We aim to make even greater leaps forward, as a company that continues to gain customers' trust



Toshifumi Suzuki Chairman and Chief Executive Officer

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Our supply chain was confirmed to be solid

In 2011, the Great East Japan Earthquake inflicted a tremendous amount of damage on the country. This was a particularly difficult year for the Seven & i Group as well. Yet we were able to confirm the unity of the entire supply chain, including our business partners, which is capable of stably procuring and shipping products to stores under any circumstances, and which comprises reliable store operators. It was, therefore, a year in which we were able to utilize the Group's strengths for contributing to society.

Creating businesses that contribute to resolve social issues

Not limited to our response to the earthquake, the Seven & i Group at all times assumes a role as part of the social infrastructure. With the aim of contributing to resolving social issues, for instance, we focus our efforts on expansion of products and services handled at our stores, as well as mobile stores and Net Supermarket, that bring products closer to customers, with the hope of addressing the increasing number of people having difficulty in shopping.

In order to make these corporate policies clear to both in-house and external parties, we announced the brand message across the Group in April 2012 – "It's a New Day." The message embodies our commitment to continually take on challenges in order to convey something new about ourselves to customers every day.

Matters of focus in FY2011 and onward

While expanding our businesses, in FY 2011 we strived to reduce environmental impact by aggressively introducing energy-saving facilities mainly at Seven-Eleven stores. Also, as a measure to reduce CO₂ emissions other than in business operations, we decided in FY2012 to engage in domestic forest improvement activities, following the activities for conserving tropical forests in Indonesia that began in FY2009. Not only providing financial assistance, we plan to dispatch employees to the forest conservation activities and implement measures that only retailers are capable of, such as developing products that use wood from forest thinning.

In addition, a project for promoting diversity began in FY2011, and store operations by women started in FY2012. We will promote store operations that utilize the viewpoints of women, who account for 70% of our customers, as well as a working environment that is a comfortable workplace for women and all other employees.

Signed the United Nations Global Compact

In order to promote CSR, we reviewed the relevant organizations, and revised the Seven & i Holdings Corporate Action Guidelines in FY2011. In July 2012, we signed the United Nations Global Compact that sets forth 10 rules related to human rights, labor, the environment and anti-corruption. As a global corporate group that is expanding the number of companies under its umbrella as well as its business scale, we recognize our great responsibility to society through these measures, and are determined to fulfill our diverse responsibilities, including the reduction of environmental impact, assurance of product quality and safety, and making use of diverse human resources.

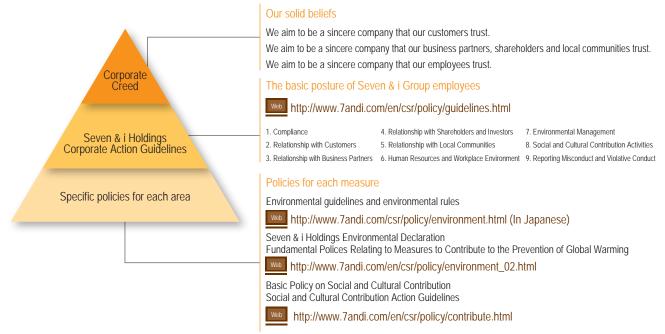


CSR policies and challenges facing the Seven & i Group

Policy for promoting CSR

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

Diagram showing the relationship among policies related to CSR



Challenges Facing the Seven & i Group

| 3 | Strengthening Corporate Governance and CSR Management | |
|---|---|---|
| | (1) Strengthening internal control(2) Strengthening CSR management(3) Ensuring compliance | (4) Promoting fair business practices(5) Establishing corporate ethics(6) Promoting CSR procurement |
| | Reducing the Environmental Impact | |
| | (1) Attaining an appropriate grasp of environmental impacts(2) Improving energy efficiency and introducing renewable energy(3) Reducing waste and developing a recycling-oriented society | (4) Implementing measures for biodiversity(5) Offering eco-friendly products(6) Raising environmental awareness among employees |
| | Providing Safe, Reliable Products and Services | |
| | (1) Ensuring the quality and safety of products and services (2) Assuring appropriate information provision (3) Responding sincerely to customer opinions | (4) Developing stores and facilities customers can visit with a sense of security |
| | Creating Fulfilling Workplaces | |
| | (1) Supporting development of employee abilities (2) Assuring fair assessment and treatment of employees (3) Achieving a work-life balance | (4) Making use of diverse human resources(5) Assuring consideration for worker health and safety |
| | Coexisting with Local Communities | |
| | (1) Supporting young parents and the elderly(2) Assisting local community revitalization | (3) Providing support in times of disaster(4) Implementing crime prevention measures for local communities |

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