the Group companies’ activities on a timely basis from the point of view of CSR in an effort to take our CSR activities to the next level.

We strive to help develop a sustainable society through dialogues with our stakeholders.

Dialogues with diverse stakeholders are essential for resolving global and domestic issues. We at Seven & i Holdings and our Group companies are tackling these issues by holding proactive dialogues with our stakeholders — including customers, shareholders, business partners, local communities, employees and stakeholders in our stores, on our sales floors and other business sites — and by attempting to respond to them sincerely.

To make these efforts, we ensure that each of our employees recognizes the importance of the issues via the committees. To ensure our sustainable growth and development as a business group, we are striving to incorporate into our daily activities such action assignments as compliance with laws, rules and social precepts, maintenance of fair trade, respect for diversity, coexistence with local communities and awareness of the global environment.

We at Seven & i Holdings aim to harmonize our sustainability with that of society by responding to public expectations through our efforts in our regular operations. We also intend to maximize our corporate value by undertaking sincere business management based on the ideas of CSR.

We look forward to your continued support.

Achieving measures based on safety and reliability for our customers and CSR activities through our regular operations.

Noritoshi Murata

President and Chief Operating Officer
Seven & i Holdings Co., Ltd.



Contributing to resolving social issues through our regular operations by focusing the infrastructures and expertise of our Group.

Every day, around 36 million customers visit our Group stores in Japan and overseas.

The operations of our Group, including retail sales, food services, and financial services, serve as social infrastructures that are essential for our customers in their daily lives. With full awareness of our responsibilities, we have been thinking seriously about what we can do to resolve social issues through our regular operations and tackling the issues, by concentrating the infrastructures and expertise of our Group companies without being constrained by our past experiences.

In FY2008, we developed and began to provide a variety of products and services that ensure safety and reliability for our customers, including products under the label Seven Premium, a private brand that was developed jointly by our Group companies across business categories. In response to the declining birth rate and aging population, and to help women advance in society, we expanded our internet operations (Seven-Eleven Net and Net Supermarket), which integrate actual stores with the internet. We also established Seven Farm Tomisato, a new agricultural production corporation aimed at developing agriculture in a closed-loop recycling system. To help create a low-carbon society, we developed a program for reducing CO₂ emissions with the International Tropical Timber Organization (ITTO) and dedicated our efforts to opening eco-friendly stores.

Raising employee awareness of our Corporate Action Guidelines and fulfilling our commitment to compliance throughout our Group.

To be a sincere company trusted by our stakeholders, we at Seven & i Holdings have been increasing employee

awareness of our Corporate Action Guidelines through the Corporate Ethics Committee of each group company. We have also been striving to ensure our full compliance with the laws and regulations related to the operations of our Group companies.

To strengthen compliance throughout our Group, we established a dedicated Help Line for all our business partners in December 2007. Moreover, in addition to the existing internal notification systems of our group companies, in September 2009 we established an external help line that can be used by all the employees of our Group companies.

While improving our systems in this way, we ensure that all our employees give careful consideration to CSR. We will continue to commit to further strengthening our compliance through dialogues between our various stakeholders and operating companies at individual operating sites so that we are trusted as a sincere company.

Improving transparency and objectivity in disclosing our CSR information.

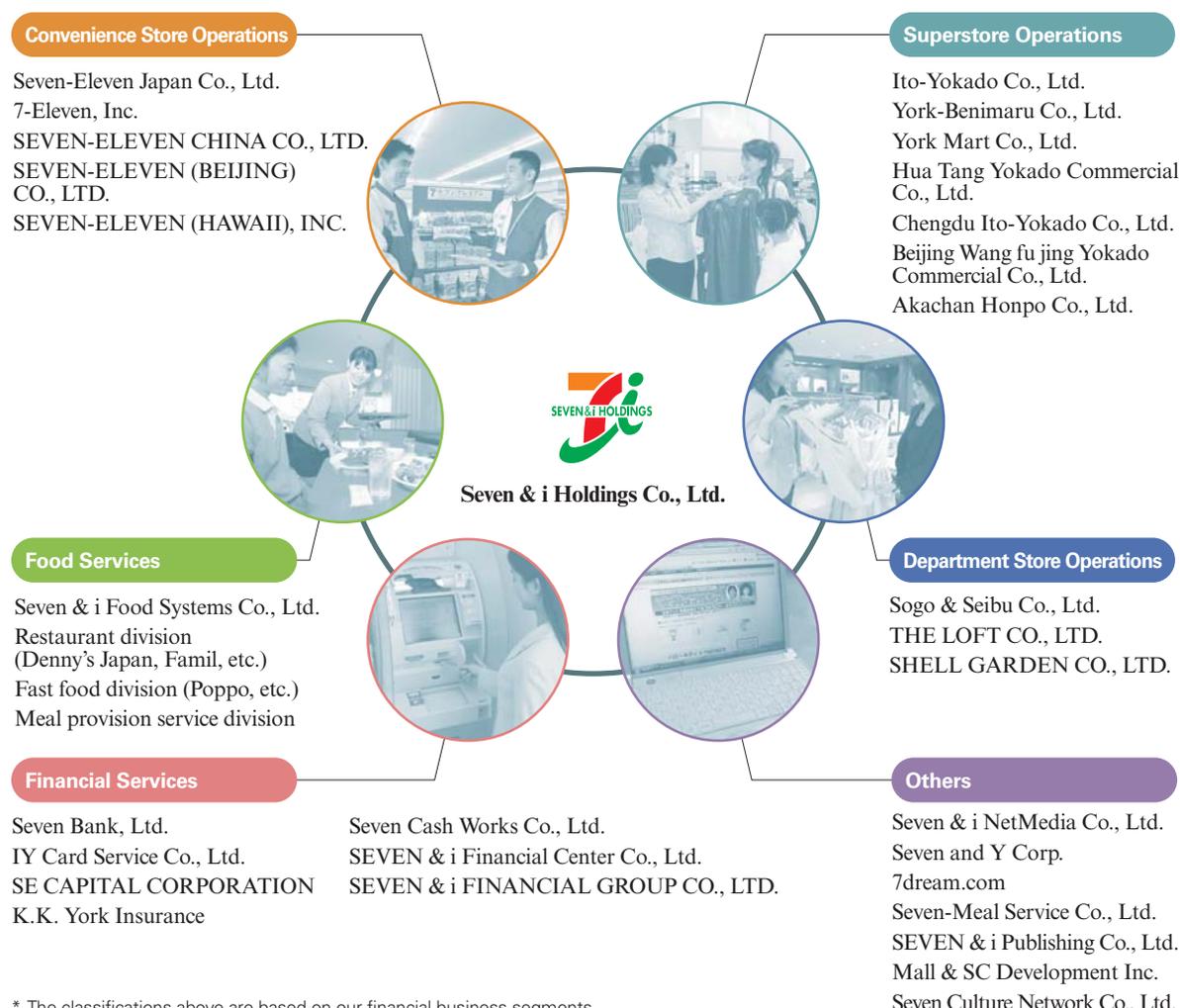
In disclosing a variety of CSR information this year, we aimed to improve the transparency and objectivity of the Report by picking out information based on the opinions and suggestions of professional external advisers. We also added Seven Bank, Ltd., 7-Eleven, Inc. and our superstore operations in China in light of the profit structure of the entire Group and the expansion of our business overseas. We would like to ensure that our Group's business activities are widely understood, with this Report serving as a tool for our dialogues with our stakeholders.

The Seven & i Holdings Group will continue to improve our CSR activities through our regular operations to maximize our corporate value and be a sincere, trustworthy company.

We look forward to your continued support.

GROUP OVERVIEW

We aim to be a “new, comprehensive lifestyle industry” that attends to the diverse needs of our customers and creates new values that are aligned with the times.



Corporate profile (as of February 28, 2009)

Company name: Seven & i Holdings Co., Ltd.

Headquarters: 8-8, Nibancho, Chiyoda-ku, Tokyo 102-8452, Japan

Establishment: September 1, 2005
Listed in the First Section of the Tokyo Stock Exchange

Nature of business:

A pure holding company that plans, administrates and operates a corporate group, primarily operating convenience stores, superstores, department stores, supermarkets, restaurants, financial services and IT/services businesses.

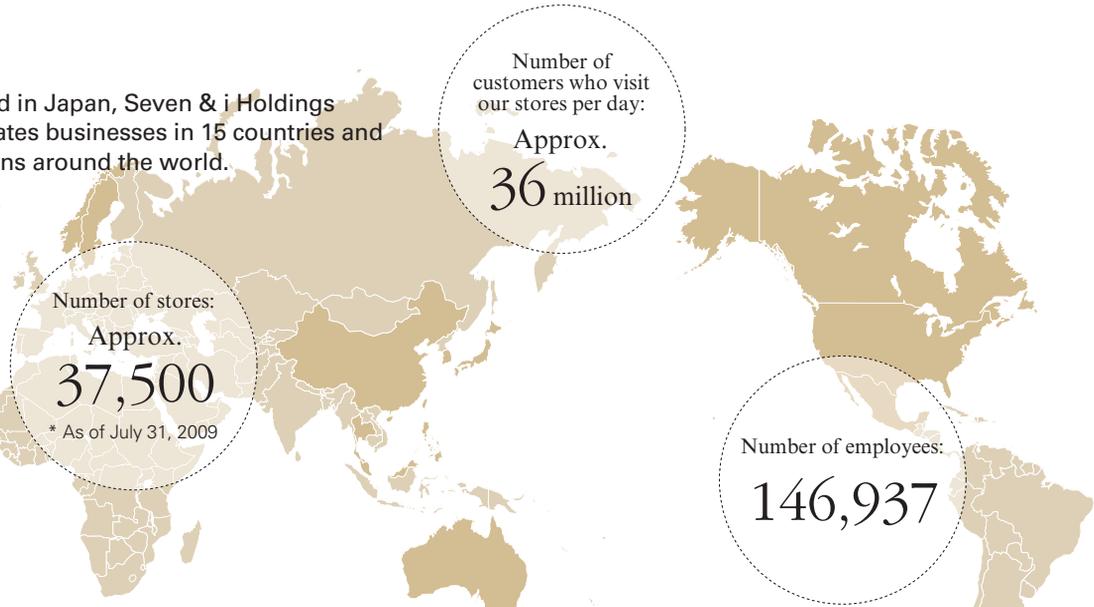
Paid-in capital: ¥50 billion

Consolidated number of employees: 146,937

Consolidated operating results for fiscal year ended February 28, 2009:

Revenues from operations:	¥5,649.9 billion
Operating income:	¥281.8 billion
Ordinary income:	¥279.3 billion
Net income:	¥92.3 billion

Based in Japan, Seven & i Holdings operates businesses in 15 countries and regions around the world.



As a holding company, we seek to achieve profits for our shareholders.

Seven & i Holdings Co., Ltd. is a pure holding company that was established on September 1, 2005, through a stock transfer by Seven-Eleven Japan Co., Ltd., Ito-Yokado Co., Ltd. and Denny's Japan Co., Ltd. At the Company, we oversee approximately 100 operating companies, primarily retail businesses, and operate global businesses that are closely connected with the daily lives of our customers.

The corporate creed of Seven & i Holdings begins with the sentence, "We aim to be a sincere company that our shareholders trust." To achieve this credo, we take action from the perspective of our shareholders and strive to improve the Group's financial strength, transparency and efficiency, as well as to secure steady profit growth, expand and develop our group business, and disclose information in a timely and appropriate manner.

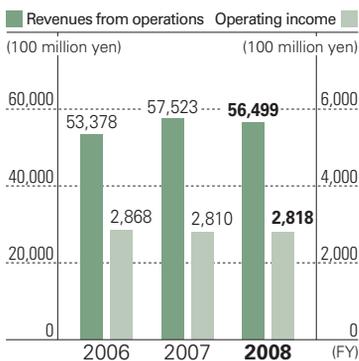
We have active communication with investors

We at Seven & i Holdings send out notices advising shareholders of annual meetings earlier than the date required by law to increase the activity in the meetings and facilitate the smooth exercise of voting rights. For institutional investors, our notice of the annual shareholders' meeting is posted on the membership websites of several trust banks. We have also participated in an online proxy voting system for institutional investors called the ICJ Platform.

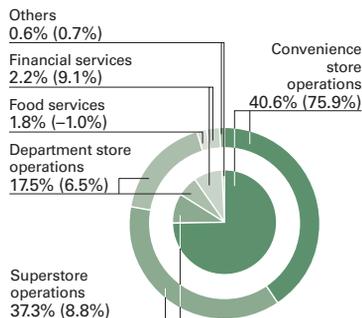
At Seven & i Holdings, inquiries from shareholders are addressed directly by the staff of the relevant department to ensure timely and appropriate responses. In addressing questions from investors, our staff

members comply fully with laws and regulations and pay due consideration to providing fair information. As part of our efforts to ensure this process, we have established the Disclosure Sub-Committee under the Information Management Committee to ensure that our financial and other important information is disclosed in an accurate, fair and timely manner. In addition, our website includes relevant information for investors, such as the financial results (Kessan Tanshin), real-time disclosure information, other IR material and stock information. We are focusing on investor relations programs to disclose adequate and relevant information to investors and financial analysts.

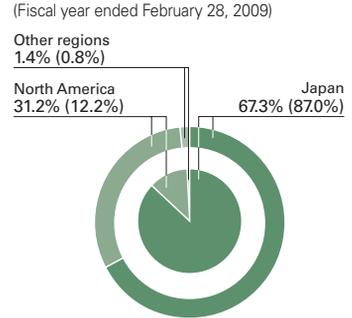
Revenues from operations and operating income



Component ratio of each business segment in revenues from operations (outer circle) and operating income (inner circle) (Fiscal year ended February 28, 2009)



Component ratio of geographic area segments of our revenues from operations (outer circle) and operating income (inner circle) (Fiscal year ended February 28, 2009)



Convenience Store Operations



Seven-Eleven Japan Co., Ltd.

The operation of Seven-Eleven stores is a joint business between Seven-Eleven Japan (“SEJ”) and the store owners as independent managers. We strive to create stores that are popular with our local customers, with clear role assignments and a unique franchise system.

Corporate profile

Establishment: November 1973

Headquarters: 8-8, Nibancho, Chiyoda-ku, Tokyo 102-8455, Japan

Nature of business:

Operation of franchise convenience store chain in Japan

Paid-in capital: ¥17.2 billion

Total sales: ¥2,762.5 billion

Number of employees: 11,480¹

Number of stores: 12,298



¹ Including permanent employees and part-timers at directly operated stores. The number of part-timers represents the monthly average based on the assumption that one month consists of 163 hours (eight hours/day).

Seven-Eleven Japan Franchising



Three Mechanisms for Mutual Trust

Profit sharing

A system for the fixed-rate sharing of franchisee gross profits (sales less cost of goods sold) between the franchisees and SEJ

“Open account” system

A system for payment and financing that enables franchisees to commence their business with a small initial outlay and sustain stable operations

Minimum guarantees

A system that guarantees specified annual gross profit levels to franchisees



7-Eleven, Inc.

Corporate profile (Financial results for fiscal year ended December 31, 2008)

Establishment:

August 1927 (as Southland Corporation, the predecessor). The corporate name was changed to 7-Eleven, Inc. in April 1999.

Headquarters:

One Arts Plaza 1722 Routh Street, Dallas, Texas, USA 75201-2506

Nature of business:

Operation of a franchise convenience store chain in North America and the granting of area licenses around the world.

Paid-in capital: US\$11,000

Total sales: ¥1,725.9 billion (converted at the rate of ¥103.48 to US\$1.00)

Number of employees: 24,515 (as of February 28, 2009)

Number of stores: 6,196



Superstore Operations

Ito-Yokado Co., Ltd.

We at Ito-Yokado strive to meet the needs of every customer as a Life Base of the local communities. In FY2008, we launched new operations (discount stores and home centers). We operate a wide variety of stores that are suited to locations, trading areas and local needs.

Corporate profile

Establishment: April 1958

Headquarters: 8-8, Nibancho, Chiyoda-ku, Tokyo 102-8450, Japan

Nature of business:

Operation of superstores selling food, apparel and household goods

Paid-in capital: ¥40.0 billion

Total sales: ¥1,436.5 billion

Number of employees: 41,928

Number of stores: 175



Formats of Ito-Yokado Stores

Comprehensive shopping centers

Mall-style stores featuring various retail and amusement facilities



General merchandising stores

Large-scale stores covering a full range of daily products, including food, apparel and household goods, to meet consumer needs in highly populated urban areas



Neighborhood shopping centers

Food supermarkets and specialty stores to meet consumer needs in smaller commercial areas



Discount stores

Lifestyle Support Discount Stores that offer food products (as the main category), apparel and household goods at reasonable prices



Home centers

Stores specializing in household goods such as miscellaneous daily goods, DIY goods (hardware and tools), pets and pet supplies, and gardening supplies



Hua Tang Yokado Commercial Co., Ltd.

Corporate profile

(Financial results for fiscal year ended December 31, 2008)

Establishment: September 1997

Headquarters: Beijing, China

Nature of business:

Operation of superstores selling apparel, food and household goods

Paid-in capital: US\$65,000,000

Total sales:

¥36.3 billion

(converted at the rate of ¥14.85 to 1 yuan)

Number of employees: 3,145

Number of stores: 8

Chengdu Ito-Yokado Co., Ltd.

Corporate profile

(Financial results for fiscal year ended December 31, 2008)

Establishment: December 1996

Headquarters: Sichuan province, China

Nature of business:

Operation of superstores selling apparel, food and household goods

Paid-in capital: US\$23,000,000

Total sales:

¥36.7 billion

(converted at the rate of ¥14.85 to 1 yuan)

Number of employees: 2,318

Number of stores: 3

Beijing Wang fu jing Yokado Commercial Co., Ltd.

Corporate profile

(Financial results for fiscal year ended December 31, 2008)

Establishment: November 2004

Headquarters: Beijing, China

Nature of business:

Operation of superstores selling high-end food items

Paid-in capital: US\$12,000,000

Total sales:

¥2.0 billion

(converted at the rate of ¥14.85 to 1 yuan)

Number of employees: 249

Number of stores: 1

Superstore Operations

York-Benimaru Co., Ltd.



We at York-Benimaru operate a network of supermarkets in Fukushima, Miyagi, Yamagata, Tochigi and Ibaraki prefectures. We have established community-based stores to help regular customers in smaller commercial areas to achieve a happier, richer and more convenient diet. We also aim to provide supermarkets that suggest a lifestyle to customers by offering superior service, a wide variety of fresh food, safe and reliable products, numerous suggestions and good bargains.

Corporate profile

Establishment: June 1947

Headquarters: 18-2, 2-chome, Asahi, Koriyama-shi, Fukushima, 963-8543, Japan

Nature of business:

Superstore business selling food products (as the main category), apparel and household goods

Paid-in capital: ¥9.9 billion

Total sales: ¥338.0 billion

Number of employees: 12,784

Number of stores: 156

Department Store Operations

Sogo & Seibu Co., Ltd.



Sogo & Seibu Co., Ltd. was established in August 2009 through the merger of Sogo Co., Ltd., an established, time-honored department store chain, SEIBU Department Stores, Ltd., an innovative department store chain that stays ahead of the times, and Millennium Retailing, Inc., which functions as the headquarters of the two companies. In September of the same year, the new company merged with Robinson Department Store Co., Ltd. Sogo & SEIBU runs the Group's department stores in an integrated manner. It aims to provide the best service to customers in each local community while operating in accordance with the corporate creed of "being a company that invents customer service."

Corporate profile

Establishment: 1830

Headquarters: Nibancho Center Building, 5-25, Nibancho, Chiyoda-ku, Tokyo 102-0084, Japan

Nature of business: Department store operations

Paid-in capital: ¥10.0 billion

Total sales: ¥958.4 billion

Number of employees: 11,397

Number of stores: 30

New companies

Seven Culture Network Co., Ltd.

Established on January 15, 2009

Seven Culture Network was established to develop and offer new intellectual experience content by integrating the community school business with the travel business under the keywords of "Learning" and "Experiencing (Travelling)." At the company, we function as a high-quality concierge and develop and plan hands-on events. We are also planning to establish sales floors combining galleries, cafes, and product sales.



Seven Internet Lab. Co., Ltd.

Established on March 24, 2009

We established the new company by a joint venture in cooperation with NEC Corporation to conduct research and system development toward an information-based society under the premise of the "creation of retail / IT synergies." At Seven Internet Lab., we provide solutions for streamlining systems while conducting research into the integration of internet-based retail operations with physical retail businesses and expertise on the strategic use of data.

Food Services

Seven & i Food Systems Co., Ltd.



At Seven & i Food Systems, we have been reforming our three operations — restaurants, fast food and meal provision service divisions — in response to changes in customers' diets. With regard to restaurant operations, we review the prices and menus, and support community-based operations so that our restaurants win local repeat customers. We are also aiming to suggest new eating habits.

Corporate profile

Establishment: January 2007
Headquarters: 8-8, Nibancho, Chiyoda-ku, Tokyo 102-8415, Japan
Nature of business:
 Operation of restaurants, fast food and meal provision service businesses
Paid-in capital: ¥3.0 billion
Total sales: ¥102.1 billion
Number of employees: 14,739
Number of restaurants: 959

Financial Services

Seven Bank, Ltd.



Founded in 2001, we at Seven Bank specialize in the ATM business and have expanded our network of ATMs throughout Japan with the motto "Everyone's ATM network, anytime and anywhere, safe and secure." Currently, we are proceeding with the installation of ATMs in locations that are necessary for customers, such as airports and train stations, as well as in Seven & i Holdings Group stores. We at Seven Bank are also taking steps to diversify those of its services that make use of ATMs, including sales proceeds deposit services for corporate customers. We constantly review our services from a customer point of view and seek to provide services that are more familiar to customers.

Corporate profile (Financial results for fiscal year ended March 31, 2009)

Establishment: April 2001
Headquarters: 1-6-1, Marunouchi, Chiyoda-ku, Tokyo 100-0005, Japan
Nature of business: ATM operations and financial services
Paid-in capital: ¥30.5 billion
Ordinary revenue: ¥89.8 billion
Number of employees:
 308 (excluding directors, temporary workers, dispatched workers and part-timers)
Number of installed ATMs: 13,803

Seven Health Care Co., Ltd.

Established on June 1, 2009

We established Seven Health Care Co., Ltd. as a joint venture with AIN PHARMACIEZ INC., a leader in dispensing pharmacies, to respond to market changes associated with the aging society and new legislation. On September 7, Seven Health Care opened *Seven Bi no Gardens* (Seven Beauty Gardens) in the Funabashi store of Ito-Yokado, to develop a new health and beauty store business model. We are also developing new pharmaceuticals, benefiting from the experience of creating our private brand, Seven Premium.

