

Seven & i Holdings

CSR Report 2012

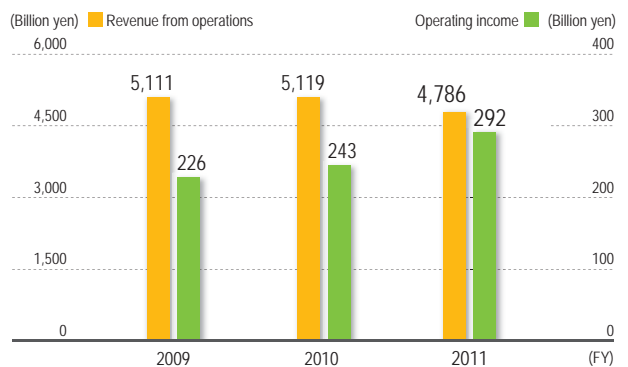




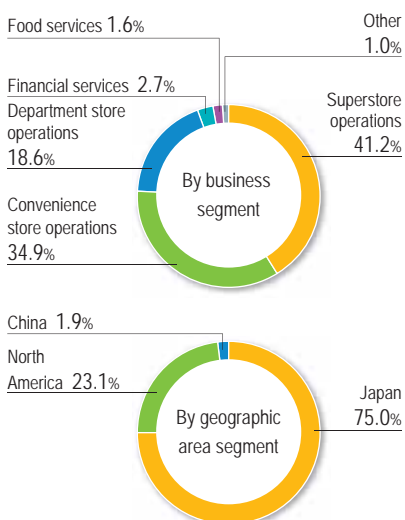
Corporate Data (as of February 29, 2012)

Company name	Seven & i Holdings Co., Ltd.
Headquarters	8-8 Nibancho, Chiyoda-ku, Tokyo 102-8452, Japan
Established	September 1, 2005
Businesses	Planning, management, and operations for the various Group companies, centered on convenience stores, general merchandise stores, department stores, supermarkets, food services, financial services, and IT/services
Paid-in capital	¥50 billion
Employees (consolidated)	134,689* *Including part-time employees (monthly average number, with 8 hours/day counted as one employee)
Website	http://www.7andi.com/en/

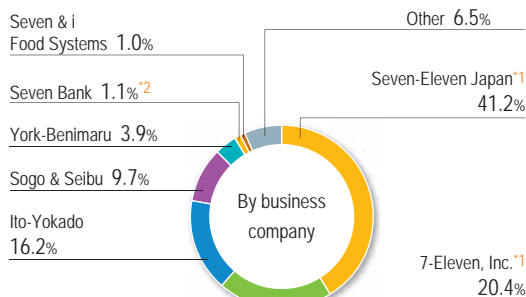
Revenue from operations and operating income



Revenue from operations (FY2011)

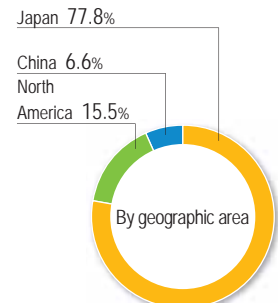


Net sales (FY2011)



^{*1} The sales represent total store sales.
^{*2} The sales represent ordinary income.

Consolidated employees



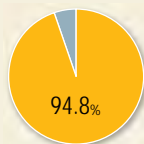
About the CSR Report

The CSR Report 2012 mainly covers measures being implemented by Seven & i Holdings, the holding company, as well as major initiatives by operating companies. It was compiled in line with the Challenges Facing the Seven & i Group (see page 5).

- Report coverage

The Report mainly covers the following organizations. Information on each company is also available on the following websites.

Sales of reporting organizations as a percentage of overall sales



Seven & i Holdings Co., Ltd.
<http://www.7andi.com/en/csr/index.html>

Seven-Eleven Japan Co., Ltd. (in Japanese)
<http://c.sej.co.jp/corp/social/>

Ito-Yokado Co., Ltd. (in Japanese)
<http://www.itoyokado.co.jp/company/iycsr/>

York-Benimaru Co., Ltd. (in Japanese)
<http://www.yorkbeni.co.jp/enviro/index.html>

Sogo & Seibu Co., Ltd. (in Japanese)
<http://www.sogo-seibu.co.jp/csr.html>

Seven & i Food Systems Co., Ltd. (in Japanese)
<http://www.7andi-fs.co.jp/7fs/company/csr.html>

Seven Bank, Ltd. (in Japanese)
<http://www.sevenbank.co.jp/corp/csr/>

7-Eleven, Inc.
<http://corp.7-eleven.com/>

SEVEN-ELEVEN (HAWAII), INC.
<http://www.7elevenhawaii.com/home>

SEVEN-ELEVEN (BEIJING) CO., LTD. (in Chinese)
<http://www.7-11bj.com.cn/>

Hua Tang Yokado Commercial Co., Ltd. (in Chinese)
<http://www.ht-store.com/d/index.do>

Chengdu Ito-Yokado Co., Ltd. (in Chinese)
<http://www.iy-cd.com/>

Beijing Wang fu jing Yokado Commercial Co., Ltd. (in Chinese)
<http://www.wfj-yokado.com/>

- Period of the Report

In principle, this Report covers our activities during FY2011 (March 2011 to February 2012). Some of our activities in FY2012 are also included.

- References

- Environmental Reporting Guidelines – Towards a Sustainable Society – (FY2007 Version), Ministry of the Environment, Government of Japan
- Sustainability Reporting Guidelines (Version 3.1), Global Reporting Initiative (GRI)
- ISO26000

- Current Report September 2012

- Scheduled publication of next Report September 2013


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Disclaimer

The data shown in this report are based on information as of the time of writing. Actual activities and results may differ depending on future social changes.

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



Toshifumi Suzuki
Chairman and Chief Executive Officer

鈴木敏文



Noritoshi Murata
President and Chief Operating Officer

村田記敏

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.

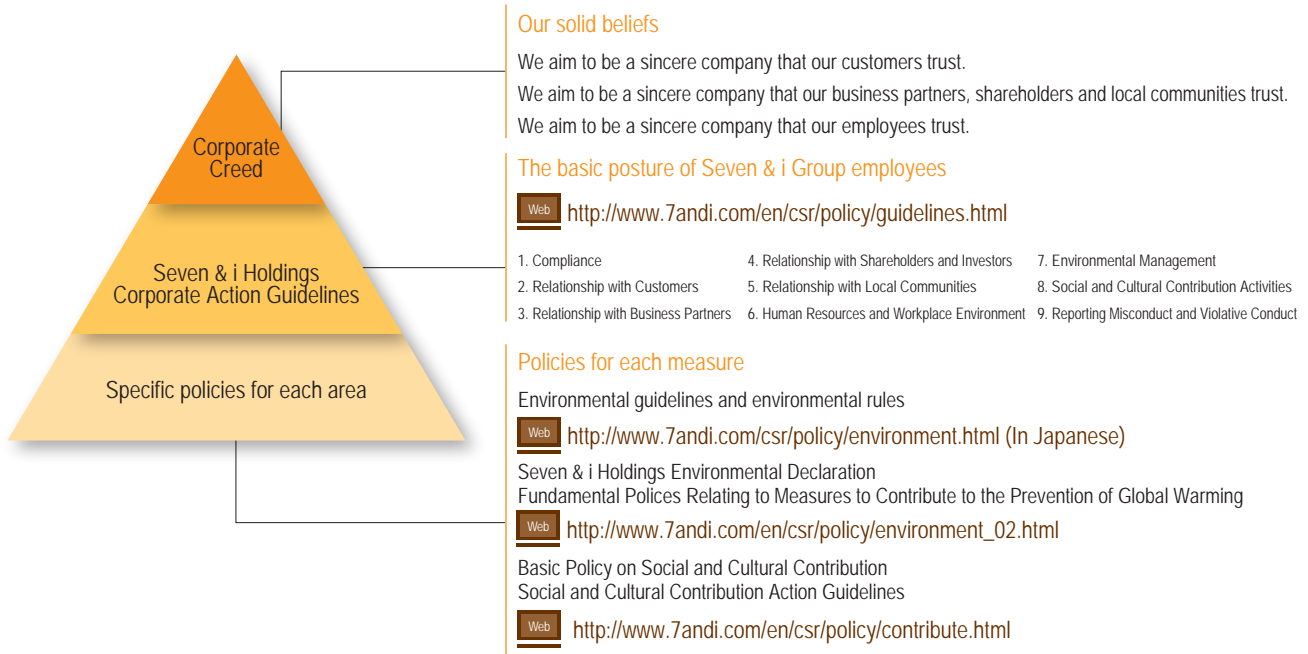


CSR policies and challenges facing the Seven & i Group

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



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

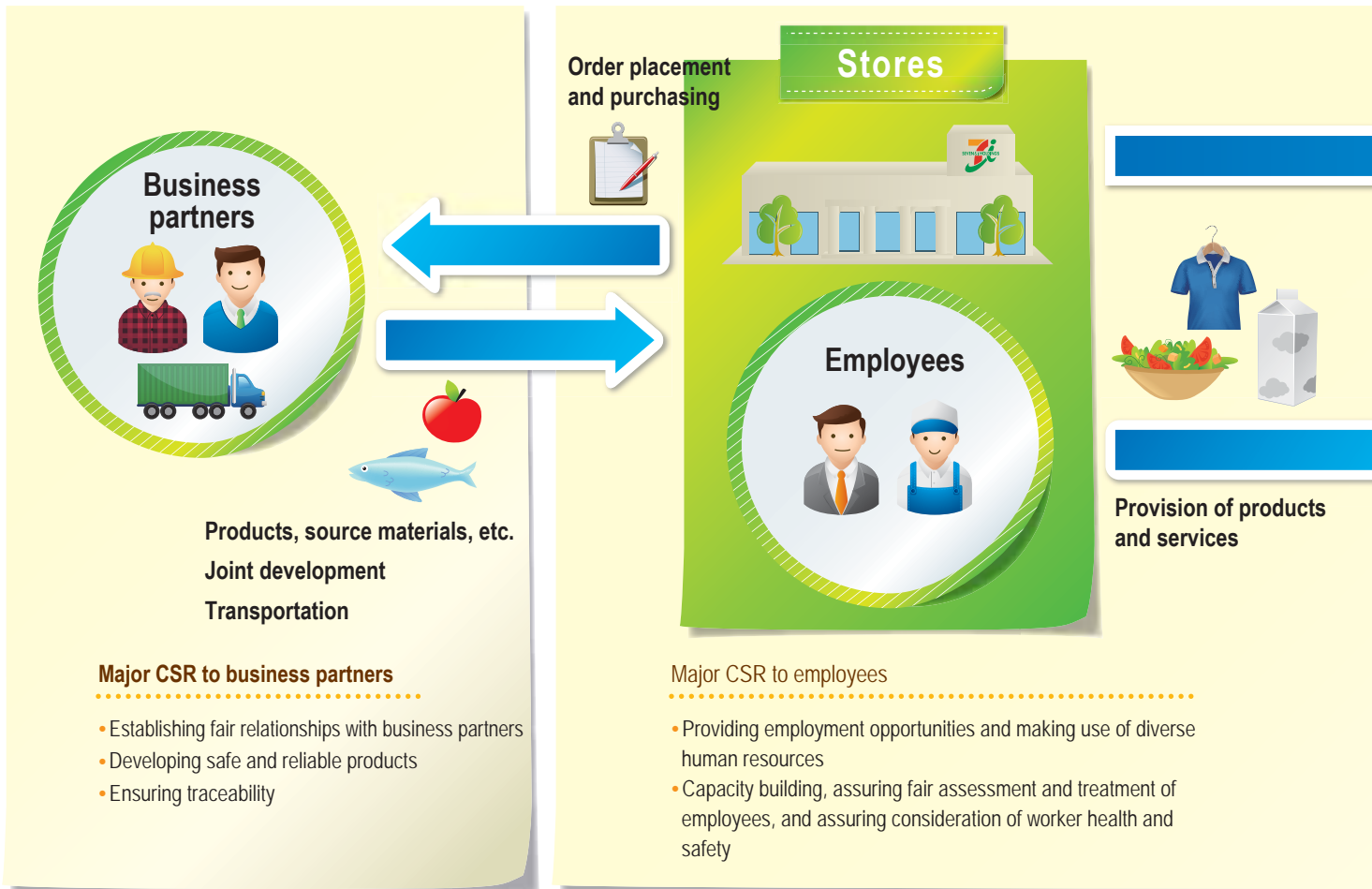
- (1) Supporting development of employee abilities
- (2) Assuring fair assessment and treatment of employees
- (3) Achieving a work-life balance
- (4) Making use of diverse human resources
- (5) Assuring consideration for worker health and safety



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

We will fulfill our corporate social responsibility (CSR) in consideration of the characteristics of our businesses



Business features

1

Collaborating with many business partners

The Seven & i Group has diverse business partners, ranging from agricultural producers and manufacturers to wholesalers and distributors. To achieve CSR at all stages of our business activities, including the provision of safe and high-quality products, it is important to build cooperative relations with them as equal partners and promote CSR jointly. The Seven & i Group has formulated the Seven & i Holdings Business Partner Action Guidelines for promoting our business partners' understanding of CSR, and established the Business Partner Help Line outside the company.

- ➔ Strengthening Corporate Governance and CSR Management
- ➔ Providing Safe, Reliable Products and Services

P.10

P.28

Business features

2

Employment of diverse employees and capacity building

Over 130,000 employees work with the Seven & i Group. We offer employment opportunities to many people through diverse working arrangements, including part-time staff and temporary workers, and support capacity building and career development of each worker through education, training and fair assessment.

In order to heighten customer satisfaction and respond to the trust customers place in us, we strive to improve the ability of each of our salespeople to communicate and deal with customers, and raise awareness of compliance among employees.

- ➔ Creating Fulfilling Workplaces

P.32



Environmental impact from business operations

Customers



Major CSR to customers

- Providing safe, reliable products and services
- Sincerely responding to customers
- Developing stores and facilities that customers can visit with a sense of security

Local communities



Major CSR to local communities

- Supporting young parents and the elderly
- Assisting in local community revitalization and crime prevention
- Providing support in times of disaster

Environment



Major CSR to the environment

- Promoting energy conservation measures
- Reducing waste
- Offering eco-friendly products

Business features

3

Utilizing our stores as infrastructure

There are about 46,600 stores in the seven & i Group in the world (including stores operated by companies granted a defined area license), and about 48 million customers visit them each day (see page 37). Making use of the characteristics of stores, which bring together many people, we hope to make our stores part of the infrastructure of daily lives so they can be useful to customers in diverse ways. For example, we have offered consultation services to parents on raising their children, a service they can use casually when shopping, and as a part of our supporting measures for school education we have been accepting students to offer them work experience. We have also helped to link customers with various social issues through various measures, such as installing collection boxes for aiding disaster-affected areas, environmental conservation and other issues.

- ➔ **Contributing to Resolution of Diverse Challenges as Social Infrastructure** P.16
- ➔ **Coexisting with Local Communities** P.35

Business features

4

Balancing between business expansion and environmental impact

In order to fulfill our mission of offering society safe and reliable products and convenience, the Seven & i Group has continued aggressively opening new stores and developing products and services. The increasing number of stores, products and services accompanies the increase in electricity consumption and waste volume. While suppressing the expansion of the environmental impact to the extent possible, we strive to maintain the best balance between the benefits of our business activities to society and their environmental impact. At the same time, by participating in forest conservation and other projects both in Japan and abroad we support society-wide efforts to suppress CO2 emissions.

- ➔ **Reducing the Environmental Impact** P.20

As the holding company, we have established the group policies and the Challenges Facing the Seven & i Group and promoted CSR management

Setting the Challenges Facing the Seven & i Group

In 2009, through dialogue with outside experts, Seven & i Holdings set the five Challenges Facing the Seven & i Group. The Challenges were also established with reference to ISO26000, which are international guidelines on social responsibility, and GRI's Sustainability Reporting Guidelines. Seven & i Holdings and each of the operating companies work on CSR measures to address the Challenges.

Revising CSR management organizations

In order to strengthen measures regarding the Challenges and CSR activities, we established the CSR Department which reports directly to the president in April 2011 by integrating the CSR and social contribution divisions. Furthermore, in September of the same year,

CSR organization was revised by establishing the CSR Management Committee, which is chaired by the president of Seven & i Holdings and composed of the people responsible for the CSR-related divisions, and three subcommittees under its management—Corporate Ethics and Culture Subcommittee, Consumer Affairs and Fair Business Practices Subcommittee, and Environment Subcommittee.

Each subcommittee formulated targets for activities in line with the Challenges, and set up project teams for each specific activity to be pursued. Through an unprecedented move of establishing project teams, we are striving to accelerate the implementation of activities. At the same time, many operating companies are made to participate in the projects in order to raise the overall level of the Group.

Challenges Facing the Seven & i Group

FY2005-2010

 **Strengthening Corporate Governance and CSR Management**


- Established Group-wide Help Line for employees of domestic Group companies in a third-party organization → P.13
- Formulated the Business Partner Action Guidelines
- Established the Business Partner Help Line in a third party organization → PP.14-15



 **Reducing the Environmental Impact**


- Third-party reviews of CO₂ emissions data was conducted for each of the five operating companies, and the calculation conditions of all the companies were unified
- Made trial calculations on carbon footprints for 15 Seven Premium products
- Started Tropical Forest Conservation Project in Indonesia → P.27
- Opened eco-friendly stores → P.22



 **Providing Safe, Reliable Products and Services**



- Formulated New Influenza Countermeasures manual

 **Creating Fulfilling Workplaces**

- Transferred Ito-Yokado's Human Rights Awareness Office to the holding company for raising awareness on human rights in the Group → P.32

 **Coexisting with Local Communities**

- Concluded cooperation agreements for comprehensive regional activation (started in 2004) → P.35



Activity targets of the three CSR management subcommittees

Subcommittee	Targets
Corporate Ethics and Culture Subcommittee	<ul style="list-style-type: none"> Thoroughly ensuring compliance Creating fulfilling workplaces
Consumer Affairs and Fair Business Practices Subcommittee	<ul style="list-style-type: none"> Responding sincerely to customer opinions Ensuring the quality and safety of products and services Establishing fair business practices
Environment Subcommittee	<ul style="list-style-type: none"> Reducing the environmental impact Conserving the global environment

Details are reported on pages 12-13.



Junro Ito
Director
Senior Officer of CSR Department

Toward Sustainable Growth of Society and Business Entities

A year has passed since the establishment of the CSR Department, and an even more solid organization for promoting CSR has been built. In response to the publication and revision of ISO26000, the Keidanren Corporate Behavior Charter, and other guidelines, we revised the Seven & i Holdings Corporate Action Guidelines in September 2011 for clearly restating the Group's philosophy. The Guidelines are based on the latest social demands both in Japan and abroad, as well as incorporating the supply chain perspective.

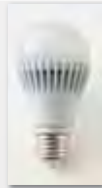
From here forward, the CSR Department will take the

initiative in promoting strategic CSR through various measures, such as building new business models that could help resolve social issues through business activities, as well as collaboration for CSR measures with NGOs and other organizations. Measures the Group implements will also be objectively verified with reference to ISO and other CSR guidelines published both in Japan and overseas. By steadily pursuing these activities we will strive to fulfill the corporate social responsibilities of the Seven & i Group in the hopes of ensuring sustainable growth of society and business.

FY2011

- Established the CSR Department
- Posted CSR information in the Group magazine → P.27
- Renewed the subcommittees of the CSR Management Committee → P.12
- Revised the Corporate Action Guidelines → P.5

- Established Environment Subcommittee → P.12
- Expanded use of LED lighting and smart sensors in stores → PP.22-23
- Released LED bulbs by the private brand Seven Premium



- Established Consumer Affairs and Fair Business Practices Subcommittee → P.12
- Formulated Large-Scale Disaster Countermeasures Procedures
- Started Disaster Prevention Project → P.11

- Began studies on measures to promote diversity → P.32



- Responding to the Great East Japan Earthquake → P.31, P.36
- Serving people having difficulty in shopping → PP.16-17

FY2012

- Held briefings for the Business Partner Action Guidelines, and began CSR auditing at our business partners → P.14
- Signed the United Nations Global Compact → P.4



- Conducted verification of the CO₂ emissions data of the five operating companies by an independent organization → P.64

- Started Forest Conservation Project in Nagano Prefecture → P.27



- Started various seminar programs jointly by the Group companies → P.28, P.31



- Established Group's Training Center → P.33
- Began store operation by women → P.32
- Started Diversity Promotion Project → P.32



- Established indicators for ensuring preliminary decisions and measuring results of social contribution programs

- Registered with Chiyoda Corporate Volunteer Association

As a holding company that oversees and controls its operating companies, it is our mission to strengthen corporate governance and maximize the enterprise value of our Group.

Corporate Governance System Supported by Executive Officer and Corporate Auditor Systems

The Board of Directors of Seven & i Holdings is composed of 16 Directors (of whom three are independent outside Directors). The term of Directors has been set to one year, to reflect the intentions of shareholders in a timely manner. The Executive Officer system has been adopted for prompt decision making and operations. The Board of Directors is responsible for formulating business strategies and supervising operations, and 17 Executive Officers, including those who also serve as Directors, are in charge of operating performance.

The Audit & Supervisory Board is composed of five members (of whom three are independent outside members), and monitors administration. In addition to attending Board Meetings and other important meetings, the Audit & Supervisory Board Members exchange opinions with the Representative Director and interview Directors regarding the status of operational performance. They share information with Directors, Members of the Audit & Supervisory Board, and other officers of operating companies, and strictly audit Directors' performance of duties. They also exchange information with Independent Auditors, and collaborate closely with them in auditing.

Outside Directors and Audit & Supervisory Board Members supervise and audit operating performance by presenting advice

and suggestions to ensure the validity and appropriateness of decisions made by Directors and their operating performance, and by exchanging opinions with Directors and others at meetings concerning company operations, corporate governance, and other matters.

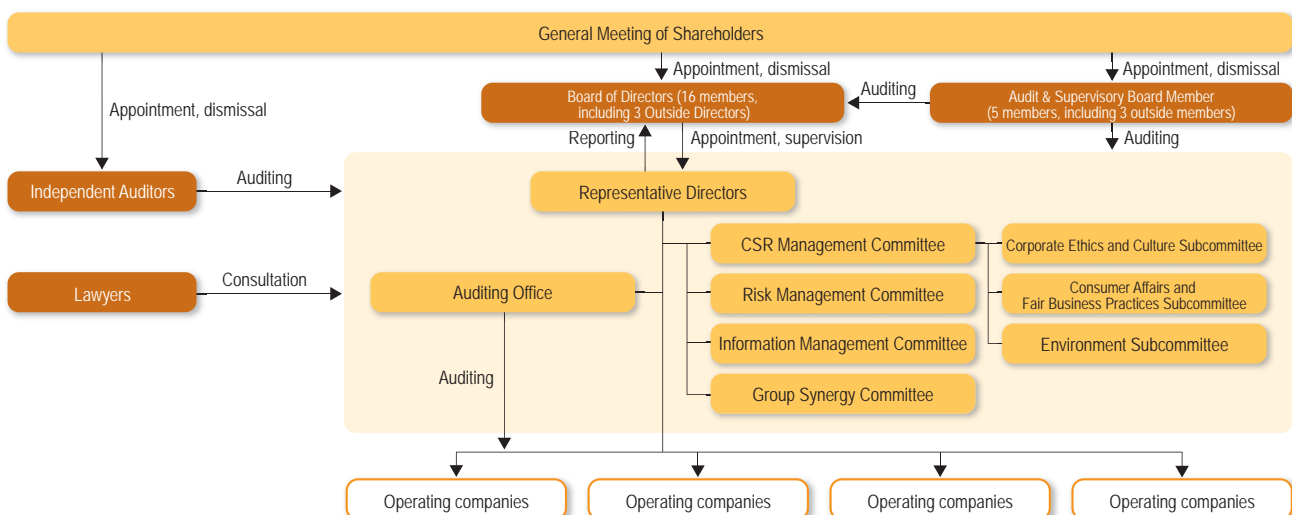
- *1 Seven & i Holdings emphasizes on the independence of outside Directors and Audit & Supervisory Board Members. Individuals who are selected are unlikely to be in a conflict of interest with general shareholders and who are capable of offering supervision, auditing, advice, and suggestions based on expert knowledge and experience, from objective and neutral standpoints.
- *2 The number is as of the end of July 2012.

Internal Control Systems

Seven & i Holdings has worked to improve and reinforce Internal Control Systems, to ensure the following: (1) effectiveness and efficiency of business operations; (2) credibility of financial statements; (3) compliance of business activities with laws and regulations; and (4) proper conservation of assets.

The Auditing Office, which is the independent internal auditing division, has the management function to confirm and instruct internal auditing by operating companies, and the internal auditing function for auditing the holding company Seven & i Holdings. In addition to the persons in charge of business audits for performing these operations, persons in charge of internal control and evaluation have been appointed, and they evaluate internal control by the entire Group.

Corporate governance and CSR Management System



Committees

Seven & i Holdings has established the CSR Management Committee, Risk Management Committee, Information Management Committee, and Group Synergy Committee which report to the Representative Director in order to strengthen corporate governance. Each committee cooperates with the operating companies for determining and disseminating Group policies.

CSR Management Committee

The CSR Management Committee endeavors to maintain compliance with the Seven & i Holdings Corporate Action Guidelines, with the basic motto of "acting sincerely" with respect to customers, business partners, shareholders, local communities, employees, and various other stakeholders as advocated by the Corporate Creed. To ensure compliance with the Action Guidelines, three Subcommittees have been established under the CSR Management Committee. (See pp.12-13)

Risk Management Committee

The Risk Management Committee regards all phenomena that threaten continuation of our businesses as risks, measures them quantitatively wherever possible, and verifies whether they may be fully absorbed in view of equity capital. Then, priority is set from the perspectives of seriousness and urgency, to implement countermeasures.

During FY2011, the Business Continuation Plan was reestablished assuming an earthquake with its epicenter in the Tokyo metropolitan area, information security management was strengthened with regard to the Internet businesses in

collaboration with the Information Management Committee, and compliance organization was strengthened in collaboration with the CSR Management Committee.

In FY2012, fusion with the administrative management will be attempted for improving the enterprise value of our Group, in addition to strengthening risk management of each operating company, while at the same time refining the indicators for evaluation of business efficiency.

Information Management Committee

The Information Management Committee aims to control issues related to information management.

In FY2011, efforts were made to fully enforce the information reporting rules and regulations to prevent insider trading for reinforcing information security, in addition to formulating the Guidelines Related to IT Information Security and Internet Businesses.

In FY2012, voluntary and third-party checking will be promoted on the status of compliance with the above guidelines, for configuring even more precise organization of information reporting.

Group Synergy Committee

The Group Synergy Committee is composed of subcommittees on merchandising, systems, building equipment, sales promotion, etc. By sharing and utilizing the expertise in product development, sales, promotion, etc. that each operating company has separately cultivated, our Group creates safe, reliable, and useful products and services of high quality; of which Seven Premium products are the leading example. Making use of the scale merit brought about for the Group, significant cost reductions have also been attempted through collaborative purchasing of commercial and construction materials.

TOPICS

Measures for assuring business continuity in times of large-scale disasters

To further improve disaster-response capabilities building on our experience with the Great East Japan Earthquake, a disaster prevention project has begun, with each division of Seven & i Holdings participating, in efforts to develop organizations and systems for dealing with disasters. Based on the fundamental policies of saving lives and ensuring safety, cooperating with local communities in rescue efforts, and promptly restarting store operations, we will strive to secure products in times of emergency through collaboration between operating companies and major business partners, secure transportation means for goods by establishing emergency cooperative systems with logistics partners, and establish sales structure in times of emergency

utilizing the Group's capabilities.

To maintain communication networks in times of emergency, we have also established doubled telecommunications networks and installed satellite mobile telephones in the homes of main executives, while at the same time installing wireless communication systems at the headquarters, main stores, and distribution centers. Efforts are also being made for establishing organization for continuing business, by stockpiling emergency food, drinking water, blankets, portable toilets, and other items needed in times of emergency in the headquarters and major offices.

Activities are being pursued in line with the Challenges Facing the Seven & i Group

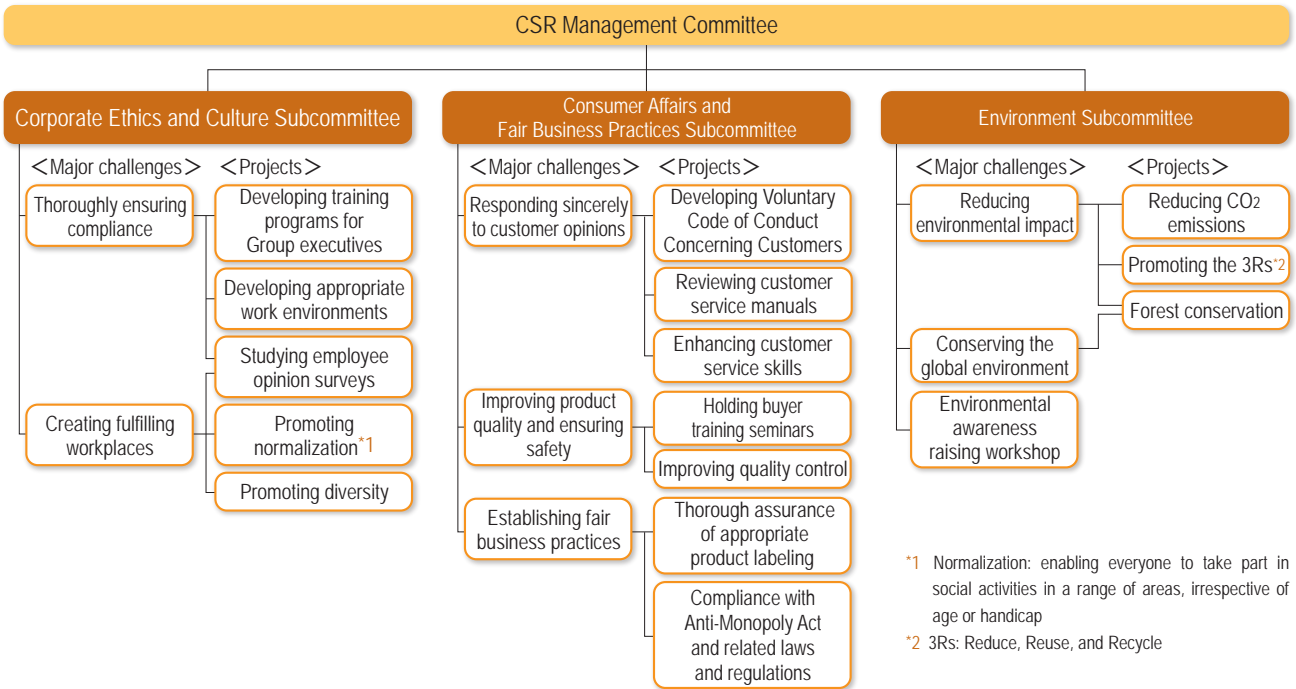
CSR organization

To ensure the effectiveness and viability of the Group's CSR activities, Seven & i Holdings revised the CSR organization and in September 2011 established the Corporate Ethics and Culture Subcommittee, Consumer Affairs and Fair Business Practices Subcommittee, and Environment Subcommittee under the CSR Management Committee. Each subcommittee extracted and prioritized the main challenges to be addressed from the

standpoint of the business features of the Group. A project team was established for each priority challenge for formulating specific measures for achieving solutions. The formulated measures are reported at quarterly Subcommittee meetings for approval by the subcommittee and instructions are made to all the operating companies of the Group to implement the measures.

Targets and progress by each subcommittee

Results of major activities in FY2011 to first half of FY2012	Evaluation*
Corporate Ethics and Culture Subcommittee	
(1) Thoroughly ensuring compliance <ul style="list-style-type: none"> Revised the Seven & i Holdings Corporate Action guidelines and formulate guidelines for each operating company Held a training seminar by lawyers for Group buyers concerning prevention of bribery in overseas transactions Conducted a questionnaire survey for Group companies concerning labor management Formulated training programs for the Group's executives for thoroughly disseminating the management philosophy and cultivating a common sense of values Held briefings on the Seven & i Holdings Business Partner Action Guidelines with business partners of Seven Premium products and direct overseas suppliers of Ito-Yokado (p.15) 	
(2) Creating fulfilling workplaces <ul style="list-style-type: none"> Conducted opinion survey on the work environment for female employees, and listed issues and formulated measures to be addressed Organized the Diversity (of human resources) Promotion Project (p.32) Conducted questionnaire surveys with Group companies for clarifying issues related to employment of persons with disabilities Personnel in charge of hiring at each operating company visited special-needs schools for observation 	
Consumer Affairs and Fair Business Practices Subcommittee	
(1) Responding sincerely to customer opinions <ul style="list-style-type: none"> Formulated the Seven & i Holdings Voluntary Code of Conduct Concerning Customers and disseminated them among operating companies Held seminars by outside lecturers for personnel in charge of customer service of all Group companies 	
(2) Ensuring the quality and safety of products and services <ul style="list-style-type: none"> Conducted joint seminars mainly for buyers in all Group companies (First seminar: Regulations on harmful substances in fiber products; second seminar: Household Goods Quality Labeling Act; third seminar: Act against Unjustifiable Premiums and Misleading Representations) Formulated the Group's common Check Sheet for Business Partners' Factories for food factories Formulated the Group's common Appropriate Product Labeling Guidelines for food products 	
(3) Establishing fair business practices <ul style="list-style-type: none"> Established Fair Trade (FT) Committee at each Group company and appointing personnel in charge of FT Held seminars for Group FT personnel regarding abuse of dominant bargaining position 	
Environment Subcommittee	
(1) Reducing the environmental impact <ul style="list-style-type: none"> Conducted third-party verification on CO2 emissions from stores (p.64) 	
(2) Conserving the global environment <ul style="list-style-type: none"> Started the Seven & i Forest Project in Nagano Prefecture (p.27) Employee volunteers conducted forest improvement in the Seven & i Forest 	



* Evaluation : ○ : Target achieved △ : Target nearly achieved × : Fell significantly short of target

Plans for latter half of FY2012

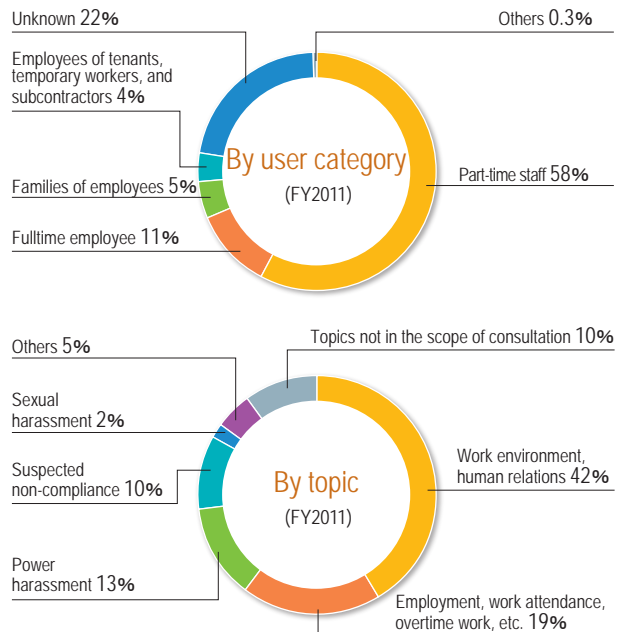
- Making the Guidelines thoroughly known among employees
- Study conducting employee opinion surveys
- Study measures to address revisions to the Labor Contract Act
- Consider revising employee training programs for each company and tier of workers
- Conduct CSR audits with business partners
- Sharing of career plans and life plans through interviews with managers
- Adopting the mentor system
- Promoting communications with employees on parenting leave via use of social networking services (SNS)
- Conducting interviews by managers with employees before taking parental leave and when returning to work
- Consider obtaining the next generation authorization mark by Seven-Eleven Japan to support raising children
- Holding an event for developing networks among women
- Starting awareness-raising activities utilizing in-house newsletter, etc.
- Study holding joint briefing for the Group for promoting employment of persons with disabilities
- Developing employee education tools common to all Group companies and strengthening education
- Holding regular seminars on customer service
- Improving customer service skills of the customer service offices of all Group companies
- Holding seminars on product safety
- Holding seminars for each product category
- Adopting the Check Sheet for each Group company
- Making the Guidelines thoroughly known among buyers and sales promotion personnel of each Group company
- Developing and strengthening daily and regular monitoring systems for each Group company
- Holding seminars on Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors
- Improving CO2 management taking third-party verification into consideration
- Promoting reduction of packaging materials
- Deciding on the subsequent candidate forests of forest conservation project
- Continuing with employee volunteer work
- Planning use of wood from forest thinning for store construction, with office supplies, and for product development

Help Line for employees

We have established the Group-Wide Help Line in a third-party organization. In view of the increasing number of contacts regarding mental health-related issues, the contact number of mental health consultation services, at which expert consultants are available, was indicated on a poster informing of the Help Line in FY2011.

Number of consultations in FY2011: 589 (93% year on year)

- * The number indicates the total of those accepted at the consultation desk shared by Group companies and those established by respective operating companies. Some operating companies have established their own consultation desk in addition to that shared by Group companies.
- * The Data for Consultation Services for Employees in the Data Section (pp.46-63) report on the situation regarding consultations received during FY2011 for each operating company.



We work jointly with our business partners for performing CSR in the entire supply chain

Seven & i Holdings Business Partner Action Guidelines

Since 2007, Seven & i Holdings has advocated the Seven & i Holdings Business Partner Action Guidelines that summarize the nine CSR items that it wishes to be promoted by business partners, requesting their understanding and compliance thereof.

We have asked the contract manufacturers of our Group's private brands and original products of operating companies, among our business partners, to submit a Self-Check Sheet with items related to the Guidelines. The Sheet allows us to understand the status of implementation of CSR measures by the entire supply chain, including our business partners. At the same time, we are hoping that our business partners will promote understanding and measures concerning CSR.

Also, by asking our business partners to understand and

comply with the Guidelines, we aim to build stable business relations for them and for our company by averting risks of business stoppage caused by violation of laws or regulations, as well as customer boycotts and other damaging situations.

Revision of the Self-Check Sheet

Referring to ISO 26000, Keidanren Corporate Behavior Charter, and the revised OECD Guidelines for Multinational Enterprises, items mainly related to product safety were reviewed and the number of check items was revised from 52 to 61 in June 2012. Advance implementation of the revised Self-Check Sheet began in June 2012 with business partners involved with Seven Premium products, which are the Group's common strategic products, as well as direct overseas suppliers of Ito-Yokado.


Upon start of CSR audit

In the latter half of FY2012, the CSR audit is scheduled to start with about ten factories owned by business partners who implemented the revised Self-Check Sheet. In the CSR audit, outside verification organizations check the status of business partners' compliance with the Guidelines in accordance with about 140 audit items established independently by Seven & i Holdings (see chart example on p.15). For non-compliance matters found in the audit, corrective measures will be implemented pursuant to the Corrective Action Plan (CAP) issued by the business partner within 10 days of completion of the audit and under the guidance of the verification organization. A compliance certificate will then be

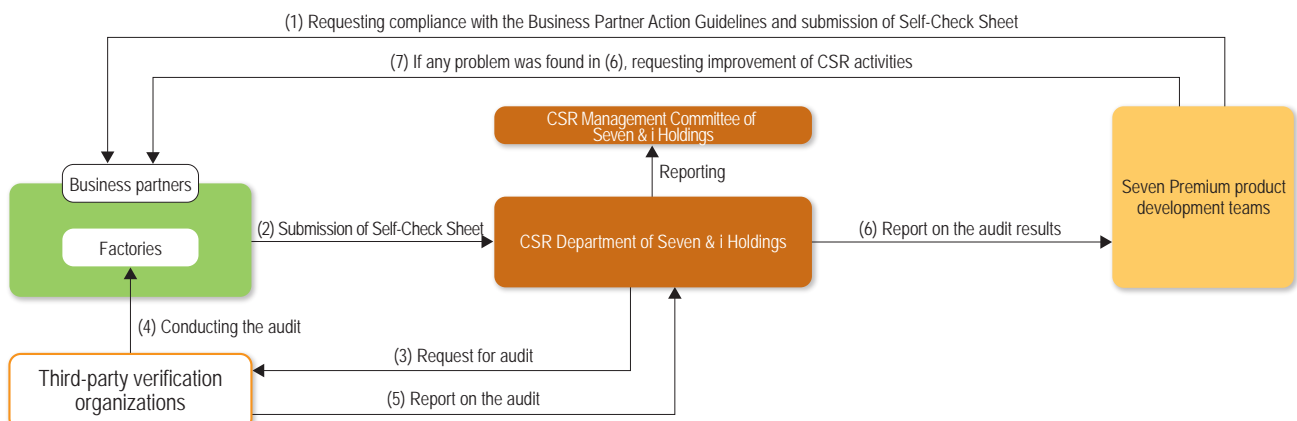
Seven & i Holdings Business Partner Action Guidelines

1. Legal Compliance
2. Respect for Human Rights and Dignity
3. Human Resources and Workplace Environment
4. Environmental Management
5. Relationship with Society and Local Communities
6. Information Management
7. Products Safety Assurance
8. Fair Business Practices
9. Monitoring

For the full text, please visit the following site:

 <http://www.7andi.com/en/csr/suppliers/guide.html>

Process flow of Business Partner Action Guidelines operation (for Seven Premium products)



issued when corrective measures on the important and quality-related non-compliance issues and the chief minor non-compliance issues have been completed. In view of the start of the CSR audit, in May 2012 briefings on compliance with the Guidelines and the audit were held for business partners located in Tsingtao and Shanghai that are involved with apparel and household products, which are imported directly by Ito-Yokado, and in June for business partners of Seven Premium products in Japan.

The CSR audit was conducted in advance on a trial basis with some of the business partners in China. Executive Officer and Officer of CSR Department of Seven & i Holdings accompanied the verification organization to confirm the audit methods and procedures.

Also, a joint seminar was also held in June 2012 for buyers of the Group to raise their awareness of the importance of CSR for the entire supply chain. The Seven & i Holdings Corporate Action Guidelines to be complied with by all employees of the Group, which were revised in 2011, were again made thoroughly known among Group employees, while at the same time explaining the importance of fulfillment of social responsibilities in collaboration with business partners, to about 500 people working with the 17 operating companies.

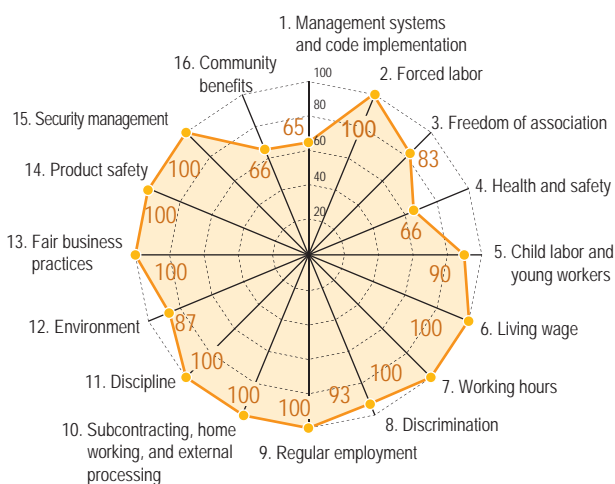


Briefings held in China



Trial CSR audit at factories

Chart example of audit results



Operating Business Partner Help Line

We have established the Business Partner Help Line for accepting questions and opinions regarding transactions and promptly making improvements, with the aim of establishing fair business practices.

A subcontracting agreement and confidentiality agreement have been concluded with third-party organizations that run the Help Line, in order to strictly protect personal information and privacy of individuals who made contact and reports. Reports can be made anonymously to Seven & i Holdings by submitting one's name and affiliation only to the third-party organization. To ensure that individuals who ask consultation and do whistle-blowing are subjected to no unfair treatment by Seven & i Holdings and/or Group companies, about one month after the handling of the report the third-party organizations check in with the contacting party as to whether any retaliatory action has been taken.

For the details, please visit the following site:

<http://www.7andi.com/en/csr/suppliers/helpline.html>

Number of consultations in FY2011: 15 (12 in FY2010)

By user category

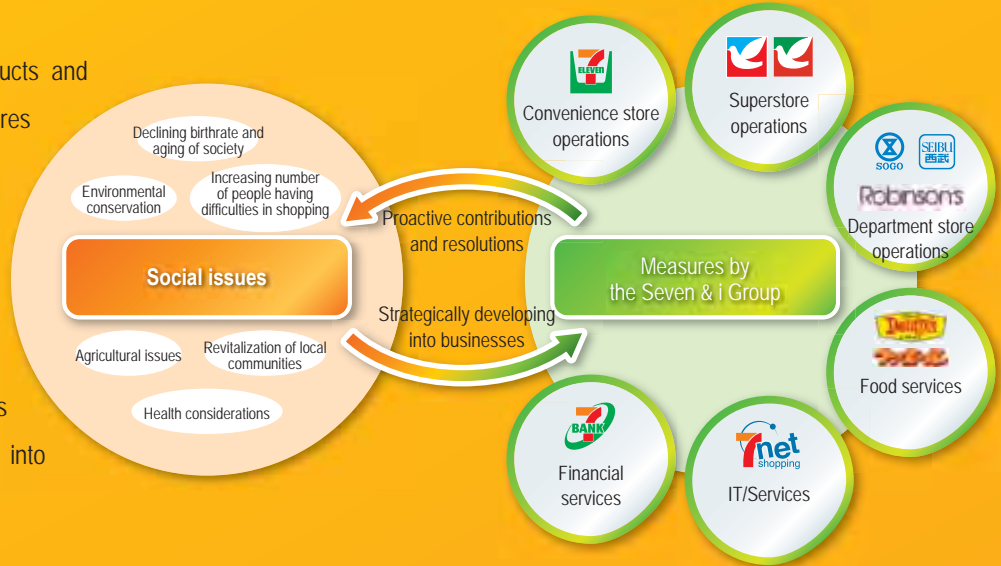
Business partner employees	11
Business partner sales representatives	1
Suppliers to business partners	1
Unknown	2

By topic

Suspected noncompliance (the Group companies)	5
Suspected noncompliance (business partners)	3
Communications	3
Others	4

Contributing to Resolution of Diverse Challenges as Social Infrastructure

The Seven & i Group offers products and services that make use of the features of its stores, which function as a form of social infrastructure. We aim to be a corporate group that contributes to building an even better society by focusing on measures to resolve social issues and strategically developing them into businesses.



1 Responding to the Increasing Number of People Having Difficulty in Shopping

Supporting Daily Shopping

As Retail Stores Close to You — —

The number of retail stores in Japan has decreased in many areas, along with shrinking public transportation networks, due to the declining birthrate, the aging of society, and the decreasing number of household members. Increasing numbers of people also feel worried about driving as they age. For these reasons, the number of people who have difficulties with daily shopping has increased, mainly among the elderly, and this has become a social issue.

Also, changes in lifestyles have also been seen, along with the increasing number of single or two-person households and women's advancing into society.

Responding to these social trends, the Seven & i Group has attempted to create new services for supporting daily shopping, utilizing the store networks, and the logistics and information systems that it has developed over many years.

Operating Shuttle Buses

Offering Transportation Services at Stores in Areas of Tohoku Affected by the Disaster

For customers facing difficulties due to the effects of the Great East Japan Earthquake, such as store closures in their neighborhoods or loss of transportation means to reach stores, several Ito-Yokado and York-Benimaru stores in the Tohoku region operated shuttle buses. Some York-Benimaru stores continue to operate these buses.



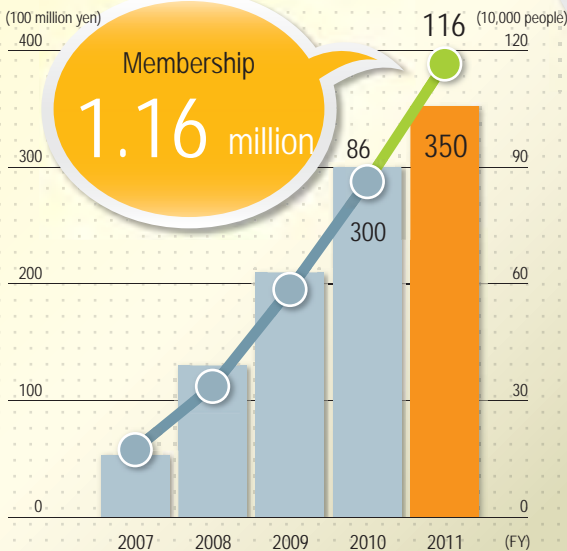


Delivering Products

Reducing the Burden Accompanying Shopping

Carrying heavy or bulky products requires a great deal of effort for elderly customers and customers with small children. Ito-Yokado offers Porter Service Kiroyi Rakuda to these customers by delivering the products purchased in stores to the customers' homes on the same day. The Net Supermarket is also available, which enables customers to place their orders at any time via PC or mobile phone and have their products delivered in the time frame that they choose. As of the end of February 2012, the service was being offered at 137 of 173 Ito-Yokado stores, which was greatly appreciated by customers who are unable to spend sufficient time on shopping.

Sales from Net Supermarket and change in membership



Mobile Store

21 vehicles
(As of the end of July 2012)

Mobile Sale Service

Bringing Products Close to Customers

Seven-Eleven Japan has advocated "close by convenient" as its concept since 2009 for strengthening its roles as life infrastructure for local communities in all aspects, including product lineup focused on prepared foods, as well as handling of public services.

Against this backdrop, Seven-Eleven began mobile stores in Ibaraki Prefecture in May 2011. The service utilizes our proprietary light trucks equipped with store facilities, which go to areas that are inconvenient for daily shopping and where many residents are elderly people who have trouble securing means of transportation.

The service was offered in eleven areas across Japan as of the end of July 2012.

Held
670 times
(FY2011)



Direct Sales

Offering Many People the Pleasure of Selecting Products

Ito-Yokado conducts direct sales at elderly care homes and other facilities in areas around its stores. For the elderly who rarely have the chance to go shopping, the service offers them the great pleasure of selecting the products that they want for themselves.

Supporting Young Parents and Fostering Future Generations

As a Place Where Many People Gather

In the present society shifting to the nuclear family with a decreasing birthrate, the number of parents who have no one they can ask for advice on parenting without inhibition is increasing. The Seven & i Group therefore concentrated its efforts for supporting young parents, implementing a host of measures in its stores. Our Group also supports cultivation of young people through means such as providing them with opportunities for work experience.



Supporting Young Parents

Baby Rooms and Consultation Services on Raising Children

Lounges were created in Ito-Yokado and Sogo-Seibu stores at which parents can change their babies' diapers, feed them, and prepare milk; as well as free consultation services offered by public health nurses and midwives. (At 124 Ito-Yokado and 14 Sogo-Seibu department stores as of the end of June 2012) Seminars on maternity and events have also been held for spreading the joys of childrearing among many people.

Childcare Events

The Tsukuno Ito-Yokado and Akachan Honpo stores jointly host regular events for infants and mothers. Under the theme of "collaboration among industry, government, and academia, and enjoyment for the entire family," the Graduate School of Sports Sciences of Waseda University, Sakai City government of Osaka Prefecture, and several manufacturers take part, and the events also offer good opportunities for the government and manufacturers to interact with residents of local communities.



Supporting Children in Areas
Affected by the Disaster

Indoor Playgrounds and Mobile Libraries

York-Benimaru has leased land, facilities, and fixtures free of charge to the city of Koriyama in Fukushima Prefecture as places for children to play without concern about radioactive contamination. Events are also being planned in collaboration with pediatricians and business partners in the area. Children are playing energetically in well-organized play areas.

The Seven & i Group supports a bookmobile project that aims to provide sources of comfort and joy to children in disaster-affected areas, by way of books. Bookmobiles carrying about 2,000 picture books and children's books have toured regularly in Miyagi Prefecture since the end of October 2011.

Visitors

over 170,000

(In the six months after the opening of PEP Kids Koriyama, an indoor playground)

Held for

12 times

327 people participated (FY2011)



Enhancing Parent-Child Communications

Story Hours

Seven Bank supports Soldier Bonolon of the Forest—a picture book to be read to children—and distributed the book with the aim of improving communications between parents and children. Employees have held story hours at Ario and other staffed stores.

Offering Diverse Services as a “Close by Convenient” Life Infrastructure Available 24 Hours a Day

While people's time of life varies, the number of bank teller windows and other service bases has decreased. Amid this situation, Seven-Eleven Japan has sought to improve store convenience drawing on its nationwide network of over 14,000 stores open 24 hours a day. Ever Since the company began accepting orders for door-to-door package delivery in 1981, the type of services it offers has continued to increase, such as handling public utility fee transactions and installing ATMs. Increasing numbers of people use these services each year; for instance, the amount handled through payment services reached 3,432.6 billion yen in FY2011.

Quick Overseas Money Transfer Services

Seven Bank collaborates with Western Union, which offers the world's largest-scale money transfer services, and began overseas money transfer service in March 2011. Orders for overseas money transfers are typically accepted only at bank teller windows, which charge about a 5,000-yen commission. Seven Bank, however, offers convenient services by which users can place money transfers via PC, mobile phone, or ATM from Seven Bank accounts, allowing the recipient to withdraw money within as little as a few minutes, all at reasonable charges.



Orders on money transfer are accepted
24 hours a day,
365 days a year
(as a rule)

Issuing Copies of Residence Certificate and Seal Registration Certificate

At Seven-Eleven, customers can take advantage of a special service that issues a copy of their residence certificate or seal registration certificate with a multi-functional copier machine. As of the end of August 2012, 56 municipalities participated in the service. We have promoted further expansion of the services, and 13 municipalities currently make issuance of copies of family register certificate possible, with 11 municipalities allowing copies of tax certificates to be issued. Residents can use the services including nighttime and on holidays by simply holding their basic resident registration card over the copier. Personal information is protected securely by the exclusive network and advanced security systems, at the same time preventing forging and tampering using special printing and other functions.



Used about
100,000 times
(FY2011)



Easy Subscription to Insurance Plans and Premiums Payment

In 1990, Seven-Eleven was the first in the industry to start services for application for motorcycle liability insurance plans and payment of insurance premiums. In view of the increasing number of bicycle liability accidents these days and growing demands placed on insurance, in November 2011 we started services that allow users to subscribe to a bicycle liability insurance plan and easily pay the premium by a multi-functional copier machine in the store. Application is possible 24 hours a day by entering one's name, address and other necessary information on the screen and paying at the cash register.

Screen of a multifunctional copier



Used about
25,000 times
(Total in eight months from start of service)



Reducing the Environmental Impact

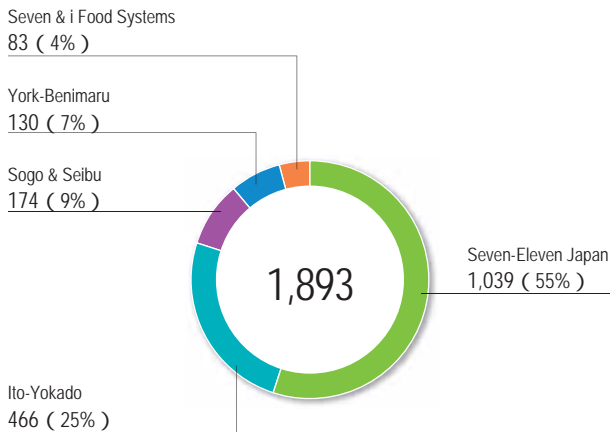
Implementing a range of anti-climate change measures in Japan and overseas

The Seven & i Group is addressing a range of measures to reduce the environmental impact caused by expansion of business such as opening new stores and increasing products and services.

For example, as a measure for reducing CO₂ emissions, we are adopting energy-saving equipment for new stores and refurbished stores. We are also proactively conducting environmental activities in cooperation with customers by selling eco-friendly products, reducing the use of plastic disposable bags, and collecting donations for environmental protection.

Moreover, as a corporate group that operates globally, we are implementing forest conservation projects both within and outside Japan to reduce CO₂ emissions on a global scale. We are continuing these activities to curb CO₂ emissions from deforestation and forest degradation, which represent one of the factors contributing to climate change; to foster CO₂ absorption by forests; and to secure habitats for diverse living forms.

CO₂ emissions in FY2011 (1,000 t-CO₂)*



* CO₂ emissions stemming from the use of energy in store operations, logistics and headquarters
For the calculation method, please see the Data Section (on page 46 onwards).

Efforts in product development → P.25

- Simplifying packages
- Using plant-derived plastic materials



Boxed meal sealed by tapes instead of being filmed

Increasing efficiency in logistics operations → P.24

- Introducing eco-friendly vehicles
- Improving fuel efficiency
- Reducing the frequency of delivery to stores



Energy conservation at stores

- Introducing LED lights
- Opening eco-friendly stores

Reducing waste including food waste

Reducing water use → P.22-26



Number of the Seven-Eleven Japan stores using LED lights
8,966 in total
(as of the end of FY 2011)

CO₂ emissions reduction and biodiversity conservation

➡ P.27

- Tropical Forest Conservation Project in Indonesia
- Forest Conservation Project in Nagano
(Use of forest thinning as materials for stores and office supplies and for product development)



Photo©ITTO/TJ Bruder

Targeted area
About **58,200** ha

Communication

- Publishing CSR reports
(The CSR Report 2011 won Excellence Award in sustainability report section of 15th Environmental Report/Sustainability Report Awards.)
- Introducing initiatives taken by the operating companies in their websites
- Participating in the Eco-Products Exhibition
(We offset the CO₂ emissions from the opening of the booth at Eco-Products 2011 with the domestic emission credits obtained by supporting the Tohoku region affected by the March 11 earthquake.)



Visitors to the booth
About **25,000**

Reducing environmental impact in various aspects

Cooperation with employees ➡ P.27

- Environmental education
- Conducting volunteer activities



Cooperation with customers

Measures related to products

- Selling eco-friendly products ➡ P.35
- Reducing the use of disposable plastic bags ➡ P.25



Poster made by the Japan Franchise Association to reduce the use of plastic bags

Measures taken at stores ➡ P.27



- Both the money donated by customers through the collection boxes installed at Seven-Eleven Japan stores and the donations made by the headquarters are sent to and used by the Seven-Eleven Memorial Foundation to give support to environmental organizations and conduct activities to protect and conserve the natural environment.

Total amount of donations made at Seven-Eleven stores
About **422.05** million yen
(FY 2011)

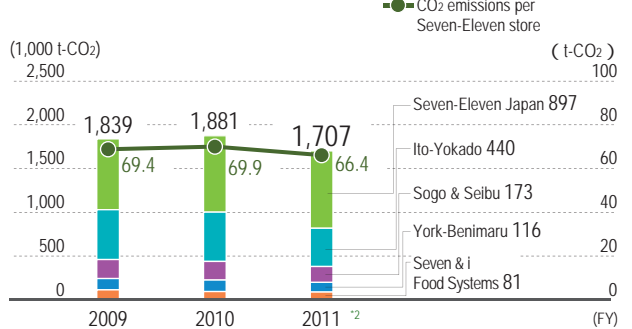
Energy conservation at stores

In FY2011, Seven-Eleven Japan accelerated the introduction of energy-saving equipment to its stores, such as LED lights, top lights to take in sunshine, and solar panels installed on the rooftop for the maximum use of natural energy. The number of stores installed solar panels has increased significantly from 210 at the end of FY 2010 to 1,393 at the end of FY2011.

In addition, the company has been increasing the number of eco-friendly stores, in which a range of devices, such as energy-saving air conditioning systems and circulation ventilation systems are installed. The number of these stores reached 239 as of the end of February 2012, increased by 3.7 times from the

number at the end of the previous fiscal year. At eco-friendly stores, the company aims to reduce the annual use of electricity by 30% relative to existing stores, and plans to open another 300 eco-friendly stores within FY 2012.

CO₂ emissions from store operations^{*1}



*1 For the calculation method, please see the Data Section (on page 46 onwards).

*2 Verified by an independent organization

Energy conservation measures taken at Seven-Eleven stores (the number of stores is as of the end of Feb. 2012)

LEDs

LEDs consume less power and have longer lives than fluorescent lights. Seven-Eleven Japan began adopting LED lights for the lighting of signboards in December 2008 and for the lighting of its new stores and refurbished stores in August 2009. At new stores established in and after September 2011, LED lights are used as standard lights.

Numbers of stores using LED lights



* For FY2009, the total for store signboards and pole signs is shown.

TOPICS

Opening stores made of wood

Stores made of wood have smaller CO2 emissions at the time of their construction than conventional steel-frame stores. Seven-Eleven Japan began opening these stores in FY2009 and the number substantially increased from 18 stores as of the end of the previous fiscal year to 45 stores as of the end of FY2011. The company plans to continuously open more in the future.

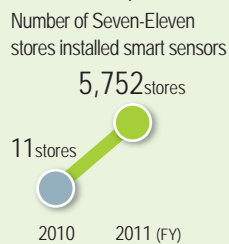


Wooden store under construction

Smart sensors

Only by attaching a smart sensor to the power distribution board of the store, the store staff can check when, where, and how much electricity was used on a PC so that they can reduce the waste of electricity. In addition to the "visualization" of power use, Seven-Eleven Japan also urges store employees to follow the in-house "10 energy conservation rules" that provide for the cleaning of machines and temperature settings for more energy conservation.

Following Seven-Eleven Japan, some of Ito-Yokado stores, Denny's restaurants, and York Mart stores have also conducted tests to use smart sensors.



Updating equipment

It also helps reduce the use of electricity to update in-store equipment with advanced, highly energy-efficient machines. In FY2011, Seven-Eleven Japan updated the following machines: freezers, air conditioners, Chinese bun warmers, energy drink cases, and microwave ovens. Moreover the company attached wind protectors to refrigeration cases and introduced frost-free doors to the showcases of frozen food.

Pleasant work environment

Accompanying the revision of the temperature settings at its stores, Seven-Eleven Japan newly prepared polo shirt-type summer uniforms for store staff in FY2011.



Striving to make use of geo-heat, a promising new energy

Seven-Eleven Japan introduced an air conditioning system using geo-heat to two stores in Saitama and Fukuoka in February 2012. The company plans to implement a demonstration test on thermal energy measuring technology by February 2014, which will be carried out jointly with the manufacturer that has developed the system. The test, which will be the first of the kind conducted at convenience stores, is designed to demonstrate the effectiveness of air conditioning using geo-heat and the utilization of the Green Heat Certificate* in the future.

By the use of geo-heat, which is warm in winter and cold in summer compared with external temperature, both the consumption of electricity by air conditioners and CO2 emissions from them are expected to be reduced by about 30%.

* Green Heat Certificate: In addition to its value as thermal energy, heat generated by renewable energy has an environmental added value as a contributor to energy conservation, CO2 emissions reduction, etc. The certificate approves the environmental value of the heat to make it tradable in the market.



TOPICS

Reusing construction materials and fixtures from old stores

Seven-Eleven Japan repairs and reuses the shelves and other fixture salvaged from the stores to be rebuilt or to be closed.

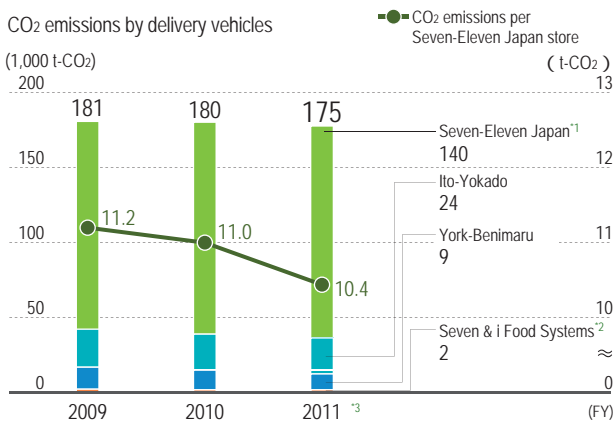
Also to reduce the construction waste generated from disassembled stores, the company uses reusable steel frames and recyclable sashes as construction materials for new stores. In the fall of 2010, the company had a whole store disassembled and moved to a new place to open it as a new store. By the end of February 2012, the company removed and rebuilt three stores in total in this manner.

Reducing CO₂ emissions from logistics operations

The Seven & i Group is introducing eco-friendly vehicles and improving fuel efficiency while reducing the frequency of the delivery of goods to its stores. Seven-Eleven Japan, Ito-Yokado, and York-Benimaru are reviewing the locations of their distribution centers and establishing intermediate centers to deliver various products, including those that need to be kept at different temperatures, all together to their stores. Moreover Seven-Eleven Japan and Ito-Yokado are fostering the introduction of drive data recording terminals to their trucks to give advice to truck drivers based on the data, while holding eco-driving training sessions.

Energy conservation at distribution centers

Seven-Eleven Japan has been promoting a modal shift from truck to railway for the transportation of materials at room temperatures. In November 2011, the company changed the means of transportation from its Saitama Center to Fukuoka and Sapporo Centers to railroad (the CO₂ emissions are expected to be reduced by 331 tons a year). Also at the distribution centers, the introduction of demand controllers has been fostered to monitor and control each facility's use of electricity. As of the end of 2011, 52 centers out of 149 have already introduced the controllers to reduce the waste of electricity. Also at the Chilled Rice Product Niigata Center, a total of 280 solar panels were installed (the expected reduction of CO₂ emissions is 1.4 tons per year).



¹ Seven-Eleven Japan's data include CO₂ emissions from the operation of distribution centers.
² This value is for Denny's only
³ Some data are missing due to the Great East Japan Earthquake.

Measures for waste

The Seven & i Group is endeavoring to increase the waste recycling rate by thoroughly sorting waste.* Also the company is simplifying product packages and reducing the use of disposable plastic bags at the stores to reduce the generation of waste, receiving support from customers.

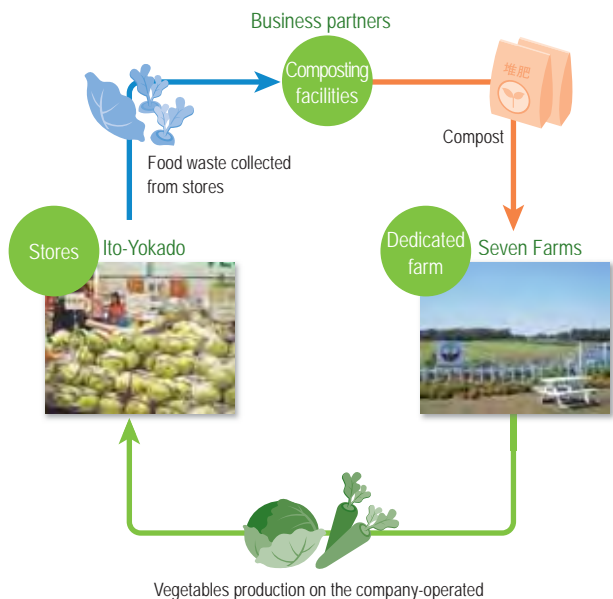
* For the waste generated by each company, please see the Data Section (on page 46 onwards).

Reducing food waste by a range of methods

The Seven & i Group is committed to improving the food recycling rate as a priority.

Ito-Yokado turns the food residues from its stores into compost and cultivates crops using the compost at its dedicated Seven Farms. The harvested crops are sold mainly at neighboring Ito-Yokado stores. There are six Seven Farms (37 hectares in total) across Japan as of the end of July 2012, where closed-loop agriculture is conducted. The number of the farms is planned to be increased to 10 by the end of FY2013 (see page 29).

Closed-loop food recycling system



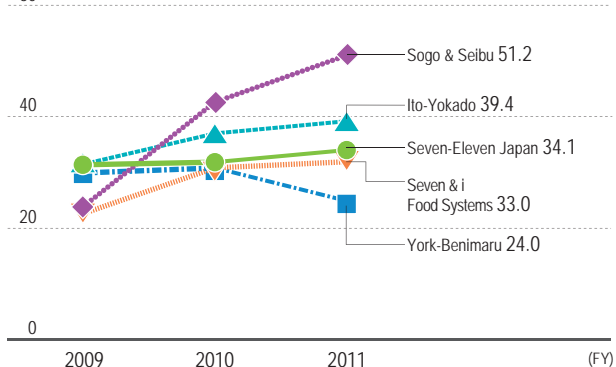
Ito-Yokado introduced a system to treat garbage by using microorganisms in October 2011. The system breaks down



garbage into water and carbon dioxide to reduce the amount of waste effectively. As of the end of July 2012, the company introduced this system in two of its stores.

Seven-Eleven Japan collects expired food products to recycle them into compost or livestock feed. The area in which this activity is conducted has been expanded year by year. As of the end of February 2012, the number of stores using the system was by 16.5% larger than that in the previous fiscal year. Also oil wasted from the in-store cooking process is recycled into materials for livestock feed, industrial products and fuels.

Food waste recycling rate
(%)



* For the calculation method, please see the Data Section (on page 46 onwards).

Adopting eco-friendly packages

At Ito-Yokado and York-Benimaru stores, a lot of foodstuffs are processed and cooked, so various efforts are being made to reduce the use of packaging materials as well as to review their materials. At some stores, for example, blocks of meat are now sold in plastic bags or being vacuum-packed, instead of being sold on trays. Also for packaging of cut fruits, Ito-Yokado uses plant-based plastic as an elaboration of packaging materials themselves.

Reducing the use of disposable plastic bags

The Seven & i Group asks customers to bring their own shopping bags to the stores, sells its original eco-bags, and posts enlightenment posters. Moreover at Ito-Yokado, York-Benimaru, and Sogo & Seibu stores, "No Plastic Bags" cards are prepared at checkout counters for use by customers who want to decline accepting disposable bags. Ito-Yokado and York-Benimaru also provide customers who do not accept plastic bags with discounts, while charging fees for plastic bags based on agreements concluded with local governments and citizen groups.

Also starting from September 2011, some Ito-Yokado stores ask their Net Supermarket customers to choose the packaging method (whether to use a plastic bag or a basket) in placing their orders. The use of returnable and reusable baskets helps reduce the use of plastic bags. Subsequently, in May 2012, all the stores started this initiative, and as of July 2012, about 30% of the online customers chose the use of baskets. (At some stores the percentage exceeded 50%.)

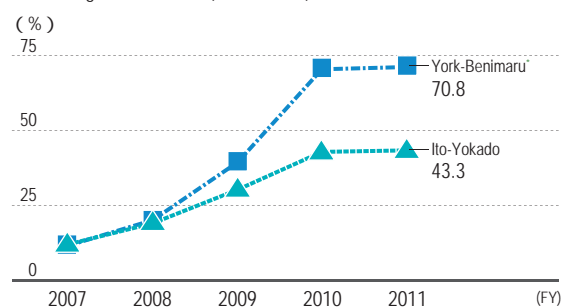


Packed in disposable plastic bags



Packed in a basket

Plastic bag turndown rate (food section)



* For data in and before FY2009, calculations were made based on the number of Eco Stamp cards collected. In FY2010, we changed the calculation method, which is now based on the number of customers who do not accept plastic bags at checkout counters.

Fostering the recycling of the PET bottles

Ito-Yokado and York-Benimaru began to install automatic PET bottle collection machines in March 2012 and July 2012, respectively. Unlike the conventional collection boxes, the machines automatically sort bottles and reduce their volume by compressing or crushing.

Because the machines remove foreign matter in the sorting process, recycling companies can obtain PET bottles in conditions suitable for recycling. Moreover, because their volume is reduced, stores do not need to spend much labor and backyard space for the bottles. Also logistics companies can transport more bottles at one time, and together with utilizing the transportation routes of the Seven & i Group, they can achieve highly efficient transportation.

The PET bottles thus collected are recycled again into PET bottles in Japan for use by beverage companies. This “closed-loop recycling” system to recycle PET bottles to PET bottles is the first attempt by a major retail chain in Japan to be implemented on a large scale.

In order to foster PET bottle collection, we provide “recycle points” that can be exchanged with “nanaco” (the Group’s electronic money) points to customers who bring used PET bottles to stores.

The automatic collection machines will be introduced to a total of 200 stores of Ito-Yokado, York-Benimaru and York Mart by the end of FY2012.

Measures to save water

Seven & i Group companies are making daily efforts to reduce their water use while introducing water-saving faucets and other devices and using rainwater.

York-Benimaru has adopted inverter-type pumps to standardize water supply pressures, thereby reducing its water use.

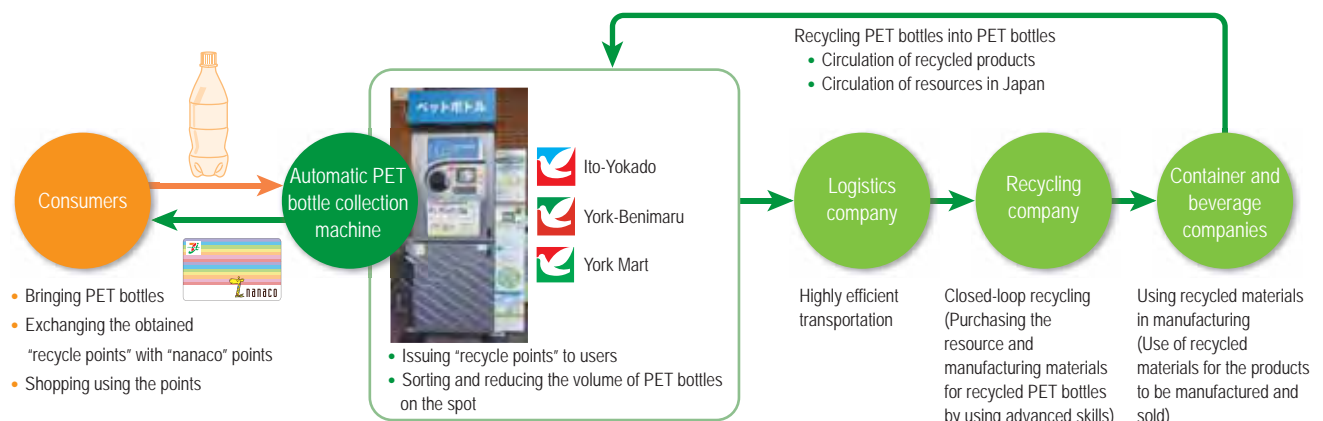
Seven & i Food Systems has asked the cleaners of its uniforms to clean them only by water without using solvents that contain volatile organic compounds (VOC) and other substances that might cause photochemical smog. The water used for the cleaning is purified by microorganisms (by adsorption and decomposition) to be reused as cleaning water.

* For the water use by four operating companies excluding Seven-Eleven Japan, please see the Data Section (on page 46 onwards).

Management of CFCs

At Seven & i Group stores, devices using CFCs are replaced with those using CFC alternatives at such occasions as when the stores are refurbished. The stores also daily conduct temperature checks on the devices for the early detection of any CFC leakages. The devices using CFCs are disposed of by professional companies in compliance with laws, and the stores receive collection certificates from the companies as the proof of appropriate disposal.

PET bottle recycling system using an automatic collection machine



Implementing measures for biodiversity

The Seven & i Group has been implementing the "REDD+*" project at Meru Betiri National Park (about 58,000 hectares) in Indonesia since 2010. This project helps to conserve biodiversity and mitigate climate change while also contribute to improving the lives of local people. In FY2011, we implemented plans to plant trees in proportion to the number of replies made to the questionnaire survey conducted on readers of the CSR Report. In this activity, only trees bearing fruit were planted, such as avocado trees, so that the activity would help conserve the forest while also supporting local citizens, who would be able to sell the fruit to earn money.

In June 2012, jointly with the Seven-Eleven Memorial Foundation (see the column below), the Group launched a project to foster forest improvement in Japan. Under this project we will conduct activities to address current domestic issues regarding forests, such as thinning artificial forests, clearing brush, and planting different tree species, in order to conserve the forests in a sustainable manner and in harmony with biodiversity conservation.

* "REDD+" means to reduce greenhouse gas emissions from deforestation and forest degradation, and boost carbon absorption by conserving forests and managing them in a sustainable manner

Web Tropical Forest Conservation Project:

 <http://www.7andi.com/en/csr/indonesia.html>



Local people are involved in environmental education by teaching children how to grow seedlings

Raising environmental awareness among employees

The Seven & i Group and Seven-Eleven Memorial Foundation are asking Group employees to participate in environmental activities. For example, the Foundation has been conducting a reforestation activity on Miyake Island* since 2008, in which a total of 554 employees have participated and planted 18,000 trees in the area of about 7.2 hectares. In this activity, employees are given opportunities to learn about biodiversity and the local natural environment to increase their environmental awareness.

Also, a campaign to encourage all Group employees to conserve energy at their homes was implemented for three months from July 2011, following the one implemented in FY2010.

Moreover, a CSR section has been created in the Group magazine for employees, in which the Group's environmental issues are regularly introduced.

* In June 2000, the island suffered great damage due to the eruption of Mt. Oyama.



Reforestation activity on Miyake Island

TOPICS

Seven-Eleven Memorial Foundation

 <http://www.7midori.org/> (in Japanese)

The Seven-Eleven Memorial Foundation was established in 1993 for Seven-Eleven Japan headquarters and its franchise stores to conduct environmental contribution activities together. The money donated by customers through collection boxes installed at the stores is sent to the Foundation together with the donations made by the headquarters of the company. The money is used to support environmental NPOs chosen through a public offering and to conduct activities for mitigating global warming and to protect and conserve the natural environment. In FY2011, a total of 422,053,005 yen was donated by customers at the

stores and a total of 158,980,713 yen was used to give financial support to 240 organizations.

Example of activities conducted to protect and conserve natural heritage

The Foundation concluded a partnership agreement with Kiritappu Wetland National Trust, an authorized NPO in Hokkaido. Based on this agreement, the Foundation has purchased private land within the wetland to conserve the natural heritage. As of the end of FY2011, it acquired wetland extending over a total of about 405 hectares.



Providing Safe, Reliable Products and Services

Ensuring the quality and safety of products and services

The Seven & i Group places the greatest importance on safety and reliability in all stages, from product planning to retail. At our stores, product quality is comprehensively checked, and we sell private brand items that place value on the location and method of production as well as on the traceability of food products. Measures are also being implemented for the stable operation of financial, IT, and other service products.

Since March 2012, a joint training seminar is being conducted for those in charge of purchasing at our Group companies in order to further improve the quality of our products.

Commended by the Ministry of Economy, Trade and Industry for product safety measures

Ito-Yokado applies its unique quality standards formulated in line with the public standards for each product group; taking into consideration previously identified accidents and issues, as well as requests from customers.

For private brand products, domestic and overseas plants have been audited in collaboration with inspection organizations. Comprehensive follow up is being conducted at plants where problems were found in order to make steady improvements. Prior to product launch, quality is inspected by a third-party organization. Seminars are also held with business partners for sharing product safety measures and information on quality.

In recognition of these efforts, Ito-Yokado received the Minister of Economy, Trade and Industry Award, first among general supermarkets, in the Large Retailer Category of the Fifth (FY 2011) Best Contributors to Product Safety Awards. Since the commendation, Ito-Yokado has participated as a committee member in a range of efforts to formulate product safety standards in response to requests by the Ministry of Economy, Trade and Industry and other administrative and public organizations.



2011 製品安全対策優良企業
Logo granted by the Ministry of Economy, Trade and Industry to recipients

We developed a private brand called Foods with Traceability that links producers with customers.

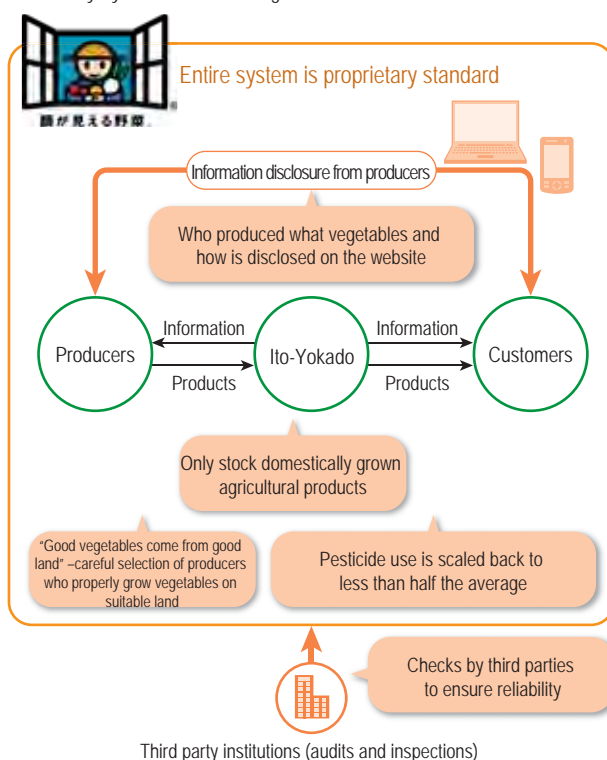
Foods with Traceability is a private brand developed by Ito-Yokado. Based on the concept of bringing producers and customers closer together, we disclose information on producers' sincere efforts for ensuring safety to customers. In September 2011, the inspection system on radioactive substances was strengthened for the production stage and prior to shipment in order to eliminate customers' worries about the presence of radioactivity. We have also begun disclosing the inspection results on our website.

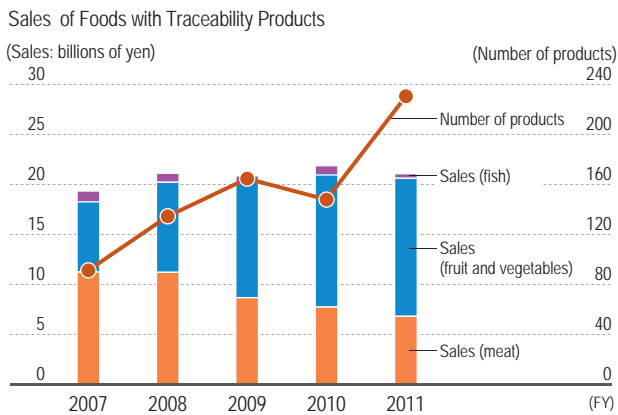
In recognition of the efforts regarding Good Agricultural Practices (GAP – methods of agricultural production process management promoted by the government) in relation to Fruits and Vegetables with Traceability we received the GAP Dissemination Award in July 2012, first among retailers.



The producer and other information can be confirmed via PC and mobile phone

Traceability System for fruit and vegetables



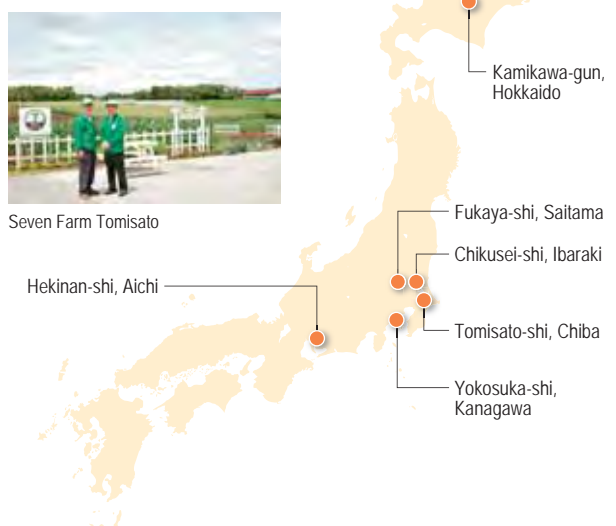


We support agriculture through Seven Farm, which links producers with stores.

The agriculture environment in Japan has faced a major turning point, brought about by the aging of farmers, increase of farmland that is no longer cultivated, and amendments to the Agricultural Land Act. Ito-Yokado has responded by establishing Seven Farm in different areas, based on the concept of helping agriculture and promoting recycling. We strive to contribute to the revitalization of regional agriculture and improvement of agricultural productivity.

In our efforts, we have established a system for maintaining freshness in all processes from the field to the storefront, by connecting producers with a retailer. We also sell irregular products, which have typically been discarded, enabling efficient sales without waste. (See p.24)

Locations of Seven Farm (As of end of July 2012)



Safety is ensured through a system that enables interaction between products and source materials to be traced.

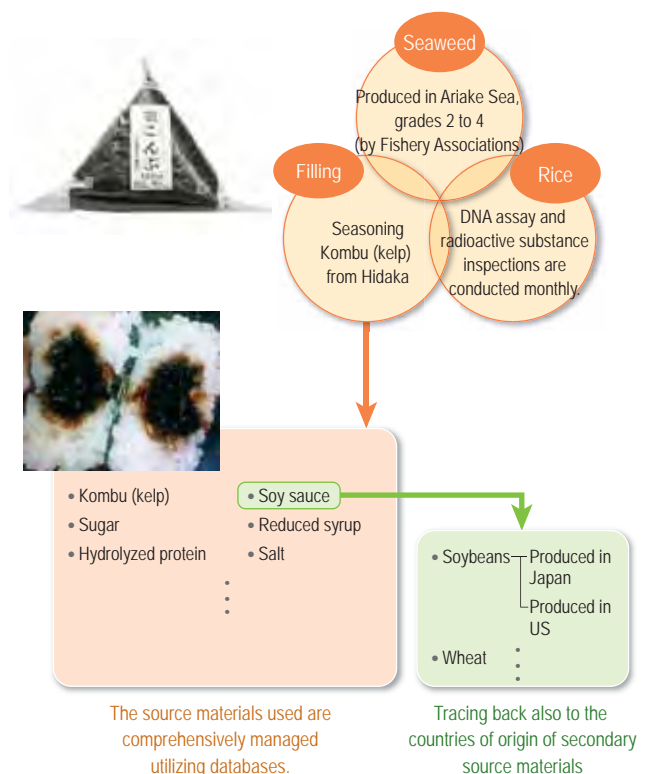
Seven-Eleven Japan uses an average of 40 types of source materials for each rice-based food item, prepared dish and other daily delivered food products. We sell upward of 1,000 prepared food options and release 100 new items each week.

In order to manage each of these products, we apply the Recipe Master System that regulates what kind of source materials are being used, their quantity, and at which plant. For this system, complete information from over 300 partner manufacturers and about 170 dedicated plants is managed in a database, enabling the relation between source materials and products to be traced. As a result, we are able to promptly address any problem that is found concerning a source material by immediately seeing which products used it.

We also voluntarily conduct DNA assays on rice to prevent mixing of varieties, as well as inspections on radioactive substances contained in food products.

Also notable is that no preservatives or artificial colorings are used in original brand products of Seven-Eleven Japan.

Traceability management by Recipe Master System (Onigiri rice ball to be wrapped in seaweed)



Assuring appropriate information provision

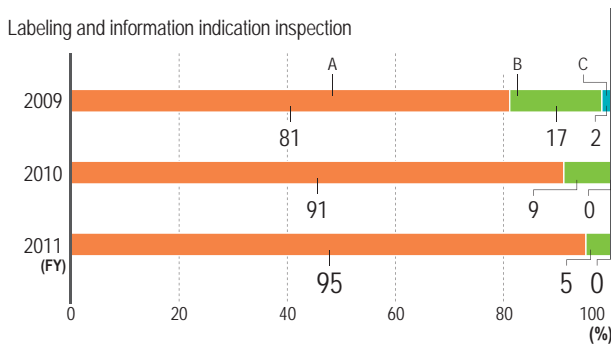
The Seven & i Group strives to disclose accurate information on products and prices that customers need. In addition to allergic food substances, for which the Food Sanitation Act mandates indication, our Group also displays food substances for which indication is recommended. There are also operating companies that handle anti-allergic food products.

At the storefront, staff in charge check for inappropriate product labels and displays/information. And training seminars are held to thoroughly educate employees on proper indication.

During the first half of FY2012, comprehensive guidelines for the Group were prepared concerning unclear expressions that are outside the scope of provisions of the JAS Act and Food Sanitation Act in order to avoid expressions which may cause customer misunderstandings.

We confirm labels and indications in order to prevent misunderstanding.

At Ito-Yokado, members of the secretariat of the Fair Trade (FT) Subcommittee conduct labeling and information indication inspection in all stores every half term. At the same time, they provide storefront education and interview section managers for labeling and information indication inspection. They evaluate stores based on objective numeric values and implement specific measures for improvement in collaboration with store managers and assistant managers in charge of each store.



- A: Labels and displayed information are appropriate, and employees are fully aware of labeling requirements.
- B: There is room for improvement, and employees in some divisions lack sufficient awareness.
- C: There is room for improvement, and employees require training in truth in labeling.
- D: Immediate improvement is required, and the entire store organization must be reconsidered.

We continue efforts to reduce trans-fatty acids and disclose information.

Based on the initiative for developing safe and reliable products, Seven-Eleven Japan continually strives to improve quality. As a part of these efforts, since 2005 we have sought to reduce trans-fatty acids, which are said to increase the risk of heart disease. The fryer oil, fatty pastes and cream we use have been switched to exclusive source materials containing lower amounts of trans-fatty acids, in our pursuit of improvements with source material manufacturers. With Strawberry Jam & Margarine, one of our most popular bread products, the trans-fatty acid content in 2011 had been reduced by 91% compared to the same product in 2005.

Also, since May 2011 pursuant to the Guidelines on Information Disclosure about Trans-Fatty Acid issued by the Consumer Affairs Agency in February 2011, we have disclosed on our website the saturated fatty acid, trans-fatty acid and cholesterol content in our major products.

Grams of trans-fatty acid contained in every 100 g of Strawberry Jam & Margarine bread (calculated value)

FY2005	FY2007	FY2012
1.86g	0.18g	0.15g

Developing stores and facilities that customers can visit with a sense of security

With the hope of enabling all of our customers to shop comfortably at our stores with a sense of security, the Seven & i Group conducts daily storefront patrol and inspection, has installed crime prevention and disaster prevention equipment. We have also adopted the notion of universal design in our store designs, and conducted employee training for assisting customers with physical disabilities.

Sogo & Seibu has also established the Seven Prohibited Actions for managing personal information of customers, which have been thoroughly disseminated among all employees.

Seven Prohibited Actions for maintaining customers' trust

1. Sending emails to customers from personal computers on the sales floors
2. Maintaining personal information on personal computers
3. Leaving documents containing personal information unattended
4. Taking personal information outside of the store
5. Maintaining personal information in a location other than that designated by the store
6. Sending advertising mail without the approval of the Sales Promotion Manager
7. Receiving or delivering personal information without keeping a Personal Information Handling Record.

Improving service for responding to customers' expectations

In order to continue improving our products and services from the customer's standpoint, each Seven & i Group company has established a customer consultation desk for receiving customers' opinions and requests and responding to them promptly. The information collected is sorted according to the contents and distributed to relevant divisions and stores for making improvements.

Notable examples of comments of appreciation sent in by customers to Group companies are featured in the monthly Seven & i Group in-house magazine in order to improve the Group's overall ability to communicate and deal with customers.

Starting in FY2012, employees in charge of the customer consultation desk at each of the Group companies have also been given training by outside lecturers.



Seminar by an outside lecturer

We continue to make improvements from the customer's standpoint

Ito-Yokado consigns storefront surveys to qualified advisory specialists for collecting customers' opinions on customer service, sales floor design and product lineup. Also, in February 2012, outside mystery shoppers conducted sales floor surveys at all our stores. They paid unannounced visits to stores and graded the three items as above as they shopped. Stores were ranked based on the survey results, and the ranks were announced at a store managers' meeting.

The Operation Support Division of Seven & i Food Systems has conducted mystery shopper surveys 10 times each year per store (in areas excluding employee cafeterias) on 130 items concerning customer service, food products, cleanliness and other matters in order to identify issues needing attention. The family restaurant chain Denny's has also gathered customers' opinions and comments on specific menu options on its website in order to develop products that reflect customers' evaluations and opinions.

TOPICS

Assisting business partners in areas affected by the Great East Japan Earthquake through product development

Each of the Seven & i Group companies strives to contribute to the region's recovery from the Earthquake and founding of sustainable regional industry through sales of products from the region.

Ito-Yokado has sold Iwate Tohno beef, produced in the comprehensive production system covering all the processes from breeding to retailing, jointly with the Tohno City government in Iwate Prefecture and food product manufacturers, as a private brand product called "Meat with Traceability." Outstanding processed meat products made from Iwate Tohno beef born and bred in Tohno have been developed in efforts to configure a new business model that supports Iwate Prefecture's quick recovery.

Seven-Eleven Japan has sold onigiri rice balls and salad using wakame seaweed from Sanriku area beaches. Sogo & Seibu also sponsors the Tohoku Cotton Project, which supports farmers trying to restart farming by cultivating cotton that can withstand soil with high saline content, in farmlands where rice breeding is not possible due to salt damage from the tsunami. Products using the harvested cotton have been sold in department stores.

Employee's voice

The Seafood Division of Ito-Yokado continues to support producers and processors, so they can supply us with products while they maintain a sense of security.

Fish farmers in Rikuzentakata from whom we have purchased raw wakame seaweed for many years had their business halted by the earthquake. We visited them and asked them to continue production because we are more than willing to sell their products; a move that help rid them of some anxiety and restart their operations.

Concerning the issue of radioactive residue, we have used the Group's expertise to advise producers on methods for self-initiated inspections and indexes to be met for selling products. Since the earthquake, we have come to realize that we are engaged in the important task of conveying the thoughts of producers to our customers.



Masami Takeuchi,
buyer, Seafood Division,
Ito-Yokado.



Creating Fulfilling Workplaces

Making use of diverse human resources

The Seven & i Group adheres to fair and unbiased employment, transfer, and promotion as its basic policy. In February 2010, the Human Rights Awareness Office was moved from Ito-Yokado to Seven & i Holdings to enhance human rights education and awareness across the Group.

Number of employees

Employees	83,301
Percentage of full-time employees	29% (males: 76% and females: 24%)
Percentage of part-time staff	71%

* Scope of aggregation: Six companies (Seven-Eleven Japan, Ito-Yokado, York-Benimaru, Sogo & Seibu, Seven & i Food Systems, and Seven Bank)

Placing the right people in the right jobs

With respect for the will of the employees so that they can fully demonstrate their abilities—we are implementing the “Human Resources Public Recruitment System” at the Seven & i Group that goes beyond the operating company.

Other Group companies also have in-house public recruitment systems. For example, Ito-Yokado, employees who have worked for at least two years for the company can apply for all the managerial positions and jobs regardless of their work experience or seniority. In FY2011, 102 of 462 applicants got the positions or jobs of their choice.

Promoting the employment of people with disabilities

We are committed to assisting people with disabilities to demonstrate abilities at their workplaces. To this end, the operating companies assign those employees to the workplaces and jobs that are suitable for them in consideration of the level and details of the disabilities and their own preferences.

The Group's employment rate of people with disabilities* including Terre Verte, which is a special subsidiary established to foster the employment of people with severe disabilities, is 1.89% (as of June 1, 2012) against the statutory rate of 1.8%.

* The percentage is for the five qualified Group companies: Seven & i Holdings, Terre Verte, Seven-Eleven Japan, Ito-Yokado, and Seven & i Food Systems.

Helping female employees demonstrate more of their abilities, aiming to create a system that provides a range of work style options

In FY2011, we began implementing measures to provide female employees, who tend to face the necessity of changing their work styles due to marriage, childbirth, and childcare, with a view to providing workplaces where a range of human resources can bring about new value and vigor to their company through friendly competition for a significant period of time.

As part of this effort, we have been operating an Ito-Yokado store, a York-Benimaru store, a Seibu store, and a Denny's restaurant where regular employees are all women since April 2012. Also Seven-Eleven Japan launched the store operation counseling service provided only by women in a district. Through the service we are reviewing the existing business operations, while creating and arranging sales floors, selecting products, and providing services from the viewpoints and sensibility of women in consideration of the fact that 70% of our customers are women.

Moreover in June 2012 we launched the Diversity Promotion Project. We will proactively implement measures going forward to help female employees demonstrate more of their abilities and support all employees in achieving their work-life balance.



Upper: Seven-Eleven Japan
Lower: Ito-Yokado

Supporting development of employee abilities

Seven & i Group operating companies are committed to developing human resources by providing employees with training programs suitable for their business features.

Ito-Yokado, York-Benimaru, and Seven & i Food Systems are operating in-house qualification programs to certify the skills necessary for their business operations. Ito-Yokado, Sogo & Seibu, and Seven Bank are supporting the self-education of employees by sharing the cost of correspondence education.

In FY2011, Seven-Eleven Japan began providing employees of its franchise stores with the Cashier Customer Service Training for Franchisees to improve their customer service abilities. Also Sogo & Seibu started the Career-Up Seminar as an open educational program in which employees can participate if they want.



Opening a training center

In March 2012, we opened a training center for the Group. The center is fully 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. Moreover there are 65 rooms for accommodations, including four rooms with universal design where people in wheelchairs can stay.



Assuring fair assessment and treatment of employees

Seven & i Group companies are implementing personnel evaluation systems to maximize employees' abilities and assess them in a transparent and fair manner. The companies' employees self-evaluate their job performance and then their managers also conduct an appraisal. Subsequently through interviews, the employees talk about the appraisal results with the managers to understand their strong points and challenges.

Moreover each Group company is working to establish the systems in which individuals can choose from among different working styles to work with higher motivation. For example, Ito-Yokado has a program enabling part-timers to choose from diverse working styles based on their personal circumstances and beliefs. Seven & i Food Systems promotes part-timers to full-timers, under which a total of 184 part-timers have actually got promotion for last five years, or appoints them as store managers.

Achieving a work-life balance

The Seven & i Group is improving its childcare and nursing care systems to help employees, including part-timers, continue working. All Group companies are operating childcare systems that are better than the legal standard.

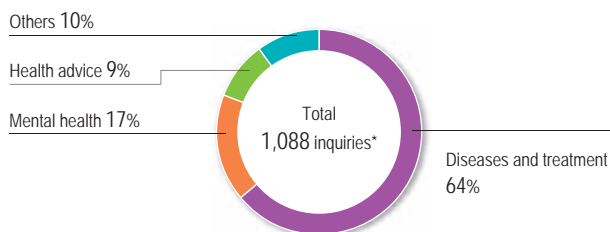
In April 2012, Ito-Yokado prolonged the deadline until which employees raising their children can work shorter hours from April 15 of the year in which the child becomes a second grader at elementary school to April 15 of the year in which the child becomes a fifth grader at elementary school. (Also Seven-Eleven Japan prolonged the deadline to the same date and Seven & i Food Systems to April 15 of the year in which the child becomes a first grader at junior high school.)

Moreover, Seven-Eleven Japan, Ito-Yokado, and Seven & i Food Systems have a volunteer leave system to support the participation of employees in volunteer activities. Further in FY2011, Ito-Yokado made it possible also for part-timers to take volunteer leave.

Assuring consideration for worker health and safety

The Seven & i Group is striving to maintain safe and comfortable workplaces for employees. To this end, each Group company regularly holds meetings of its safety and health committee and provides employees with regular health checkups, while the Group's headquarters set up a 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. The Group also provides both employees and their families with health counseling and services to introduce medical institutions.

Breakdown of consultation requests made by employees by topic (FY2011)



* Including those from employees' families

At the headquarters of Seven & i Holdings, health consultations are held by inviting dieticians of Seven & i Food Systems, which provide employees with opportunities to raise awareness about their health and dietary habits.

In addition, to prevent industrial accidents, Ito-Yokado provides employees dealing with fresh food with education on the treatment of knives and other tools, while at some meetings of Seven-Eleven Japan, executive managers give cautions for safe driving to OFC (Operations Field Consultants) who drive vehicles for their jobs. Seven & i Food Systems urges employees to prevent industrial accidents by posting awareness posters, etc. at its restaurants twice a year. The company also conducts interview surveys on those that had industrial accidents to investigate the cause and share the specific measures to prevent the reoccurrence of similar accidents.



Health consultation

TOPICS

Sound labor-management relationships

The federation of Seven & i Group labor unions is composed of eight*1 Japanese labor unions. The labor unions exchange information about the organizational management and working conditions for the members based on the principle of enhancing their organizations while maintaining their independence.

Ito-Yokado's labor union, which implements the union shop system, is the largest of the Group, with about 39,000 members. As of September 2012, 89% of all its employees, excluding students working as part-time staff, belong to the labor union.

Ito-Yokado respects the union's activities based on the three rights of labor. For example, when the labor union holds an important plenary meeting, a round table meeting or training seminar during the opening hours of the stores, the company makes necessary arrangements on the working hours of the union members. In FY2011, the company and labor union concluded seven labor agreements by discussing and negotiating on such

issues as revising wages and increasing the number of holidays given to part-timer members under the condolence leave and volunteer leave systems to the number of the holidays given to regular employees.

Furthermore, in FY2012 the personnel system was revised focusing on the management of labor hours by managers in charge, with a view to providing National/Area/Expert employees*2 with an appropriate treatment according to their job details, which has been continuously discussed.

*1 The labor unions of Ito-Yokado, Seven & i Food Systems, York Mart, Marudai, K.K. Sanei, York-Benimaru, Akachan Honpo, and Sogo & Seibu. The federation also shares information and cooperates with the labor unions of the following Group companies: Life Foods, SHELL GARDEN and THE LOFT. (Total of about 66,000 members as of September 2012)

*2 Ito-Yokado classifies its regular employees into these three types.

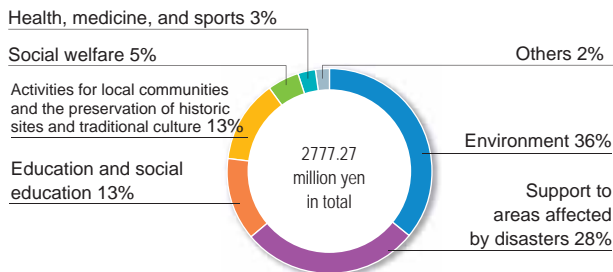


Coexisting with Local Communities

Making social contributions in cooperation with local governments and organizations

The Seven & i Group has concluded cooperation agreements for comprehensive regional activation with a total of 42 municipal governments (as of the end of August 2012) and is fostering cooperation with organizations based on the policy, "contribute to local development and establishment of a prosperous living environment through our business"

Breakdown of the social contribution activity costs (FY2011)



* Total amount of costs calculated for Seven & i Holdings, Seven-Eleven Japan, Ito-Yokado, York-Benimaru, Sogo & Seibu, Seven & i Food Systems, Seven Bank, York Mart, and Akachan Honpo. The calculation was made in line with the Japan Business Federation's guidelines on the implementation of surveys on social contribution activities (2011).

Making social contributions through merchandise sale

We are selling goods and implementing campaigns, through which we enable our customers to participate in environmental conservation and social contribution activities.

Ito-Yokado

In 2000, Ito-Yokado began installing automatic vending machines, sales of which are partially donated to international humanitarian support organizations, jointly with beverage manufacturers. (As of the end of July 2012, 377 units are installed at 78 stores.) Through this activity, the company has donated a total of 37.7 million yen while also selling other goods the sales of which are partially donated.



Two types of rice, the sales of which are partially donated to environmental protection funds for conserving two rare species of birds



Message cards the sales of which are partially donated to UNICEF

Seven & i Group

The Seven & i Group sells a range of Seven Premium products made using domestically produced rice powder. By



Snack made using rice powder

cooperating with the Komeko Club project implemented as part of the FOOD ACTION NIPPON initiative and attaching the logo of the Club to the rice powder product packages, the Group contributes to increasing public awareness and consumption of rice powder.

Sogo & Seibu

Sogo & Seibu sells 96 eco-friendly product items that are assessed by a third-party organization to meet the criteria set independently by the company (as of the end of February 2012). Also the company proposes "green wrapping" to customers, through which they can make social contributions. Specifically, it is proposed that customers purchase a wrapping ribbon with a leaf-shaped mascot at the unit price of 100 yen, of which 50 yen will be donated to tree planting and growing activities. Moreover the company asks its customers to choose "simple packaging" when they purchase summer and winter gifts, which leads to the planting of one tree per 4,000 gifts.



Proposing "eco-friendly product" to customers on a POP sign showing the merit of the product.



Green wrapping

Seven Bank

Since July 2011, Seven Bank issues Bonolon Cash Cards, which are designed based on a main character of a picture book for reading that Seven Bank co-sponsors, to customers who have opened their accounts at the bank and chosen the issuance of the card. The Bank donates 100 yen per each of the card issued as the fund to create a specially edited picture book. The copies of the book were distributed to about 3,000 child centers across Japan in May 2012.



Bonolon Cash Card

Conducting store-based activities

At stores to which a lot of people visit, the Group companies have been conducting activities, such as installing donation collection boxes and brochure stands for organ donor cards and holding a range of events.

Ito-Yokado

Ito-Yokado opened the "eco & universal design corner" at six of its stores (as of the end of February 2012), focusing on the theme "friendly to both the Earth and people." At this space, the company introduces its initiatives for energy conservation, recycling and reuse of materials, and natural energy using panels and images.



Sogo & Seibu Robinsons

Sogo & Seibu has been collecting donations and holding awareness-raising events for the training of seeing-eye dogs. In FY2011 the company donated a total of 34,709,964



yen for the purpose, including donations from employees and the labor-management fund.

Moreover the company has a children's shoes trade-in counter at each of its stores and sends the shoes brought by customers to the counter to the Republic of Zambia through the international NGO JOICFP. In FY2011 about 24,000 pairs of



shoes were donated to the country in this activity, in order to help prevent local children from getting infected by tetanus or parasitic diseases as a result of going barefoot and getting injured.

TOPICS

Supporting recovery from the Great East Japan Earthquake

- Seven & i Food Systems

From April to November 2011, Seven & i Food Systems sold "meals with donations." Specifically the company donated 20 yen per meal* (7,081,320 yen in total) to the Japanese Red Cross Society.

* For the period from April 15 to May 15, customers were also able to donate 20 yen in this activity conducted by the company.

- York-Benimaru

Upon request from Fukushima Prefecture, York-Benimaru has established the furusato kizuna information station at seven of its stores in the prefecture, where information from the local governments of the earthquake-affected areas and consultation services are available and local inhabitants can make mutual exchanges.

Also, in response to a substantial decrease in the recruitment of graduates from senior high schools located in the Tohoku region and in particular in Fukushima Prefecture, the company increased the employment of graduates from senior high schools located in the prefecture through additional recruitment in August 2011.

- Sogo & Seibu

The Sogo Yokohama Store cooperated to a demonstration experiment conducted by the Japanese Ministry of International

Affairs and Communications, and sold the world's first Valentine's Day message cards with CO2 emission rights. Specifically, the Store purchased CO2 emission rights sold within Iwate Prefecture (one of the earthquake-affected areas), divided them into 10-kilogram emission rights, assigned each of them to the cards, and sold the cards at the unit price of 100 yen. The CO2 emission rights purchased by customers could be used to reduce CO2 emissions from the activities conducted by the organizations supporting the recovery from the earthquake, and thus Sogo & Seibu made it possible for purchasers of the cards to support the affected areas and also make environmental contributions.

Moreover to support evacuees from litate Village in Fukushima Prefecture, the Sogo Kashiwa Store held an event to sell the clothes and clothing accessories that female citizens of the village had made by recycling old clothes at their temporary houses. In this event held for two days in March 2012, Sogo &



Event to sell the products made by citizens of litate Village

Seibu not only provided the citizens with a place to sell their products, but also gave them design advice and comprehensively supported them in advertisement and sales.



Overseas initiatives

The Seven & i Group operates globally, in 16 countries and regions around the world.



Worldwide Store Network

46,600 stores
(approx.)*

*The number of stores (end of February 2012 for Japan; end of December 2011 for other countries/regions) includes the following:

- Stores operated in various countries/regions by our subsidiaries
- Stores operated in each country by area licensees of 7-Eleven, Inc.
- Stores operated using trademarks pursuant to agreements concluded with Sogo & Seibu

Social contribution activities by overseas companies

7-Eleven, Inc.

7,149 stores

7-Eleven engages in social contribution activities with the aim of promoting the well-being of youth, supporting military families, and helping to relieve hunger. In FY2011, as part of our continuing Operation Chill activities, one million coupons for a free Slurpee®



were distributed to local police to be handed out to children who perform good deeds such as helping others.

SEVEN-ELEVEN (HAWAII) , INC.

58 stores

As a good corporate citizen, we support activities and organizations involved with children, education, public welfare, and health. In FY2011, we served as a sponsor of major charity



events and our employees also participated.

SEVEN-ELEVEN (BEIJING)

147 stores

A charity box is set up in each store to collect contributions from customers. Funds raised are donated to the government-certified environmental organization Beijing Green Foundation. In FY2011, 148,586 yuan was raised.

Hua Tang Yokado, Chengdu Ito-Yokado, Beijing Wang fu jing Yokado

15 stores in total

The above companies all engage in support of education, cleanup, and other activities, as seen in donations collected via the Yokado Charity Fund for Assisting with the Education of Children

TOPICS

7-Eleven operating companies in different countries

CP ALL Public Company Ltd. operates 6,276 stores in Thailand and actively provided support for areas affected by the massive flooding that struck the country in 2011. For example, the company donated meals, bakery products and drinking water to governmental organizations immediately after the flood. It also offered relief agencies use of 7-Eleven stores nationwide to raise funds from the public. 7-Eleven stores in flooded areas were opened to supply necessary items to communities as long as they could be operated. After the floods subsided, the company began selling two popular packed lunch products and beverages at the lowest possible prices in 11 affected provinces in order to help people who needed to reserve their funds for the expenses involved in recovery.

* Companies holding area licenses operate 7-Eleven stores in different countries.

Korea Seven Co., Ltd. (Lotte Group), which operates 5,249 stores in South Korea, donates daily necessities to the Korea Social Service Association, and uses 1% of the profits from sales of prepackaged meals, cakes, and other items to be able to offer powdered milk for babies.

President Chain Store Co., Ltd., which operates 4,801 stores in Taiwan, has for over a decade taken part in a cleanup campaign, on which 30 million Taiwan dollars have been spent and more than 300,000 people, including the general public, have participated. Employee volunteers also conduct support activities to enable persons with disabilities to acquire the basic skills for independent living.



7-Eleven, Inc.

Reducing the environmental impact

7-Eleven, Inc. (hereinafter “SEI”) strives to alleviate the burden its business activities place on the environment, such as in resource consumption as well as waste and CO₂ emissions. In FY2011, the annualized reduction of CO₂ emissions due to energy and sustainability measures was 244,500 tons and the annualized financial savings topped \$40 million; enabled through energy conservation measures in new stores and other energy-related and environmental measures.



Before (left) and after (right) interior LED lighting installation

7-Eleven wins award for corporate energy management

In recognition of 7-Eleven’s initiatives for energy efficiency, the Association of Energy Engineers selected SEI to receive the Region IV Corporate Energy Management Award for 2011. The award recognizes outstanding accomplishments in developing, organizing, managing and implementing corporate energy management programs. The award ceremony was held in Chicago prior to the opening of the World Energy Engineering Congress in October 2011.



Association of Energy Engineers Region IV Corporate Energy Management Award Ceremony; accepting on behalf of 7-Eleven was James Chemp, Director, (third from left), Engineering & Energy Management

Environmental data on the United States and Canada

	FY2009	FY2010	FY2011	FY2012 Targets
Stores	6,389	6,610	7,149	7,779
CO ₂ emissions from store operations (1,000 tons-CO ₂)*	1,128	1,117	1,138	1,242
Water consumption (1,000 m ³)	6,344	6,728	5,955	6,225
Plastic bag consumption (tons)	–	–	1,496	1,390

* Calculated based on an emission coefficient conforming to the standards of USEPA

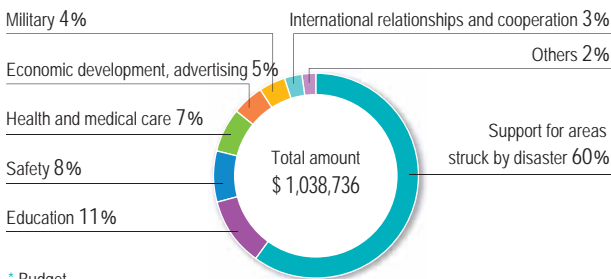
Major efforts for reducing environmental impact

When activities began/Activity description
<p>Since FY2009 (Continued activities)</p> <ul style="list-style-type: none"> • Created the Corporate Energy and Sustainability Program Manual • Developed several energy conservation and environmental sustainability programs • Established a centralized database to closely monitor and grasp detailed energy usage and cost data • Implemented energy-efficient designs that include LED lighting, efficient HVAC units, and energy-management systems in all new stores • Installed a portfolio of more than 1,200 Energy Management Systems in stores • Replaced lighting and air-conditioning equipment • Issued Temperature Set Point standards for stores • Specified HVAC systems that are highly energy-efficient and use environmentally benign refrigerants • Introduced electronic billing and payment systems for utilities and various vendors, eliminating approximately 0.8 tons/year of paper consumption • Provided incentives for urging headquarters employees to use public transportation
<p>FY2011 (New activities)</p> <ul style="list-style-type: none"> • Closed field offices in the U.S. and Canada and asked approximately 1,200 employees to work from their homes • Consolidated delivery of goods and conducted collective delivery, thereby reducing the number of trucks used and CO₂ emissions by approximately 3,000 tons • Reduced electricity per-store consumption by 15,665 kWh by introducing interior LED lights in 4,493 stores, thereby reducing annual CO₂ emissions by 10.7 tons

Social contribution activities in the U.S.

SEI hopes to help improve the quality of life in local communities through unified activities by the headquarters and franchisees. In FY2011, more than \$3.7 million in cash equivalent value was donated to more than 400 organizations, including cash donations from customers, franchisees, employees, and the company, as well as in-kind contributions and volunteer hours for local initiatives.

Amount of cash donations in the U.S. by SEI (FY2011)*



* Budget

Support for military personnel

For the month of November in 2011, the Operation: Thank You campaign was held for raising funds to be donated to the United Service Organization (USO), the largest organizations in the U.S. for supporting the welfare of members of the military and their families. For each \$1 contribution, 7-Eleven customers received a USO thank you card they could write a name on and post at a store. This let them show their appreciation to family members and friends who are serving or who have served in the military. The card also comes with a tear-off coupon that can be used for the next purchase, making the campaign enjoyable for those who make contributions as well.

The funds amounting to more than \$224,000 raised through the campaign enabled the sending of about 9,000 Operation Care Packages that provided snacks, toiletries, telephone cards, and other items for troops on overseas missions.



The USO thank you card

Campaign to help relieve domestic hunger, pursued in collaboration with business partner

SEI and PepsiCo, Inc. in October-December 2011 partnered in a campaign to help relieve domestic hunger. PepsiCo, Inc. donated five cents for each 20-oz. Pepsi product purchased to the food bank organization Feeding America. Consumers were able to double the contribution by checking-in to the Facebook page of SEI during the campaign period.

A total of \$250,000 was raised, as well as another \$180,000 through a related campaign by SEI, bringing the total to \$430,000. The entire amount will be used in emergency food assistance for a total of 37 million Americans, including 14 million children (each year), who have difficulty securing food.

Healthy foods

As a company engaged in the neighborhood retail business, SEI believes that it assumes roles and responsibilities of offering healthy foods and drinks to our customers. In response to the recently increasing instances of obesity and the rising popularity of convenient nutritional foods, it is now more important that we sell healthy foods.

Given this climate, SEI has established product lineups that enable customers to easily consume nutritiously balanced meals. Through news releases on our website, we also convey information on recommended products for breakfast, lunch, snacks, and beverages.



7-Eleven dietitian Patsy Ross shows food and beverages at 7-Eleven stores for customers who want to maintain their intention to eat healthy, but still want convenience



Supporting employee skill development

SEI has more than 19,000 U.S. and Canadian employees and approximately 4,000 franchisees. The company takes efforts for appropriate hiring and employee education, developing employees capable of actively engaging in diverse communities. 7-Eleven's employee development policies include producing meaningful job experiences that challenge and stretch the employee's capabilities, offering opportunities for learning and growth, and ensuring a fair evaluation based on a performance assessment standard.

In FY2011, learning tools for franchisees and employees were identified as keys to 7-Eleven's future success. The company expanded its development portfolio with three new initiatives, shown on the right, to support our staff in their current roles, define and manage career path objectives, and better serve our customers.



Employee's voice

We believe that development of employees' abilities is one of our greatest competitive advantages against other companies. Successful employee development requires a balance between an individual's career needs and goals and the organization's need to get work done. 7-Eleven's employee development programs proactively contribute to establishing a highly skilled workforce and stronger organizational performance.



Miya Maysent
Vice President, Talent Management, 7-Eleven, Inc.

Initiatives started in FY2011 include

1 College of Operations Leadership (C.O.O.L.) program

With the help of the National Business Leadership Council, 7-Eleven's franchisee and employee leadership committee, curriculums that further develop operational knowledge and skills have been developed for new franchisees.



2 R.I.G.H.T. Behavior Model

7-Eleven also designed the R.I.G.H.T. behavior model toolkit to help franchisees and sales staff deliver an outstanding customer experience through five core behaviors. This program will be rolled out for stores in FY2012.

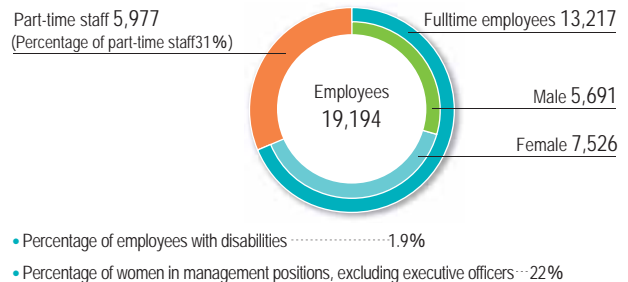
- R : Respond to our Guest
- I : Interact with our Guest as a friend
- G : Great appearance
- H : Helpful – serving our Guest promptly
- T : Thank and invite back

3 7-Excel University

7-Excel University, a new human-development plan that will help develop OFCs (Operations Field Consultants) and headquarter employees, is launched in FY2012. This is an ongoing, in-house educational curriculum that aims to improve employees' soft skills, including leadership and management, as well as their hard skills such as technical and administrative abilities, sales planning, and business process skills.



Personnel Data in the U.S. and Canada (as of December 31, 2011)

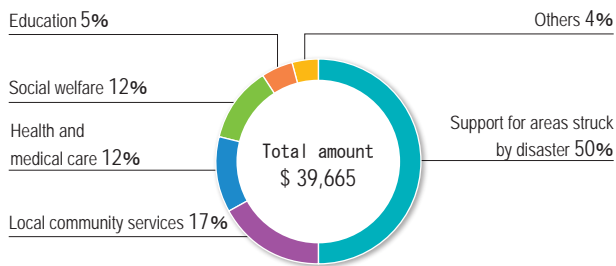


SEVEN-ELEVEN (HAWAII), INC.

Social contribution

In FY2011, SEVEN-ELEVEN (HAWAII), INC. (hereinafter "SEH") donated more than \$160,000 in cash equivalent value to 60 organizations, including cash donations from customers, franchisees, employees, and the company, as well as in-kind contributions and volunteer hours for local initiatives.

Cash donations by SEH (FY2011)



7-Eleven Charity Golf Classic

As a part of its charity activities, SEH has sponsored a golf tournament every year since 1978. Proceeds from participants over these years have been donated to the Muscular Dystrophy Association. In response to the association's establishment of a fundraising system, we also began contributing to organizations involved with children, education, welfare, and health. Thus far, we have made donations to organizations engaged in care for abused children, offering of meals to the disabled and elderly, and education for preventing drug abuse. Many SEH employee volunteers support the charity event, and the tournament continues to be popular on Oahu as an outstanding charity golf event. SEH plans to continue this successful undertaking in the future.



Step out walk to stop diabetes

Diabetes is the fifth leading cause of death in Hawaii. People of Hawaiian, Japanese, and Filipino ancestry make up the majority of those afflicted with the disease. Since many SEH employees come from these backgrounds, the issue is a familiar one for the company as well.

The American Diabetes Association of Hawaii—which is engaged in research to prevent and cure diabetes, as well as to raise awareness on the disease—holds "Step Out Walk to Stop Diabetes" every spring; an event for raising funds for the organization's research. In this popular event, approximately 3,000 people walk a course around Kapiolani Park in Waikiki. SEH has sponsored the event since 2008. Our employees are urged to participate in the event and to prevent occurrence of the disease through maintenance of healthy lifestyles among employees, families, and friends.



Enhancing customer satisfaction

To raise the level of customer satisfaction, each division of SEH engages in the improvement of sales capabilities, human resources development, and expansion of store networks. To advance these initiatives efficiently, we have developed 7-Central, a system on the intranet that enables accurate conveyance of information.

The system comprehensively manages e-mails, emergency broadcasts, reports, phone contacts, manuals, planning calendars, etc., allowing easier viewing and greater convenience for employees. Use of the system has led to increased business productivity, fewer wasted products, higher customer satisfaction, and other positive outcomes.



SEVEN-ELEVEN (BEIJING)

Preventing non-compliance

SEVEN-ELEVEN (BEIJING) (hereinafter "SEB") has established its own action guidelines to thoroughly disseminate fair business activities that comply with the law. To disseminate the action guidelines among employees, education is given in monthly group seminars for merchandisers.

Examples of educational program

- Conducting sincere and fair transactions with business partners, and striving to build and maintain trust-based relationships
- Acting in conformity with the company's rules regarding accepting business entertainment or gifts from business partners
- Maintaining an appropriate attitude when dealing with business partners, without conforming to unreasonable business customs
- Maintaining business and corporate secrets of business partners with strict confidentiality



Meeting of SMDs (product development managers)

Development of safe, reliable products

Interest in food safety has heightened in China. SEB has implemented a range of measures for offering safe, reliable products.

Product development

SEB strives to concisely grasp customer needs through detailed surveys and analyses on market situations during its product development processes in order to develop products that match customers' preferences and maintain overall balance with regard to attributes such as taste and quality. Product development meetings are held for deciding on product concepts, targeting customers, and targeting quality and sales. Product development personnel repeat tasting and make improvements for developing only optimal products that align with the Seven-Eleven concepts.

The voice of a product development employee

If the products I develop are accepted widely among customers, I can not only contribute toward store sales, but also make customers aware of the sense of freshness and the appeal of Seven-Eleven. So I feel our tasks are challenging and rewarding. I hope to make it known among the people of China that Seven-Eleven offers "close by convenient" stores, as in Japan, by developing excellent products and raising recognition through positive word-of-mouth.



An Hong
MD (in charge of product development), Daily Delivered Food Products Division, SEVEN-ELEVEN (BEIJING)

We hope to gain even greater knowledge about product development, and we strive to continually develop new products. I personally hope to be promoted to team leader within five years, and to lead my team in developing top-selling products, one after another.

Selecting business partners

SEB has self-initiated standards that are more stringent than the domestic laws of China, and handles only products of business partners that meet these criteria. For instance, for oden (a Japanese hotpot dish with assorted ingredients) we have standards for stringent manufacturing process management and microbial measurement. Before starting transactions, we ask manufacturers to submit product specification documents, inspection reports, and other pertinent documents for confirming how they handle these matters. Dedicated quality management personnel are also appointed for visiting factories and head offices of business partners after starting transactions in order to confirm their onsite conditions.

Management and improvement of source material quality

SEB specifies production locations of the source materials for all of its daily delivered food products, including steamed rice and ready-to-eat dishes, and uses only those that are manufactured under comprehensive management. For example, the company has its own standards for each process from rice polishing at production sites to use in factories for the rice used for prepackaged, boxed meals and in onigiri rice balls.

We also promote development of Seven Premium brand products suited to the Chinese market. In addition to carefully selecting source materials that meet the stringent criteria, SEB independently inspects manufacturing plants and designates factories that have high levels of quality, such as companies that export products to Japan. In this way we develop and offer safe and reliable products.

Among products of national brands, we offer an increasing number of high-quality, additive-free products that are free of preservatives. Since June 2009, we have collaborated with Japanese manufacturers for selling milk and fruit juice that are free of additives and preservatives. This was made possible by adopting the logistics system of Seven-Eleven Japan, in which a set temperature is maintained throughout the entire process.



Seven Premium products developed for the Chinese market

Reducing the environmental impact

Electricity charges have gone up in China due to supply failing to keep pace with growing demand. Businesses are mandated to conserve electricity to reduce costs as well as decrease their environmental impact.

In FY2011, SEB installed new, energy-conserving lighting fixtures when its stores were renovated, while decreasing the number of such fixtures. In some stores, air conditioning equipment was replaced with inverter-type systems.

To further save electricity, we plan to conduct trial adoption of inverter-type freezers while at the same time installing in-store LED lights. And by introducing a device equipped with a timer and optical sensor for automatically switching store signboards on and off, we seek to prevent losses incurred when store personnel forget to manually turn them off.

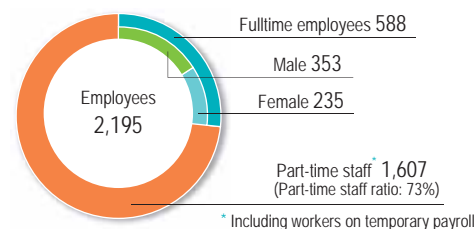
In addition to these energy conservation measures, we also study a switch to refrigeration equipment using refrigerant gas that contains no chlorofluorocarbons.

Stores and environmental data of SEB

	FY2009	FY2010	FY2011
Stores	92	100	147
Electricity consumption (MWh)	9,626	11,851	13,216
Water consumption (1,000 m ³)	55	54	55

Personnel data

Personnel data of SEB (as of December 31, 2011)



- Percentage of employees with disabilities 1.7%
- Percentage of women in management positions, excluding executive officers 42.5%
- Ratio of executive officers who are Chinese 33%



Hua Tang Yokado, Chengdu Ito-Yokado, Beijing Wang fu jing Yokado

Promoting localization and supporting skill development

At Hua Tang Yokado, Chengdu Ito-Yokado and Beijing Wang fu jing Yokado, we are conducting efforts to organize store operations led by Chinese staff, and at the same time promoting appointment of women. At Chengdu Ito-Yokado, Chinese employees have been appointed to top executive positions, including General Managers of the Administration Department, as well as store managers and General Managers of divisions in charge of apparel, household, and food products. Japanese employees have assumed supporting roles in the system. At Hua Tang Yokado and Beijing Wang fu jing Yokado as well, Chinese employees have been appointed to upward of 90% of store or headquarters manager or higher management positions (excluding executive officers). Also notable is that women have been appointed to almost half of the manager and higher positions at all three stores.

While striving to localize store operations, efforts are also being taken to support building employees' capacities. At Hua Tang Yokado and Chengdu Ito-Yokado, meetings for employees to report the results of their efforts are held every quarter concerning customer service, sales promotion, cost reduction, and other relevant topics. At these meetings, individual employees and departments report on examples and outstanding performance to be commended.



Situations of appointments at Chengdu Ito-Yokado

Item	Percentage
Percentage of Chinese employees among all employees	99.5%
Percentage of Chinese employees among store managers	100%
Percentage of Chinese employees among managers and higher management positions (excluding executive officers)	100%
Percentage of women among managers and higher management positions (excluding executive officers)	54.3%

Developing safe and reliable products

In China, which continues to achieve remarkable economic development, interest in food safety and reliability has rapidly increased. To respond to customer demand like this, Hua Tang Yokado, Chengdu Ito-Yokado, and Beijing Wang fu jing Yokado comprehensively implement quality management procedures that were developed in Japan for safe and reliable products. Efforts are also being taken in the area of traceability management, while at the same time expanding usage of organic food products.

Sanitary management

At Chengdu Ito-Yokado, seminars have been held for personnel in charge of food and other products at the store, on food sanitation, quality, POP, and labeling. These seminars were held four times in 2011.

Hua Tang Yokado and Beijing Wang fu jing Yokado also hold seminars on sanitary and freshness management.

Traceability management and sales of organic food products

At Hua Tang Yokado and Chengdu Ito-Yokado, terminals for searching have been installed on the sales floor to enable checking of production history for certain food products (vegetables, fresh meats, eggs, etc.) Beijing Wang fu jing Yokado sells Vegetables with Traceability (about 40 items) purchased from

farmers who produce safe and reliable vegetables in the Beijing suburbs, along with traceable pork.

Hua Tang Yokado places top priority of food division on development of manufacturing organization for safe and reliable food products, and since FY2010 has collaborated with business partners to strive to increase the amount of organic food products it handles. For purchasing organic vegetables, Hua Tang Yokado has collaborated with producers for obtaining certification for organic products, confirmed the safety management organization, and prepared annual cultivation plans; and began selling 27 selected items in April 2012. The handling of organic pork is scheduled to begin in June 2012.

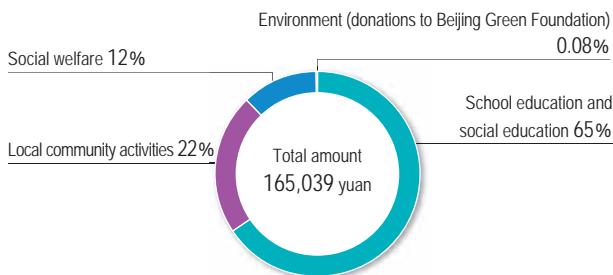


Terminals for searching installed at sales floor

Social contribution activities

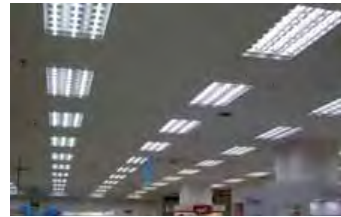
As members of the local community, the three companies have pursued social contribution activities. To commemorate its 10th anniversary, Hua Tang Yokado in April 2008 established the Yokado Charity Fund for Assisting with the Education of Children collaboration with the Beijing Charity Society. Since then, the company has continued activities that support education. In FY2011, it donated 222,180 yuan for improving school facilities. Chengdu Ito-Yokado contributed a total of 165,039 yuan in FY2011 mainly for supporting school education and social education. Employees of Beijing Wang fu jing Yokado clean the walkways around the store twice a day, with the sales floors taking turns.

Breakdown of social contribution costs of Chengdu Ito-Yokado (FY2011)



Environmental measures

The demand for electricity has continued to surge along with rapid economic growth, and the saving of electricity is a critical issue. Beijing Wang fu jing Yokado replaced lighting fixtures for sales floors and the head office of the Jinsong store with LED lighting in March 2011. Similarly, Hua Tang Yokado and Chengdu Ito-Yokado are promoting replacement of old systems with LED



LED lighting

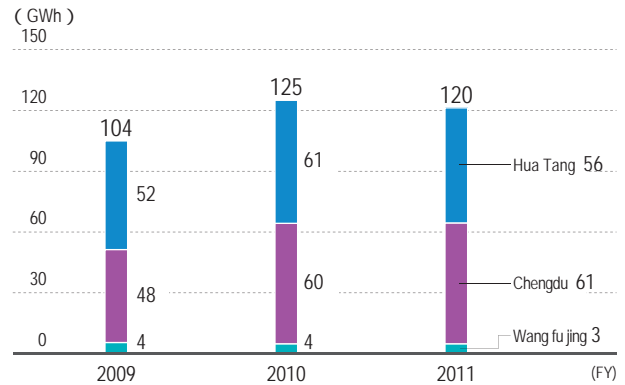
lighting. Efforts are also being taken for raising the awareness of employees, urging them to make sure they turn off lights for areas not in use.

Stores and environmental data of three companies in China

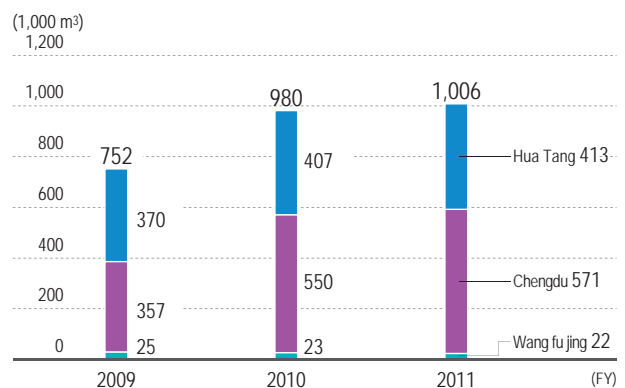
Stores

	FY2009	FY2010	FY2011
Hua Tang Yokado	9	8	8
Chengdu Ito-Yokado	4	4	5
Beijing Wang fu jing Yokado	1	1	2

Electricity consumption (GWh)



Water consumption



Seven-Eleven Japan Co., Ltd

Number of stores as of the end of FY2011: 14,005

Website: <http://c.sej.co.jp/corp/social/> (in Japanese)

Reducing the Environmental Impact

FY2011 Targets and Results and FY2012 Targets

○ : Target achieved △ : Target nearly achieved × : Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Improving energy efficiency and introducing renewable energy				
	<ul style="list-style-type: none"> - Install solar panels at 1,000 stores - Replace the lights for store signs with LED lights at 5,000 stores - Replace indoors lights with LED lights at 5,000 stores - Install smart sensors at 6,000 stores 	<ul style="list-style-type: none"> - 1,393 stores - 9,433 stores - 8,966 stores - 5,752 stores 	△	<ul style="list-style-type: none"> - CO₂ emissions per store: Reduce to 66.4 tons or below - Install solar panels at 5,000 stores
Reducing waste and developing a recycling-oriented society				
	<ul style="list-style-type: none"> - Reduce the use of plastic bags - Increase the food waste recycling rate to at least 33.7% 	<ul style="list-style-type: none"> - Use of plastic bags: 103% of the previous fiscal year's level - Food waste recycling rate: 34.1% 	△	<ul style="list-style-type: none"> - Reduce the use of plastic bags relative to the previous fiscal year - Food waste recycling rate: 36.1% or higher
Raising environmental awareness among employees				
	<ul style="list-style-type: none"> - Expand the number of employees participating in the energy conservation campaign - Enhance information disclosure at the website 	<ul style="list-style-type: none"> - Number of participants in the energy conservation campaign: 9,580 (245% of the previous fiscal year's level) - Updated information focusing on energy conservation measures taken at stores and in logistics operations 	○	<ul style="list-style-type: none"> - Review the details of training provided to employees - Publish a leaflet on CSR

Environmental Data

	Unit	FY2009	FY2010	FY2011
CO ₂ emissions*1 *2	t-CO ₂	949,133	1,022,901	1,039,043
CO ₂ emissions from store operations (per store)*2	t-CO ₂	808,964 (69.4)	880,044 (69.9)	897,183 (66.4)
Logistics-related CO ₂ emissions*3	t-CO ₂	138,272	140,742	140,121
Electricity consumption in store operations*2	GWh	2,069	2,241	2,285
Plastic bag consumption per store (by weight)	t	0.85	0.89	0.92
Waste disposal (recycling rate)*4	t (%)	307,002 (47.5)	324,540 (45.3)	308,724 (43.8)
Food waste recycling rate*5	%	31.5	31.7	34.1

Supplemental information

*1 The data show CO₂ emissions stemming from the use of energy in store, logistics, headquarters, training center and district office operations.

*2 The figures for FY2009 represent total electricity consumption by all but a few stores for which the electricity consumption figures were unavailable. The figures for FY2010 represent total electricity consumption at all but for a few stores, where the figures were calculated based on the estimated values since their electric consumption is unavailable.

*3 This data represents CO₂ emissions stemming from the use of energy for distribution center operation and delivery trucks. For FY2011, some data were not available due to the influence of the Great East Japan Earthquake.

*4 These calculations are based on estimated emissions by the stores in Tokyo. The period of the calculations was January to December, and the amount of baseline emissions was changed in FY2011. The amount of food waste was calculated based on the standard of *5.

*5 Calculated based on the reports submitted by food recycling companies. The period of the calculations was April to March.

CO₂ emissions were calculated according to the Seven & i Holdings Group-wide CO₂ Emissions Calculation Manual.

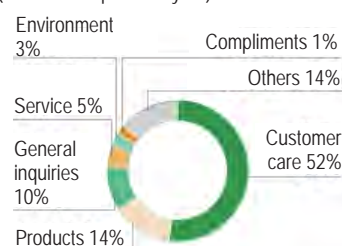
Providing Safe, Reliable Products and Services

Data for Customer Response Services

Based on the concept of "close by, convenient stores," we have endeavored to improve services through the development of safe and secure products and customer response training for employees. We recognize that inquiries and complaints sent in to our customer consultation desk indicate customers' expectations for our stores, and we have tried to progressively make improvements as we listen intently to their voices.

Description of contacts received by Customer Response Service by topic (FY2011)

Contacts received: 81,903
(106% of the previous year)



Targets and Results in FY2011 and Targets in FY2012 ○: Target achieved △: Target nearly achieved X: Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Ensuring the quality and safety of products and services				
	- Take efforts in a planned manner, to have all plants obtain NDF-HACCP certification	- Certified plants: 145 of 161 - Certification ratio: 90.1% (86.2% in the previous year)	△	- Take efforts in a planned manner, to have all plants obtain NDF-HACCP certification
Developing stores and facilities customers can visit with a sense of security				
	- Continue adoption of barrier-free facilities - Establish a system where the minimum necessary facilities continue operation even during blackouts	- 279 stores (127% of the previous year) - 1,201 stores (126% of the previous year)	○	- Stores adopting barrier-free design: 294 - Stores where the minimum necessary facilities continue operation even during blackouts: 1,350
Assuring appropriate information provision				
	- Make information on the reduction of trans-fatty acids, elimination of artificial preservatives and coloring, and measures designed to ensure food safety and reliability available on the website	- Made information on the reduction of trans-fatty acids available on the website	△	- Make part of the products and other information on the website viewable on smartphones
Responding sincerely to customer opinions (organization)				
	- Update the layout of the website page for inquiries to be easily viewable, with the aim of increasing the number of comments of appreciation by 10% from the previous year	- Compliments: 1,001 (126.9% of the previous year). Many customers sent in words of appreciation to our company at the time of the Great East Japan Earthquake.	○	- Post the toll-free phone number on the website, with a target of increasing the number of calls received to 110% of the previous year

Coexisting with Local Communities

Targets and Results in FY2011 and Targets in FY2012 ○: Target achieved △: Target nearly achieved X: Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Supporting young parents and the elderly				
	- Enhance product lineups and services based on the concept of "close by, convenient stores" - Enhance goods delivery service by visiting customers' homes	- Began full-scale operation of mobile stores. Ten vehicles are in operation in seven prefectures.	○	- Increase the number of delivery service vehicles in operation to 50, and strengthen the supporting measures for product delivery.
Assisting in local community revitalization				
	- Continue giving support based on the comprehensive agreements and boost the local economy by expanding the initiative for local production and consumption, as well as for local production and outside consumption	- Concluded a comprehensive agreement for community revitalization with three prefectures and one city (cumulative number of municipalities: 31 prefectures including Tokyo and nine cities)	○	- Continue with support for boosting the local economy based on the comprehensive agreements
Providing support in times of disaster				
	- Continue with measures to donate relief goods and provide drinking water, restrooms and road traffic information to people having difficulties returning home in the event of a disaster, based on the disaster support agreements concluded with municipalities	- Concluded agreements with Yamanashi, Toyama, Mie and Kagoshima Prefectures	○	- Deepen collaboration with disaster prevention desk of municipalities for building an organization that enables even more prompt responses
Implementing crime prevention measures for local communities				
	- Increase the membership ratio in crime prevention council and participation ratio among member stores in crime prevention drills to 50%	- Membership ratio to crime prevention council: 42.6% Participation ratio to crime prevention drills: 46.0%	△	- Increase the membership ratio in crime prevention council and the participation ratio among member stores in crime prevention drills to 50%

Creating Fulfilling Workplaces

FY2011 Targets and Results and FY2012 Targets

: Target achieved : Target nearly achieved × : Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Supporting development of employee abilities				
	- Improve various in-house training programs - Enhance employees' language abilities for globalization	- Launched training for new managers - Launched language training for executives		- Start providing Operations Field Consultants (OFCs) with annual training - Enhance the education program for OFC candidates
Assuring fair assessment and treatment of employees				
	- Further promote the candidate system - Promote the use of female employees	- Number of applicants: 134 (154 in the previous fiscal year) - Rate of female managers: 7.1% (7.0% in the previous fiscal year)	×	- Number of applicants to the candidate system: 120% of the previous fiscal year's level - Rate of female managers: 10%
Achieving a work-life balance				
	- Promote the use of the parental leave system by male employees - Promote the use of various leave systems by employees	- Number of male users: 0 (0 in the previous fiscal year) - Rate of paid days off taken: 5.7% (5.5% in the previous fiscal year)	×	- Increase the number of male users at least to one - Encourage employees to take consecutive leave twice a year
Making use of diverse human resources				
	- Promote the employment of foreign students - Promote the employment of people with disabilities	- Employed 17 foreign nationals (9 in the previous fiscal year) - Employed 2 people with disabilities (4 in the previous fiscal year)		- Employ 30 foreign students - Employ 15 people with disabilities
Assuring consideration for worker health and safety				
	- Eliminate the accidents and violations caused by vehicle users - Provide education to prevent industrial accidents	- Number of traffic accidents and violations: 99% of the previous fiscal year's level - Industrial accidents: 95% of the previous fiscal year's level		- Reduce the number of traffic accidents and violations by 10% year on year - Reduce the number of industrial accidents by 10% year on year

Personnel Data

Breakdown of number of employees (as of the end of February 2012)		FY2009	FY2010	FY2011	
Full time employees	5,686	Average length of service (full time employees)	8years 4months	9years 0months	9years 7months
Males	4,342	Number of full time employees (males) who took parental leave	40 (0)	45 (0)	65 (0)
Females	1,344	Number of full time employees who took nursing leave (males)	0	0	0
Part time staff*1	3,698	Number of volunteer leave recipients	1	1	0
Employees (full time employees + part time staff)	9,384	Percentage of women in management positions*2	7.0%	7.0%	7.1%
New graduate employees hired	322 (Males: 162, Females: 160)	Percentage of employees with disabilities*3	2.23%	1.87%	1.89%
Mid-career employees hired	146	Ratio of full time employees taking paid holidays*4	6.4%	5.5%	5.7%
Re-employment	23	Frequency rate of industrial accidents*5		0.73	0.60
		Severity rate of industrial accidents	0.002	0.003	0.002

*1 Number of part time staff working at directly operated stores (the monthly average number, with 8 hours/day counted as one employee)

*2 Excluding executive officers

*3 The rate for the fiscal year is the rate as of June 1 of the following fiscal year. The percentage of workers with disabilities is for the five qualified Group companies: Seven & i Holdings, Terre Verte (special subsidiary for severe disabilities), Seven-Eleven Japan, Ito-Yokado, and Seven & i Food Systems. The method of calculation was changed in FY2010, to reflect the amendment to relevant laws in July 2010.

*4 Holidays remaining from the preceding fiscal year are not included.

*5 The frequency rate of industrial accidents is shown only for FY2010 and FY2011.

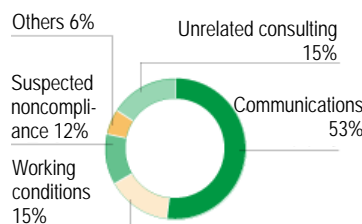
Data for Consultation Services for Employees

The number of contacts made in FY2011 totaled 34, and many of them involved the need to improve the workplace environment. In response in FY2012, the Corporate Ethics and Culture Promotion Office will make examinations to enhance compliance-related education and increase employees' communication abilities.

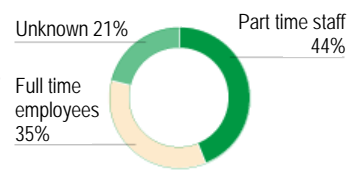
Description of contacts received by Internal Consultation Services (FY2011)

Contacts received: 34 (90% of the previous fiscal year's level)

By topic



By user category



Reducing the Environmental Impact

FY2011 Targets and Results and FY2012 Targets

○ : Target achieved △ : Target nearly achieved × : Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Improving energy efficiency and introducing renewable energy				
	- Improve the environmental impact index*1 by 1% - Reduce CO ₂ emissions from delivery vehicles by 1% year on year	- Improved the environmental impact index by 21% - CO ₂ emissions from delivery vehicles increased by 0.2% year on year.	○	- Improve the environmental impact index by 1% - Reduce the delivery distance per store by 1%
Reducing waste and developing a recycling-oriented society				
	- Increase the food waste recycling rate and the number of stores that implement the recycling to 40% and 90 stores, respectively - Increase the turndown rate of plastic bags to 50% in the final month of FY2011 - Expand the use of recycled trays to reduce CO ₂ emissions by 800 tons	- Food waste recycling rate: 39.4% Stores that implement the recycling: 85 stores - Turndown rate of plastic bags: 43.3% - CO ₂ emissions reduction: 1,890 tons	△	- Food waste recycling rate: 45% Stores that implement the recycling: 100 stores - Turndown rate of plastic bags in the final month of FY2012: 50%

Environmental Data

	Unit	FY2009	FY2010	FY2011
CO ₂ emissions*2	t-CO ₂	597,858	591,464	466,187
CO ₂ emissions from store operations (Environmental impact index*1)	t-CO ₂ (t-CO ₂ / m ² × 1 million h)	569,248 (72.3)	564,975 (76.7)	439,934 (60.4)
CO ₂ emissions by delivery vehicles	t-CO ₂	25,355	24,017	24,070*3
Electricity consumption in store operations	GWh	1,272	1,256	943
Water consumption in store operation	1,000m ³	7,598	7,353	7,684
Plastic bag consumption (turndown rate) at the food section	t (%)	3,065 (30.1)	2,717 (43.1)	2,725 (43.3)
Waste disposal (recycling rate)*4	t (%)	145,459 (62.0)	131,918 (65.2)	129,375 (66.2)
Food waste recycling rate*5	%	31.4	36.7	39.4

Supplemental information

*1 CO₂ emissions per (total sales floor area x opening hours)

*2 CO₂ emissions stemming from the use of energy in store, headquarters, training center and distribution center operations and by delivery vehicles.

*3 For some vehicles, the in-vehicle terminal models were updated to include CO₂ emissions from transportation between delivery companies and distribution centers, because of which the amount of CO₂ emissions increased.

For FY2011, some data were not available due to the influence of the Great East Japan Earthquake.

*4 The period of the calculations was from January to December

*5 The period of the calculations was April to March.

CO₂ emissions were calculated according to the Seven & i Holdings Group-wide CO₂ Emissions Calculation Manual.

TOPICS

Opening of the Ario Ueda Environmentally Advanced Shopping Center

Ito-Yokado has been introducing energy-saving equipment so that its environmental impact will not increase in proportion to increases in the size and number of its stores. The company installed LED lamps on the largest scale in Nagano (6,447 LED lamps) at the Ario Ueda shopping center, which was opened in April 2011. (The LED lamps account for about 80% of the lamps installed at the sales floors and 60% of all the lamps installed at the shopping center.) As a result, electricity consumed at the shopping center will be halved from the level at an ordinary shopping center in a similar size. In addition, illumination level-adjustable lamps and highly energy-efficient lighting equipment will be introduced to the sales floors, and motion sensors will also be adopted for stairs to reduce CO₂ emissions from the shopping center by about 630 tons a year. Moreover a total of 560 solar panels (774 m²) that can generate electricity of up to 106 kW are installed on the roof and the southeastern wall. Further, 12 outdoor lamps are lit by wind and solar power generation to make proactive use of natural energy.



Solar panels installed at the store

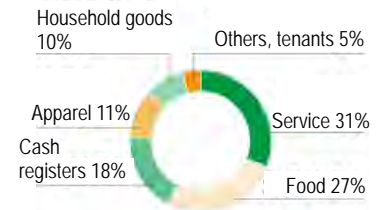
Providing Safe, Reliable Products and Services

Data for Customer Response Services

During FY2011 as well, stores and headquarters collaborated in analysis of the causes of issues pointed out by customers, and studied measures to prevent recurrence. The number of contacts received from customers in FY2011 was 82,178 (93% of the previous year), showing a continuing declining trend. About 31% were opinions and comments about services. We will continue analyzing the causes of complaints and strengthen measures to respond to them.

Description of contacts received by Customer Response Service by topic (FY2011)

Contacts received: 82,178 (93% of the previous year)



Targets and Results in FY2011 and Targets in FY2012 ○: Target achieved △: Target nearly achieved X: Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Ensuring the quality and safety of products and services				
	<ul style="list-style-type: none"> - Conduct self-checking using the plant audit sheet at the existing overseas partner plants, and based on the results, conduct onsite inspections at major priority plants - Introduce the general-purpose, basic Good Agricultural Practice (GAP) methods recommended by the Ministry of Agriculture, Forestry and Fisheries at 50% of producers of fruit and vegetables with traceability 	<ul style="list-style-type: none"> - Conducted audits at two domestic and 74 overseas plants for apparel products and at 18 domestic and 24 overseas plants for household goods - Completed introduction 100% 	○	<ul style="list-style-type: none"> - Revise our own quality standards for the first time in five years, including product categories
Developing stores and facilities customers can visit with a sense of Security				
	<ul style="list-style-type: none"> - In view of the lessons learned from the Great East Japan Earthquake and actual situations, revise the (1) Large-Scale Disaster Countermeasures; and (2) Tokyo Metropolitan Area Epicentral Earthquake Countermeasures 	<ul style="list-style-type: none"> - Revisions were made to: (1) responses regarding emergency relief goods; and (2) countermeasures against fire damage, traffic restriction issues, safety confirmation issues and people having difficulty returning home. 	○	<ul style="list-style-type: none"> - Formulate countermeasures against volcanic disasters accompanying earthquakes
Assuring appropriate information provision				
	<ul style="list-style-type: none"> - In order to raise the ratio of store indication check items graded A, conduct training on labeling at the time of management meetings for the apparel, household goods and food products divisions 	<ul style="list-style-type: none"> - Ratio of items graded A: 95% (Improved by 4 points from the previous year) 	○	<ul style="list-style-type: none"> - Improve educational programs conducted at the time of management meetings for the apparel, household goods and food products divisions in order to maintain appropriate labeling
Responding sincerely to customer opinions (organization)				
	<ul style="list-style-type: none"> - For improvements regarding the number of complaints received in relation to apparel and household goods, enhance seminars for buyers and quality improvement meetings with business partners 	<ul style="list-style-type: none"> - Apparel products: 100% of the previous year - Household goods: 75% of the previous year 	○	<ul style="list-style-type: none"> - Reduce complaints on services - Increase the number of complimentary comments

Coexisting with Local Communities

Targets and Results in FY2011 and Targets in FY2012 ○: Target achieved △: Target nearly achieved X: Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Supporting young parents and the elderly				
	<ul style="list-style-type: none"> - Develop nursing care goods for the elderly with the functions that meet the expectations of customers, and cooperate with business partners to educate salespeople so that they can appropriately explain the product functions to customers 	<ul style="list-style-type: none"> - Conducted collective training twice a year and individual store training for about 30 times a year 	○	<ul style="list-style-type: none"> - Develop products that will help the elderly live more convenient and comfortable lives, not limited to nursing care goods, and enhance the education of salespeople so that they can appropriately explain the product functions to customers
Providing support in times of disaster				
	<ul style="list-style-type: none"> - Promote the conclusion of agreements with Hiroshima, Hyogo and Okayama Prefectures - Clarify the responsibilities for the treatment of relief goods, from their acceptance to shipment 	<ul style="list-style-type: none"> - Made negotiations for the conclusion of the agreements - Revised the measures for relief goods among the measures against large disasters 	△	<ul style="list-style-type: none"> - Foster the conclusion of the agreements with municipalities continually and make examinations to newly conclude an agreement with the Japan Self Defense Forces

Creating Fulfilling Workplaces

FY2011 Targets and Results and FY2012 Targets

○ : Target achieved ◐ : Target nearly achieved × : Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Supporting development of employee abilities				
	- Increase the rate of employees who are certified with ranks 1 to 3 of an internal license to 55% - Mandate those targeted for manager training to receive that training at least once a year	- Rate of personnel in ranks 1 to 3: 42% - Total number of participants in the training held for 14 times: 387	△	- Increase the rate of employees in ranks 1 to 3 to 60% - Provide managers of existing stores with new training
Assuring fair assessment and treatment of employees				
	- Promote the establishment of workplaces where the abilities of employees are fairly evaluated regardless of gender	- Rate of female managers: 16.7% (Up 0.4% year on year)	○	- Promote the establishment of workplaces where the abilities of employees are fairly evaluated regardless of gender
Achieving a work-life balance				
	- Reduce the overtime to 95% of the previous fiscal year's level	- 118% of the previous fiscal year's level	×	- Reduce the overtime to 95% of the previous fiscal year's level
Making use of diverse human resources				
	- Continue providing education on human rights and normalization as part of education for managers and for new employees	- Total number of participants in the training held for 40 times: 3,129	○	- Hold easy-to-understand and highly persuasive seminars on human rights and normalization, by showing the backgrounds, specific examples, and numerical data to participants
Assuring consideration for worker health and safety				
	- Dispatch information and continue education without fail to prevent industrial accidents - Create and implement an annual health and safety plan for each store to reduce the frequency of industrial accidents.	- Frequency of industrial accidents: 93% of the previous fiscal year's level	○	- Examine the causes of industrial accidents and countermeasures, and make all employees aware of the results to prevent the recurrence of similar accidents

Personnel Data

Breakdown of number of employees (as of the end of February 2012)		FY2009	FY2010	FY2011	
Full time employees	9,136	Average length of service (full time employees)	18years 7months	19years 2months	20years 0months
Males	6,797	Number of parental leave recipients (males and part time staff)	201 (0, 85)	201 (0, 87)	192 (0, 97)
Females	2,339	Number of nursing leave recipients (males and part time staff)	15 (1, 13)	26 (2, 23)	8 (7, 1)
Part time staff*1	29,853	Number of volunteer leave recipients	6	3	14
Employees (full time employees + part time staff)	38,989	Percentage of women in management positions*2	16.9%	16.3%	16.7%
New graduate employees hired	91 (Males: 36, Females: 55)	Percentage of employees with disabilities*3	2.23%	1.87%	1.89%
Mid-career employees hired	19	Ratio of full time employees taking paid holidays*4	16.3%	16.5%	11.2%
Re-employment	126	Frequency rate of industrial accidents	1.54	1.72	1.67
		Severity rate of industrial accidents	0.03	0.03	0.03

*1 Monthly average number, with 8 hours/day counted as one employee

*2 Excluding executive officers

*3 The rate for the fiscal year is the rate as of June 1 of the following fiscal year. The percentage of workers with disabilities is for the five qualified Group companies: Seven & i Holdings, Terre Verte (special subsidiary for severe disabilities), Seven-Eleven Japan, Ito-Yokado, and Seven & i Food Systems. The method of calculation has been changed in FY2010, to reflect the amendment to relevant laws in July 2010.

*4 Holidays remaining from the preceding fiscal year are not included.

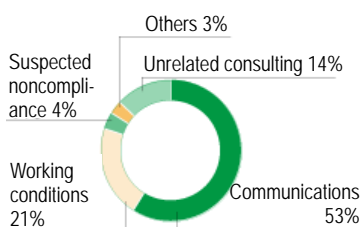
Data for Consultation Services for Employees

In light of the fact that consultations regarding communications between employees and their managers accounted for a large percent of the total, details of the relevant contacts made to the helpline were introduced in the training for new managers to enhance their education. In FY2012, we will improve education on the Group's Corporate Action Guidelines and Ito-Yokado's Action Guidelines, which were revised in FY2011.

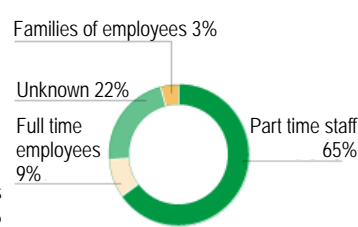
Description of contacts received by Internal Consultation Services (FY2011)

Contacts received: 241 (98% of the previous fiscal year's level)

By topic



By user category



York-Benimaru Co., Ltd.

Number of stores as of the end of FY2011: 176

Website: <http://www.yorkbeni.co.jp/enviro/index.html> (in Japanese)

Reducing the Environmental Impact

FY2011 Targets and Results and FY2012 Targets

○ : Target achieved △ : Target nearly achieved × : Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Improving energy efficiency and introducing renewable energy				
	<ul style="list-style-type: none"> - Reduce the use of electricity during summer (from July 1) by 15% - Increase the fuel economy of delivery vehicles - Promote the opening of all electric stores 	<ul style="list-style-type: none"> - Reduced the annual use of electricity by 15.8% year on year (by continuing energy saving efforts also in winter) - Precise data was not available because the distribution center was damaged by the disaster. - A total of 25 stores are all electric stores as of the end of February 2012, including the eight stores opened in the fiscal year. 	○	<ul style="list-style-type: none"> - Limit the use of electricity to up to 110% of the previous fiscal year's level - Open more all electric stores

Environmental Data

	Unit	FY2009	FY2010	FY2011
CO ₂ emissions*1	t-CO ₂	151,984	156,865	130,307
CO ₂ emissions from store operations (per store)	t-CO ₂	132,623 (809)	138,777 (816)	116,011 (659)
CO ₂ emissions by delivery vehicles	t-CO ₂	14,666	13,094	9,169*2
Electricity consumption in store operations	GWh	319	333	280
Water consumption in store operation (1,000m ³)	1,000m ³	1,098	1,078	1,004
Plastic bag consumption (turndown rate) at the food section*3	t (%)	547 (39.6)	381 (70.3)	370 (70.8)
Waste disposal (recycling rate)	t (%)	41,040 (54.5)	40,661 (52.4)	41,372 (47.5)
Food waste recycling rate*4	%	29.6	30.2	24.0

Supplemental information

*1 CO₂ emissions stemming from the use of energy in store, headquarters, training center and distribution center operations and by delivery vehicles.

*2 Excluding the data for March to May, which was unavailable due to the influence of the Great East Japan Earthquake

*3 For data in FY2009, calculations were made based on the number of Eco Stamp cards collected. In FY2010, we changed the calculation method, which is now based on the number of customers who do not accept plastic bags at checkout counters.

*4 The calculation period is from April to March.

CO₂ emissions were calculated according to the Seven & i Holdings Group-wide CO₂ Emissions Calculation Manual.

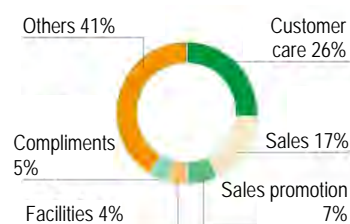
Providing Safe, Reliable Products and Services

Data for Customer Response Services

In order to hear customers' opinions, requests, complaints and inquiries sent to stores and the headquarters and reflect them in our daily operations, we established a customer consultation desk that can be reached via a toll-free phone number. The desk will strive to promptly address customers' voices in collaboration with relevant in-house divisions and stores in order to utilize them for improving our product development efforts, product lineup, store design, services, store facilities, etc.

Description of contacts received by Customer Response Service by topic (FY2011)

Contacts received: 2,501 (85% of the previous year)



Targets and Results in FY2011 and Targets in FY2012 ○: Target achieved △: Target nearly achieved X: Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Ensuring the quality and safety of products and services				
	- Increase the amount of sales of three-star vegetables to 117.8% compared to the previous year - Increase the amount of sales of locally produced vegetables to 134% compared to the previous year	- 108.0% of the previous year - 93.9% of the previous year	△	- 126.0% of the previous year - 120.1% of the previous year
Developing stores and facilities customers can visit with a sense of security				
	- Increase the number of stores certified pursuant to the revised Barrier-Free Law	- 88 stores	○	- Increase the number of stores certified pursuant to the revised Barrier-Free Law
Assuring appropriate information provision				
	- Increase the number of times accessing the website regarding searches on production history	- 24,062 times accessed (413.5% of the previous year) * The number increased significantly due to the radiation dosage issue.	○	—
Responding sincerely to customer opinions (organization)				
	- Listen carefully to customer opinions and handle them sincerely, one by one	- Installing toll-free phone numbers and customer feedback box	○	- Installing toll-free phone numbers and customer feedback box

Coexisting with Local Communities

Targets and Results in FY2011 and Targets in FY2012 ○: Target achieved △: Target nearly achieved X: Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Supporting young parents and the elderly				
	- Continue the blood donation activity 'Heartful Saturday'	- Number of participants: 307 (70.3% of the previous fiscal year's level)	×	- Number of participants: 450
Assisting in local community revitalization				
	- Continue holding the Opening Memorial festival as an opportunity for the stores and local communities to make exchanges	- Continued holding the festival, though it was not held right after the March disaster	○	- Continue holding the festival
Providing support in times of disaster				
	- Continue to cooperate with municipalities by concluding comprehensive agreements, etc.	- Concluded agreements on cooperation and support in the event of disasters with a total of 21 municipalities	○	- Continue to cooperate with municipalities by concluding comprehensive agreements and other measures
Implementing crime prevention measures for local communities				
	- Promote the activity to provide children with "shelters"	- Continued the activity	○	- Continue the activity

TOPICS

Establishing the Furusato Kizuna Information Station

Since November 2011, York-Benimaru has established the Furusato Kizuna Information Station at seven of its stores in Fukushima Prefecture. The Information Station is designed to provide victims of the March disaster who are living in various towns in Fukushima Prefecture as evacuees with information from the disaster-affected municipalities, consultation services, and a place to make exchanges with each other. The company established the Station upon request from the government of Fukushima Prefecture, which wanted to establish the Station within commercial facilities in Koriyama City, Fukushima City, Iwaki City, and Aizuwakamatsu City. The Station is operated by Utsukushima NPO Network, and the operation will be continued until March 2013, by one year longer than initially planned.



Creating Fulfilling Workplaces

FY2011 Targets and Results and FY2012 Targets

: Target achieved : Target nearly achieved × : Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Supporting development of employee abilities				
	- Increase employees' awareness of the Target Achievement Records to promote the use of the system	- The use of the Records was promoted not only in the formulation of individual development plans but also in OJT toward the establishment of a new educational system. - The average results were slightly improved (from 2.30 in September 2010 to 2.43 in March 2012).	△	- Make steady use of the Target Achievement Records in OJT
Assuring fair assessment and treatment of employees				
	- Promote the use of female employees - Review the personnel evaluation system in reference to external information	- Rate of female managers: 7.1% - The personnel evaluation system was not reviewed.	×	- Increase the rate of female managers to 10%
Achieving a work-life balance				
	- Increase the awareness of the parental leave system among male employees and managers	- The parental leave system was used by a male employee for the first time.	○	- Encourage more male employees to use the system and take paid holidays for childcare.
Making use of diverse human resources				
	- Increase the employment rate of people with disabilities to 2.0%	- The rate slightly decreased to 1.9%.	×	- Increase the employment rate of people with disabilities to 2.0%
Assuring consideration for worker health and safety				
	- Provide education on industrial accidents as part of education for new employees and of Off-JT	- The education on industrial accidents was steadily provided in the education for new employees but not always provided in Off-JT.	△	- Provide education on industrial accidents in Off-JT

Personnel Data

Breakdown of number of employees (as of the end of February 2012)		FY2009	FY2010	FY2011	
Full time employees	2,495	Average length of service (full time employees)	12years 7months	12years 6months	14years 7months
Males	2,230	Number of parental leave recipients (males and part time staff)	29 (0, 8)	37 (0, 36)	74 (1, 67)
Females	265	Number of nursing leave recipients (males and part time staff)	0	5 (0, 5)	4 (2, 2)
Part time staff*1	10,165	Number of volunteer leave recipients	No system	No system	No system
Employees (full time employees + part time staff)	12,660	Percentage of women in management positions*2	29.0%	25.9%	7.1%
New graduate employees hired	110 (Males: 74, Females: 36)	Percentage of employees with disabilities*3	2.08%	1.96%	1.90%
Mid-career employees hired	0	Ratio of full time employees taking paid holidays*4	10.5%	9.8%	8.8%
Re-employment	12	Frequency rate of industrial accidents	2.64	2.56	2.94
		Severity rate of industrial accidents	0.020	0.008	0.030

*1 Monthly average number, with 8 hours/day counted as one employee

*2 Excluding executive officers (The scope of tabulation was changed for FY 2011 data, following the launch of the new personnel system in February 2012. Under the system, those who serve as deputy store managers or in lower positions are not regarded as "managers.")

*3 The method of calculation has been changed in FY2010, to reflect the amendment to relevant laws in July 2010.

*4 Holidays remaining from the preceding fiscal year are not included.

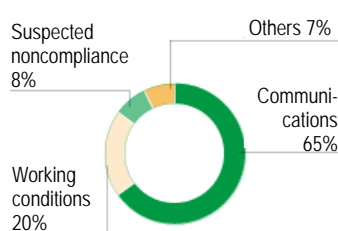
Data for Consultation Services for Employees

York-Benimaru provides employees with the help line service. The service enables them to report the violations of the laws, social norms, and York-Benimaru's corporate philosophy and ethics that they have noticed directly to the company. In FY2012, we will conduct surveys and announce the results about the reports made by employees in a more prompt manner.

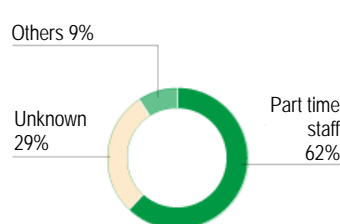
Description of contacts received by Internal Consultation Services (FY2011)

Contacts received: 55 (52% of the previous fiscal year's level)

By topic



By user category



Sogo & Seibu Co., Ltd.

Number of stores as of the end of FY2011: 26

Website: <http://www.sogo-seibu.co.jp/csr.html> (in Japanese)

Reducing the Environmental Impact

FY2011 Targets and Results and FY2012 Targets

○ : Target achieved △ : Target nearly achieved × : Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Attaining an appropriate grasp of environmental impact				
	- Examine collecting environmental data based on ISO 14001 at two Robison stores	- Began collecting environmental data	○	- Launched measures to acquire ISO 14001 certification at two Robison stores
Improving energy efficiency and introducing renewable energy				
	- (1) Reduce CO ₂ emissions by 1% (2) Study measures to further reduce power use (e.g. introducing LED lights)	- (1) Reduced CO ₂ emissions by 15.8% (2) Introduced LED lights to the fitting rooms of four core stores and to the common use space of the flagship store in Ikebukuro. Reduced power use by 15.1%.	○	- Reduce CO ₂ emissions by 1% - Examine introducing more LED lights
Reducing waste and developing a recycling-oriented society				
	- (1) Waste recycling rate: 60% (2) Food waste recycling rate: 43.5% (3) Continue reducing the use of packaging paper and bags	- (1) Waste recycling rate: 61.2% (2) Food waste recycling rate: 51.2% (3) Continued reducing the use of packaging paper and bags	○	- Food waste recycling rate: 52% - Increase the waste recycling rate to 100% at the main store in Ikebukuro
Implementing measures for biodiversity				
	- Increase the awareness of the tree planting activity conducted in linkage with green wrapping and the simple wrapping of summer and year-end gifts to make donations equivalent to the cost of planting 1,100 trees	- Planted 1,130 trees by achieving 3.69 million cases of the simple wrapping and 11,051 cases of green wrapping.	○	- Increase people's awareness of green wrapping to plant 1,200 trees - Plant trees in the Kai Zenko-ji forest to create an ecologically rich satoyama forest
Offering eco-friendly products				
	- Introduce new type Eco-bags - Continue proposing eco-friendly products	- Introduced new type Eco-bags (two types in three colors) - Proposed "cool biz" and other environmentally friendly products	○	- Continue proposing environmentally friendly products
Raising environmental awareness among employees				
	- Have all targeted full time employees receive education on the environment by e-learning - Increase employees' awareness of energy conservation and electricity saving by the use of in-house tools	- All full time employees received the education at all the stores - Raised employees' awareness by introducing energy and electricity conservation initiatives in the monthly environmental newsletter sent to all the stores	○	- Increase employees' awareness on a continual basis - Implement a campaign to encourage employees to save the use of electricity at their homes

Environmental Data

	Unit	FY2009	FY2010	FY2011
CO ₂ emissions*1	t-CO ₂	224,587	206,473	173,868
CO ₂ emissions from store operations	t-CO ₂	223,947	205,937	173,365
Electricity consumption in store operations	GWh	477	444	376
Water consumption in store operation	1,000m ³	3,844	3,708	3,496
Packaging consumption	t	1,790	1,720	1,675
Waste disposal (recycling rate)	t (%)	32,249 (53.9)	31,687 (58.2)*2	32,749 (61.2)
Food waste recycling rate	%	24.1*2	42.5*2	51.2

Supplemental information Robison's is included in the results.

*1 CO₂ emissions stemming from the use of energy in store, headquarters and distribution center operations.

*2 Robison's is not included in the results. CO₂ emissions were calculated according to the Seven & i Holdings Group-wide CO₂ Emissions Calculation Manual.

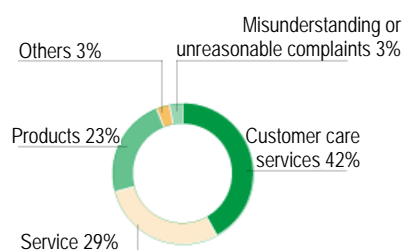
Providing Safe, Reliable Products and Services

Data for Customer Response Services

During FY2011, measures at the Customer Center established for reflecting customers' voices on business activities were improved, and "Practical Ways to Deal with Complaints at Sites" were featured in a series in the in-house newsletter Smile. In addition to clearly mentioning the causes of complaints and recurrence-prevention measures, improvement measures for attitude, language and systems were suggested to salespeople and implemented. In FY2012, customers' requests will be analyzed for each sales floor, and issues identified will be reflected in the sales measures.

Description of contacts received by Customer Response Service by topic (FY2011)

Contacts received: 14,642 (94% of the previous year)



Targets and Results in FY2011 and Targets in FY2012 ○:Target achieved △:Target nearly achieved X:Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Ensuring the quality and safety of products and services				
	<ul style="list-style-type: none"> - Product Division and Quality Management Office are to audit plants of private brand food products and directly confirm the production processes - Prepare and distribute quality management procedural document for buyers of apparel and general merchandise - Continue with onsite instruction on food hygiene - Provide basic food hygiene education to 2,200 workers 	<ul style="list-style-type: none"> - Conducted at 119 plants - Training was given to 96 buyers of apparel and general merchandise - Continued giving onsite instruction on food hygiene - Basic food hygiene education was given to 2,200 workers 	○	<ul style="list-style-type: none"> - Continue with audit of plants of private brand food products and confirmation of the production processes - Store managers and other management personnel are to conduct hygiene inspection in kitchens. Acquisition of the Department Store Food Safety Adviser qualification is to be mandated. - Plants of private brand apparel and general merchandise are to be audited
Developing stores and facilities customers can visit with a sense of security				
	<ul style="list-style-type: none"> - Conduct studies to introduce more facilities when renovating sales floors 	<ul style="list-style-type: none"> - Slopes along the two access ways on the first basement floor of the Kobe Store and beside the elevators on the first floor of the Yao Store parking space are to be renovated with a non-slippery surface. A net is to be installed in the open section of the parking space of the Chiba Store Junnu Building for preventing falls. 	○	<ul style="list-style-type: none"> - Further installation of facilities is to be studied for renovated sales floors
Responding sincerely to customer opinions (organization)				
	<ul style="list-style-type: none"> - Further promote activities to resolve customer dissatisfaction and reflect their needs on operational measures 	<ul style="list-style-type: none"> - Article series called "Practical Ways to Deal with Complaints at Sites" was featured nine times in the in-house newsletter in order to increase customer response abilities at stores 	○	<ul style="list-style-type: none"> - Promote activities to analyze customers' requests at each sales floor, thereby identifying issues for each sales floor and reflecting them in operation measures

Coexisting with Local Communities

Targets and Results in FY2011 and Targets in FY2012 ○:Target achieved △:Target nearly achieved X:Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Supporting young parents and the elderly				
	<ul style="list-style-type: none"> - Increase the frequency of customers' visits to our department stores by making the consultation service always available (Establish a "Pre-Mama Stations", where a midwives provide them with consultation services) - Continue and promote the monthly classes - Assort more goods for childcare, incorporating the opinions of customers who have used the counseling services - Develop more specialty salespersons: (1) 50 Heartful Advisors, (2) 12 baby goods advisers, and (3) 40 shoe fitters - Continue to operate the permanent trade-in service corners for children's shoes 	<ul style="list-style-type: none"> - Number of consultations Flagship store in Ikebukuro: 1,883; Store in Yokohama: 6,008 - Held a monthly seminar for parents and children at Ikebukuro main store and Yokohama store - Assorted more goods and developed products for childcare, incorporating the opinions expressed by customers to the midwives. At Ikebukuro main store, a "corner for childcare goods" was established. - (1) 41 Heartful Advisors, (2) 10 baby goods advisers, and (3) 40 shoe fitters - Continued to operate the permanent trade-in service corners for children's shoes 	○	<ul style="list-style-type: none"> - Expand "Pre-Mama Stations" - Establish the Pre-Mama Counter at all the stores, where customers can consult with midwives and health nurses on a regular basis - Develop more products by incorporating the opinions given by customers to the midwives - Develop more specialty salespersons (1) 50 Heartful Advisors, (2) 12 baby goods advisers, and (3) 45 shoe fitters - Continue to operate the permanent trade-in service corners for children's shoes
Assisting in local community revitalization				
	<ul style="list-style-type: none"> - Plan and hold localized events at each store 	<ul style="list-style-type: none"> - Conducted local events at stores, such as local production and consumption campaigns, water sprinkling activities, and provided elementary school students with work experience - Concluded a comprehensive agreement with Kanagawa Prefecture 	○	<ul style="list-style-type: none"> - Hold more localized events
Providing support in times of disaster				
	<ul style="list-style-type: none"> - Examine expanding disaster support 	<ul style="list-style-type: none"> - Started making adjustments toward the conclusion of an agreement with Omiya City, in response to the request made by the city following the Great East Japan Earthquake - Participated in the council to discuss the measures for people having difficulties in going home in the event of disasters, which is composed of companies and municipalities located around the main terminal stations in Tokyo (eight stations including Ikebukuro and Shibuya Stations), and discussed how to cooperate with each other in the event of disasters 	○	<ul style="list-style-type: none"> - Continue fostering cooperation with local governments and companies, including measures for people having difficulties in going home in the event of large earthquakes
Implementing crime prevention measures for local communities				
	<ul style="list-style-type: none"> - Continue to cooperate with local communities to establish disaster and crime prevention systems 	<ul style="list-style-type: none"> - Conducted a drill to deal with people having difficulties in going home in the event of large earthquakes at the flagship store in Ikebukuro on February 3, 2012 - The flagship store in Ikebukuro and stores in Shibuya, Yokohama, and Fukui participated in local crime prevention patrols. 	○	<ul style="list-style-type: none"> - Continue to cooperate with local communities to establish disaster and crime prevention systems

Creating Fulfilling Workplaces

FY2011 Targets and Results and FY2012 Targets

○ : Target achieved △ : Target nearly achieved × : Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Supporting development of employee abilities				
	- Start providing open seminars on sales skills, etc (37 seminars), expecting 3,000 people will attend the seminars per year	- Number of participants: 3,109	○	- Hold even better seminars for another 3,000 people
Assuring fair assessment and treatment of employees				
	- Rate of female managers: (1) team leaders: 50.0% and (2) section managers and those in higher positions: 10.0% - Provide more chances to take on challenges through public recruitment system	- (1) Team leaders: 34.1% (2) Section managers and those in higher positions: 6.0% - Number of applicants: 83, of whom 24 passed - Number of participants in the training for next-generation managers: 50	○	- Rate of female managers: (1) team leaders: 50.0% and (2) section managers and those in higher positions: 10.0%
Achieving a work-life balance				
	- Create and distribute the copies of a brochure on the childcare support system in cooperation with the labor union	- Published a PR magazine focusing on the childcare support system-related activities (March 2011)	○	- Hold a consultation meeting to help employees who will return to work from parental leave relieve their concerns - Expand and enhance the system to allow employees to work shorter hours for childcare
Making use of diverse human resources				
	- Make better use of non-regular employees through the promotion system established for such employees - Promote employment of people with disabilities to comply with the revised Disabled Persons Employment Promotion Act (factoring short-term workers into the denominator) - Continue mid-career recruitment	- Number of people promoted to full time employees: 17 - Percentage of employees with disabilities: 1.89% (up 0.04% year on year) - Mid-career employees hired: 9	○	- Continue implementing the system to promote non-regular employees to regular employees (about five employees)
Assuring consideration for worker health and safety				
	- Establish a system for counseling services by local psychiatrists - Create a program to help employees on leave return to work	- Established a mental counseling system at all stores, which the industrial physicians and those in charge of personnel affairs can introduce to employees	○	- The Health and Safety Committee carried out inspections on the workplace environment to decrease the number of industrial accidents year on year.

Personnel Data

Breakdown of number of employees (as of the end of February 2012)*1		FY2009	FY2010	FY2011	
Full time employees	4,975	Average length of service (full time employees)	19years 4months	19years 6months	20years 9months
Males	3,331	Number of parental leave recipients (males and part time staff)	66 (0, 34)	48 (0, 23)	89 (0, 12)
Females	1,644	Number of nursing leave recipients (males and part time staff)	5 (0, 3)	2 (0, 2)	4 (1, 4)
Part time staff*2	5,179	Number of volunteer leave recipients	No system	No system	No system
Employees (full time employees + part time staff)	10,154	Percentage of women in management positions*3	23.9%	24.3%	23.3%
New graduate employees hired	51 (Males: 21, Females: 30)	Percentage of employees with disabilities*4	1.80%	1.85%	1.89%
Mid-career employees hired	9	Ratio of full time employees taking paid holidays*5	6.7%	12.8%	11.4%
Re-employment	394	Frequency rate of industrial accidents	1.10	0.43	0.59
		Severity rate of industrial accidents	0.02	0.01	0.01

Robinson's is not included in the results.

*1 Robinson's is included in the result.

*2 Monthly average number, with 8 hours/day counted as one employee

*3 Excluding executive officers

*4 The method of calculation has been changed in FY2010, to reflect the amendment to relevant laws in July 2010.

*5 Holidays remaining from the preceding fiscal year are not included for FY2010.

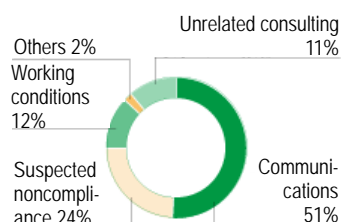
Data for Consultation Services for Employees

Most of the consultations about "Suspected noncompliance" were those on inappropriate business operations. In FY2011, the stores and divisions about which contacts were made received training as necessary, and in FY2012 compliance training will continue to be intensively provided on legal affairs, safety management, and quality management to prevent the occurrence of any problems or incidents.

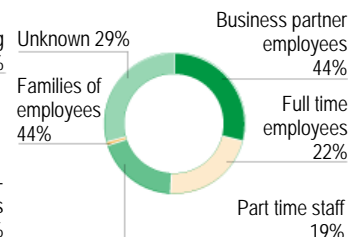
Description of contacts received by Internal Consultation Services (FY2011)

Contacts received: 83 (111% of the previous fiscal year's level)

By topic



By user category



Seven & i Food Systems Co., Ltd.

Number of stores as of the end of FY2011

Website: <http://www.7andi-fs.co.jp/7fc/company/csr.html> (in Japanese)

Reducing the Environmental Impact

FY2011 Targets and Results and FY2012 Targets

○ : Target achieved △ : Target nearly achieved × : Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Improving energy efficiency and introducing renewable energy				
	<ul style="list-style-type: none"> - Introduce LED bulbs to more stores (to 30 Denny's restaurants) and reduce CO₂ emissions by 90 tons (a reduction that is by five times larger than that achieved in the previous fiscal year) - Review the number of delivery vehicles and reduce the delivery frequency to five times a week from the latter half of the term, thereby reducing CO₂ emissions from delivery vehicles by 8% year on year 	<ul style="list-style-type: none"> - Stores with LED bulbs installed: 33 stores, with CO₂ emissions reduced by 219 tons - CO₂ emissions from delivery vehicles increased by 10% year on year, due to increases in the transportation distance following the opening of stores in remote areas 	△	<ul style="list-style-type: none"> - Stores with LED bulbs installed: 166 stores, with CO₂ emissions reduced by 434 tons - Verify the effect of introducing a hybrid car (since November 2011) as a delivery vehicle
Reducing waste and developing a recycling-oriented society				
	<ul style="list-style-type: none"> - Promote waste sorting to increase the food waste recycling rate to at least 33% 	<ul style="list-style-type: none"> - Achieved the food waste recycling rate of 33% by promoting waste sorting and reducing waste generation 	○	<ul style="list-style-type: none"> - Continue to promote waste sorting and reduce waste generation to increase the food waste recycling rate to 35% or higher
Raising environmental awareness among employees				
	<ul style="list-style-type: none"> - Hold meetings and training seminars regularly to collect information about waste-related problems faced by stores, thereby planning and implementing improvement measures - Distribute reference materials on energy conservation six times a year to stores, thereby increasing all employees' awareness of the matter 	<ul style="list-style-type: none"> - Unable to hold the meetings and seminars on a continual basis - Distributed reference materials on energy conservation for four times a year to stores, thereby increasing all employees' awareness of the matter 	△	<ul style="list-style-type: none"> - Hold an explanatory meeting on waste sorting, reduction of waste generation, and recycling of food waste - Distribute the reference materials for six times a year to stores

Environmental Data

	Unit	FY2009	FY2010	FY2011
CO ₂ emissions*1	t-CO ₂	109,320	93,274	83,147
CO ₂ emissions from store operations	t-CO ₂	104,702	91,225	80,927
CO ₂ emissions by delivery vehicles*2	t-CO ₂	2,315	1,904	2,091
Electricity consumption in store operations	GWh	189	172	156
Water consumption in store operation	1,000m ³	2,555	2,403	2,272
Waste disposal (recycling rate)	t (%)	15,505 (24.9)	13,103 (24.7)	10,557 (25.6)
Food waste recycling rate	%	23.4	30.7	33.0

Supplemental information

*1 CO₂ emissions stemming from the use of energy in store operations (Seven & i Food Systems) and in headquarters operations and by delivery vehicles (Denny's only).

*2 The values are for Denny's only.

CO₂ emissions were calculated according to the Seven & i Holdings Group-wide CO₂ Emissions Calculation Manual.

Providing Safe, Reliable Products and Services

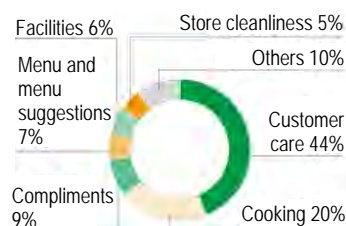
Data for Customer Response Services

Contacts received in FY2011 decreased to 7,270 (91% year on year). Compliments received increased to 734 (119% year on year), combined with the compliments regarding measures taken in response to the Great East Japan Earthquake.

In FY2012, we will continue activities for reflecting customers' needs in operation measures, in the hopes of heightening customer satisfaction.

Description of contacts received by Customer Response Service by topic (FY2011)

Contacts received: 7,270 (91% of the previous year)



Targets and Results in FY2011 and Targets in FY2012 ○:Target achieved △:Target nearly achieved X:Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Ensuring the quality and safety of products and services				
	- Exchange our own transaction conditions documents for all food materials, enabling staff in charge to observe plants and confirm that quality is being managed pursuant to the standards. Continue confirming the suitability of quality and traceability management through regular observations of production sites of source materials being used	- Promoted the confirmation that all food materials conform to the standards of transaction conditions documents. Observations of plants: conducted about 350 times	○	- Observation of plants: about 400 times - Confirm that requirements in transaction conditions documents are complied with
Assuring appropriate information provision				
	- Introduce a search system for the mobile phone website, enabling customers to check on allergenic substances when they view menu books	- Start a search service on the usage conditions of allergenic substances (designated source materials and quasi-designated source materials) on the mobile phone website (This is accessed by scanning the QR codes printed in menu books. The system displays menu items that do not use the allergenic substances that were selected from the list.)	○	- Continue a search service on the usage conditions of allergenic substances
Responding sincerely to customer opinions (organization)				
	- Categorize suggestions and complaints from customers to respond to them in detail. Continue to hold customer service seminars for managers of stores where a large number of complaints have been filed.	- Had managers of stores where many issues had been identified participate in customer service seminars; promoted thorough understanding of basic customer service at all stores in order to resolve customers' dissatisfaction	△	- Establish Operation Support Division Customer Satisfaction (CS) for sorting out customers' opinions and results of store monitor surveys and disseminating information in an appropriate manner, thereby improving customer satisfaction

Coexisting with Local Communities

Targets and Results in FY2011 and Targets in FY2012 ○:Target achieved △:Target nearly achieved X:Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Supporting young parents and the elderly				
	- Improve the teaching materials on healthy diets and desirable restaurants for people who will have work experience at the restaurants - Continue and expand support to childcare	- Revised the materials based on the documents published by governmental agencies. Number of people accepted for work experience: 403 at 143 stores (95% of the previous fiscal year level) - Conducted childcare support activities at 146 stores in 6 districts (162% of the level of the previous fiscal year, when the activities were conducted at 90 stores in 5 districts)	○	- Review the acceptance system and reference materials to be distributed - Expand support to childcare
Assisting in local community revitalization				
	- Continue developing and selling menus made using local products for the promotion of local production and consumption, and help locals pass down their food culture to next generations	- (1) Made a registration for the initiative "Three-Star Restaurants for Food Education in the Shinshu" implemented by Nagano Prefecture to pass down local food culture to next generations, and served local menus made using locally produced vegetables (2) Gave childcare support services at stores in Nagano, Saitama, Kanagawa, Shizuoka, Aichi and Hyogo Prefectures (3) Helped parents provide their children with dietary education by introducing table manners and the roles of foodstuffs in the menu book for children	△	- Continue developing and selling menus using local products for the promotion of local production and consumption - Give support for the succession of local food culture through support to childcare and other activities - Develop menus that help promote health and beauty
Providing support in times of disaster				
	- Continue implementing measures to support people having difficulties in going home in the event of disasters and provide all employees education on disaster responses	- Continued implementing measures to support people having difficulties in going home in the event of disasters. At the time of the Great East Japan Earthquake, the stores were unable to communicate with the headquarters and independently implemented the support measures.	○	- Send store employees to training seminars held by local governments to foster information sharing

Creating Fulfilling Workplaces

FY2011 Targets and Results and FY2012 Targets

○: Target achieved △: Target nearly achieved ×: Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Supporting development of employee abilities				
	- Review the employment manuals for part timers and temporary workers to increase the retention rate of these workers	- Review the education tools, such as DVDs and videos, to make better use of them in initial education	○	- Utilize the personnel records in which the items for business operations are clearly shown, thereby improving the level of business operations
Assuring fair assessment and treatment of employees				
	- Review the self-check evaluation and complete the implementation - Review the evaluation system according to job details	- Revised the self-check evaluation items - Revised the evaluation system	○	- Make the targeted employees carry out the self-check evaluation and treat them according to the results
Achieving a work-life balance				
	- Reduce the working hours at the restaurants by "visualizing" the number of employees necessary for the store operation and the abilities of individuals, and set a limit on the working hours	- Set a limit on the working hours	×	- Review the job details by job type to increase the work efficiency and ensure that no employees will work longer than the limit
Making use of diverse human resources				
	- Promote mid-career recruitment based on the personnel plans	- Mid-career employees hired: 14 (0 in the previous fiscal year)	○	- Proactively promote part timers to full time employees
Assuring consideration for worker health and safety				
	- Have employees on leave take interviews with industrial physicians and fully participate in rehabilitation programs - Conduct follow-ups for health checkups and schedule interviews to prevent diseases once a year for employees - Give guidance on the use of tools and equipment to prevent industrial accidents	- Had employees on leave take interviews with industrial physicians - Provided employees with health checkup opportunities	○	- Enhance the system to have employees on leave take interviews with industrial physicians and support them in returning to work - Decrease the number of industrial accidents through risk assessments

Personnel Data

Breakdown of number of employees (as of the end of February 2012)		FY2009	FY2010	FY2011
Full time employees	1,290			
Males	1,130			
Females	160			
Part time staff*1	10,432			
Employees (full time employees + part time staff)	11,722			
New graduate employees hired	0			
Mid-career employees hired	14			
Re-employment	17			
Average length of service (full time employees)		13years10months	13years 6months	14years 2months
Number of parental leave recipients (males and part time staff)		40 (0, 36)	46 (1, 30)	67 (0, 53)
Number of nursing leave recipients (males and part time staff)		0	0	0
Number of volunteer leave recipients		0	0	0
Percentage of women in management positions*2		18.3%	21.7%	28.8%
Percentage of employees with disabilities*3		2.23%	1.87%	1.89%
Ratio of full time employees taking paid holidays*4		8.2%	7.0%	9.8%
Frequency rate of industrial accidents		1.50	1.22	1.28
Severity rate of industrial accidents		0.04	0.03	0.02

*1 Monthly average number, with 8 hours/day counted as one employee

*2 Excluding executive officers

*3 The rate for the fiscal year is the rate as of June 1 of the following fiscal year. The percentage of workers with disabilities is for the five qualified Group companies: Seven & i Holdings, Terre Verte (special subsidiary for severe disabilities), Seven-Eleven Japan, Ito-Yokado, and Seven & i Food Systems. The method of calculation has been changed in FY2010, to reflect the amendment to relevant laws in July 2010.

*4 Remaining holidays from the preceding fiscal year are not included.

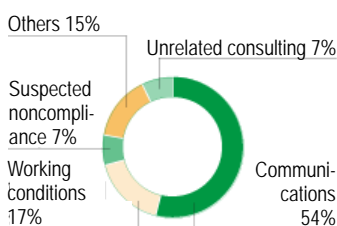
Data for Consultation Services for Employees

The contacts received were dealt with in collaboration among the Information Management Committee, Fair Trade Subcommittee, and Personnel Affairs Department. Information sharing was attempted through monthly reports and Corporate Ethics and Culture Committee meetings held quarterly. In FY2012, we will revise our Action Guidelines and enhance employee education to foster the solution of problems.

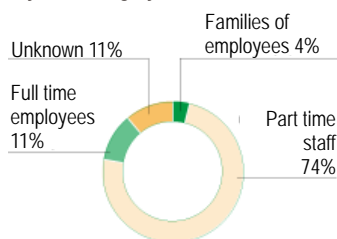
Description of contacts received by Internal Consultation Services (FY2011)

Contacts received: 90 (107% of the previous fiscal year's level)

By topic



By user category



Seven Bank, Ltd.

Number of ATMs installed as of the end of FY2011: 16,632

Website: <http://www.sevenbank.co.jp/corp/csr/> (in Japanese)

Reducing the Environmental Impact

FY2011 Targets and Results and FY2012 Targets

○: Target achieved △: Target nearly achieved ×: Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Improving energy efficiency and introducing renewable energy				
	<ul style="list-style-type: none"> - Replace ATMs with the third-generation machines - Reduce electricity consumption per ATM in July to September by 15% from the previous year - Reduce electricity consumption in offices between July and September by 20% from the previous year 	<ul style="list-style-type: none"> - Replaced about 2,700 ATMs and completed the replacement of about 2,900 machines (about 17% of the total) as of the end of FY2011 - Reduced electricity consumption per ATM in July to September by 15% by implementing power-saving measures, including decreasing the second display brightness and making the ATMs enter the energy-saving mode faster - Reduced electricity consumption by about 20% year on year, by discontinuing the use of some lights and switching off lights more frequently 	○	<ul style="list-style-type: none"> - Devise measures to reduce the use of electricity at offices by introducing complex machines which incorporate a printer, a fax machine and a copier, and updating the in-house OA systems - Replace about 4,900 ATMs with third-generation machines and complete the replacement of 7,800 machines (about 45% of the total) by the end of FY2012 - Implement power-saving measures voluntarily and in response to requests from society
Reducing waste and developing a recycling-oriented society				
	<ul style="list-style-type: none"> - Continue using recycled paper - Improve the rate of green procurement 	<ul style="list-style-type: none"> - Continued using recycled paper - 54.2% (67.0% of the previous fiscal year's level) 	△	<ul style="list-style-type: none"> - Formulate the guidelines for green purchasing and procurement
Implementing measures for biodiversity				
	<ul style="list-style-type: none"> - Continue with the cleaning activity by employees and their families at forests by the foot of Mt. Fuji 	<ul style="list-style-type: none"> - The activity was canceled due to a typhoon. 	—	—
Offering eco-friendly products				
	<ul style="list-style-type: none"> - Replace ATMs with third-generation machines 	<ul style="list-style-type: none"> - Third-generation ATMs accounted for about 17% of the total. 	○	<ul style="list-style-type: none"> - Third-generation ATMs accounted for about 45% of the total
Raising environmental awareness among employees				
	<ul style="list-style-type: none"> - Continue holding environmental seminars twice a year - Continue disseminating environmental information using Intranet and other media 	<ul style="list-style-type: none"> - More than 300 employees attended each of the seminars. - Dispatched information about the internal energy conservation campaigns and participation in the Eco Products Exhibition 	○	<ul style="list-style-type: none"> - Proactively participate in the environmental volunteer activities held by the Seven & i Group - Conduct environmental volunteer activities under Seven Bank's own programs

Environmental Data

	Unit	FY2009	FY2010	FY2011
Volume of paper ordered for office automation equipment	1,000 sheets	8,080	7,152	6,898
Electricity used at the offices*	MWh	1,416	1,501	1,204

* Data was not available for some rental offices. The number of offices has been increasing since FY2010, and the use of electricity includes use at all the offices, including stores stationed with staff and directly managed ATM corners.

TOPICS

Increasing Environmental Friendliness through Replacement with Third-Generation ATMs

Seven Bank has been fostering the replacement of ATMs with new third-generation machines since 2010. The third-generation ATMs are constantly operated in the energy-saving mode except for during the opening hours, and LED lights are used for the screen and the second display to reduce the use of electricity per machine by about 48% relative to a second-generation machine. Moreover to conserve resources, long-life components and recyclable materials are used in the ATMs. About 2,900 machines, which accounted for about 17% of the total, were replaced by the end of FY2011. By the end of FY2012, another 4,900 will be replaced to increase the number of third-generation ATMs to about 45% of the total.



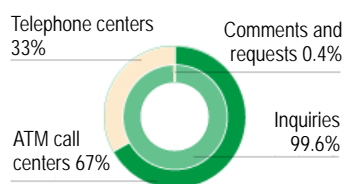
Providing Safe, Reliable Products and Services

Data for Customer Response Services

The Customer Service Department of Seven Bank strives to heighten customer satisfaction (CS) through improvement of customer response and service, under the slogan "Best for You (doing our best for customers)," by compiling the over 640,000 customer opinions and comments that are filed each year, and sharing them with relevant divisions and with management.

Description of contacts received by Customer Response Service by topic (FY2011)

By contact point (outer circle) By topic (inner circle)



* The method of aggregation has changed since FY2011.

Targets and Results in FY2011 and Targets in FY2012 ○: Target achieved △: Target nearly achieved X: Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Ensuring the quality and safety of products and services				
	- Verify and revise the BCM (business continuity management) and BCP (business continuity plan) that were formulated at the time of Great East Japan Earthquake - Start overseas money transfer services on ATMs	- Reconfigured the BCP by adding new scenarios that assume an earthquake with its epicenter in the Tokyo metropolitan area strikes - Started in March 2011	○	- Conduct comprehensive drills and seminars that also consider the new scenarios
Developing stores and facilities customers can visit with a sense of Security				
	- Improve recognition of voice guidance services even further	- Conducted voice guidance service campaign; transactions made during the 46-day campaign period: 2,018 (up 25% from the previous year)	○	- Pursue better visibility on ATM display screens
Responding sincerely to customer opinions (organization)				
	- Hold more discover meetings, aiming to discover new ways to achieve customer satisfaction (CS)	- Held discover meetings three times (with 74 participants from all divisions)	○	- Study indexes aiming at even further improvement of CS

Coexisting with Local Communities

Targets and Results in FY2011 and Targets in FY2012 ○: Target achieved △: Target nearly achieved X: Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Supporting young parents and the elderly				
	- Continue distributing the picture book Solider Bonolon of the Forest to be read to children - Continue holding story hours - Contribute picture books to children's facilities in a number commensurate with the number of Solider Bonolon of the Forest cash cards issued to customers according to their choice	- Continued distributing the books (a total of 41 issues as of February 2012) - Held story hours for 12 times with the participation of 327 people in total (and with 31 employees working as the organizer) - Issued 10,002 cards and donated picture books to about 3,000 children's centers across the country	○	- Hold local story hours at children's centers, etc. - Continue the donation of picture books - Make examinations to give support to the recovery of children's centers in the disaster-affected areas
Assisting in local community revitalization				
	- Continue offering employees opportunities to take part in volunteer activities	- Dispatched volunteer-related information through the intranet every month	○	- Make examinations for the introduction of a volunteer leave system
Providing support in times of disaster				
	- Maintain stable operation of ATMs - Respond to cash needs in affected areas with mobile ATM Vehicles	- Responded to cash needs in affected areas from May to August with three mobile ATM Vehicles	○	—
Implementing crime prevention measures for local communities				
	- Continue cooperating with the police to eradicate financial crime	- Cases of cooperation with the police: 56,016	—	- Implement measures against financial crimes promptly, and collect information about new types of crimes

Creating Fulfilling Workplaces

FY2011 Targets and Results and FY2012 Targets

○:Target achieved △:Target nearly achieved ×:Fell significantly short of target

Challenges	FY2011 Targets and Plans	FY2011 Results and Outcomes	Evaluation	FY2012 Targets
Supporting development of employee abilities				
	- Build staff skills in communicating in foreign languages	- Gave support to a total of 20 employees in regard to correspondence education, the TOEIC examination and external language training	○	- Continue the provision of training
Achieving a work-life balance				
	- Continue providing support for maintaining work-life balance - Encourage male employees to take parental leave	- Changed the fiscal year targeted for the provision of support to FY2012 - Number of male employees who took parental leave: 0	×	- Enhance the parental leave system
Making use of diverse human resources				
	- Continue employment of part time and temporary workers - Maintain the statutory employment ratio of persons with disabilities	- Promoted some part time staff to contract employees, and directly employed some of the staff dispatched from employment agencies - Recorded 2.06% for the employment rate of people with disabilities, thereby achieving the statutory rate	○	- Continue implementing measures to maintain the employment rate of people with disabilities
Assuring consideration for worker health and safety				
	- Strengthen measures to deal with mental health issues, in collaboration with outside medical institutions - Continue with interviews and guidance by public health nurses	- Enhanced cooperation with external medical institutions (EPA companies and industrial physicians) - Continued with interviews and guidance by public health nurses	○	- Ensure that employees will take consecutive leave - Devise measures to ensure that employees will go home on time at least during the targeted week and verify the results

Personnel Data

Breakdown of number of employees (as of March 31, 2012)		FY2009	FY2010	FY2011	
Full time employees	324	Average length of service (full time employees)*2	3years 10months	4years 6months	5years 3months
	Males 265	Number of parental leave recipients (males and part time staff)	2 (0, 0)	6 (0, 0)	4 (0, 0)
	Females 59	Number of nursing leave recipients (males and part time staff)	0	1 (1, 0)	0 (0, 0)
Part time staff*1	68	Number of volunteer leave recipients	No system	No system	No system
Contract employees	50	Percentage of women in management positions*3	5.5%	7.3%	8.3%
Temporary employees	35	Percentage of employees with disabilities*4	1.82%	1.97%	2.06%
New graduate employees hired	4 (Male 2, Female 2)	Ratio of full time employees taking paid holidays*5	88.0%	81.8%	75.8%
Mid-career employees hired	39	Frequency rate of industrial accidents	0.00	0.00	0.00
Re-employment	35	Severity rate of industrial accidents	0.00	0.00	0.00

*1 Monthly average number, with 8 hours/day counted as one employee

*2 The company was founded in 2001.

*3 Excluding executive officers

*4 The method of calculation has been changed in FY2010, to reflect the amendment to relevant laws in July 2010.

*5 Remaining holidays from the preceding fiscal year are not included.

Data for Consultation Services for Employees

Seven Bank has established a system to ensure compliance, and urges employees to read out the compliance rules in the morning meetings held at their workplaces to raise their compliance awareness. Also the company has distributed to all employees a handy brochure (as shown in the right photo) that introduces where and how they can receive advice about compliance issues.

In FY2011, one full time employee and one part timer received advice each on a communication-related issue. Thus advice was given on two issues in total (on one issue in the previous fiscal year).



Brochure on the use of the "Internal Consultation Services"

GREENHOUSE GAS EMISSIONS VERIFICATION STATEMENT

To: Seven & i Holdings Co., Ltd.



**BUREAU
VERITAS**

August 17, 2012



Bureau Veritas Japan Co., Ltd.
System Certification Services Headquarters

Bureau Veritas Japan Co., Ltd. (Bureau Veritas) was engaged by Seven & i Holdings Co., Ltd. (Seven & i) to conduct limited assurance for the greenhouse gas (GHG) emissions reported by Seven & i in its CSR Report 2012 for the period of March 1, 2011 through February 29, 2012.

1. Scope of Verification

Seven & i requested Bureau Veritas to verify the accuracy of the following GHG information, to a limited level of assurance:

1) Scope 1 and Scope 2 emissions:

CO2 emissions from energy use through following store operations

Seven-Eleven Japan Co., Ltd.	14,005	stores
Ito-Yokado Co., Ltd.	173	stores
York-Benimaru Co., Ltd.	176	stores
Sogo & Seibu Co., Ltd.	29	stores
Seven & i Food Systems Co., Ltd.	617	stores

2. Methodology

Bureau Veritas conducted the verification in accordance with the requirements of the international standard 'ISO 14064-3(2006): Greenhouse gases - Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions'.

As part of Bureau Veritas' assurance, the following activities were undertaken:

- Interviews with relevant personnel of Seven & i responsible for the identification and calculation of GHG emissions;
- Review of Seven & i information systems and methodology for collection, aggregation, analysis and review of information used to determine GHG emissions; and
- Audit of a sample of source data to check accuracy of quantified GHG emissions.

3. Conclusion

Based on the verification work and processes followed, there is no evidence to suggest that the GHG emissions assertions shown below:

- are not materially correct and are not a fair representation of the GHG emissions data and related information.
- are not prepared in accordance with the methodology for calculating GHG emissions established and implemented by Seven & i.

Verified greenhouse gas emissions	
Scope 1 149,000 t-CO ₂ e	Scope 2 1,560,000 t-CO ₂ e

【Statement of independence, impartiality and competence】

Bureau Veritas is an independent professional services company that specializes in Quality, Health, Safety, Social and Environmental management with over 180 years history in providing independent assurance services. No member of the verification team has a business relationship with Seven & i, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest. Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities. The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has an excellent understanding of Bureau Veritas standard methodology for the verification of greenhouse gas emissions data.

Awards and Evaluations by Outside Parties

Major Awards and Recognition in FY2011

Title of recognition or award	Organizer or awarding organization	Reason for recognition	Intended recipient
CSR Report 2011 received Excellence Award in sustainability report section of 15th Environmental Report/Sustainability Report Awards	Co-hosted Green Reporting Forum with Toyo Keizai, Inc.	In recognition of establishment of solid CSR management organization and clear management of targets and results	Seven & i Holdings Co., Ltd.
Received Grand Prix in Second Kanagawa Global Warming Prevention Award	Kanagawa Prefecture	In recognition of using LED lighting for replacement in stores and on signboards, installation of solar panels, use of smart sensors, and other actions	Seven-Eleven Japan Co., Ltd.
Selected as an outstanding example in commercial and hotel facilities section of 2011 Energy-saving Lighting Design Award	Ministry of the Environment	In recognition of eco-friendly stores with abundant leading-edge technologies	Seven-Eleven Japan Co., Ltd.
In Chiyoda Ward Environmental Festa 2012, Seven-Eleven Japan Co., Ltd. received Local Community Contribution Award and Sogo & Seibu Co., Ltd. received Environmental Education Award	Chiyoda Ward, Tokyo	In recognition of youth development support programs and employee environmental education reported respectively in the Plan and Report on Global Warming-Considerate Activities of the Chiyoda Ward Global Warming-Considerate Action Plan System	Seven-Eleven Japan Co., Ltd., Sogo & Seibu Co., Ltd.
Ranked first in retail and restaurant section of 15th Environmental Management Survey	Nikkei, Inc.	In recognition of environmental activities conducted at stores that reflect employees' opinions, and promotion of green wrapping, green curtains, etc	Sogo & Seibu Co., Ltd.
Received Region IV Corporate Energy Management Award for 2011	Association of Energy Engineers	In recognition of distinguished accomplishment in development, organization, and implementation of energy management programs	7-Eleven, Inc.
Ario Hashimoto received Fourth Kanagawa Prefecture Barrier-Free Urban Development Award	Kanagawa Prefecture	In recognition of store facilities that take considerations for the convenience for all people	Ito-Yokado Co., Ltd., Mall & SC Development Inc.
Received Minister of Economy, Trade and Industry Award in the Large Retailer Category of the Fifth (FY2011) Best Contributors to Product Safety Awards	Ministry of Economy, Trade and Industry	In recognition of formulation and operation of unique quality standards, assurance on safety of private-brand products, and establishment of product safety culture that also encompasses business partners	Ito-Yokado Co., Ltd.
Received Grand Prix Award for manufacturing, distribution, and systems section of Food Action Nippon Award 2011	Hosted Food Action Nippon Award (co-hosted by Ministry of Agriculture, Forestry and Fisheries)	In recognition of use of abundant domestic vegetables in prepackaged, boxed meals and ready-to-eat dishes, which contributes to raising the food self-sufficiency rate	Seven-Meal Service, Co., Ltd.
Received letter of appreciation from National Federation of All Japan Guide Dog Training Institutions	National Federation of All Japan Guide Dog Training Institutions	In recognition of fundraising activities to support guide dogs, held every June since 1991	Ito-Yokado Co., Ltd., York Mart Co., Ltd. and others
Received letter of appreciation from nine guide dog training institutions	1) Japan Guide Dog Association 2) Eye Mate Association 3) Hokkaido Guide Dogs for the Blind Association 4) East Japan Guide Dog Association 5) Chubu Guide Dog Association 6) Kansai Guide Dogs for the Blind Association 7) Nippon Lighthouse Welfare Center for the Blind 8) Hyogo Guide Dog Association 9) Kyushu Guide Dog Association	In recognition of ongoing fundraising efforts at storefronts and by the company, labor unions, and employees, and publicity activities for customers conducted twice a year at all stores	Sogo & Seibu Co., Ltd.
Received a letter of appreciation for activities to disseminate organ donor cards, in recognition of efforts to spread and raise awareness	Minister of Health, Labour and Welfare	In recognition of displaying of donor cards since 1999 and facilitating access to the cards by local residents	Seven-Eleven Japan Co., Ltd., Ito-Yokado Co., Ltd. and others

In recognition of Socially Responsible Investment (SRI) (as of September 13, 2012)

Seven & i Holdings Co., Ltd. is selected as a constituent in the following index.



Results of Questionnaire for Readers of the CSR Report 2011

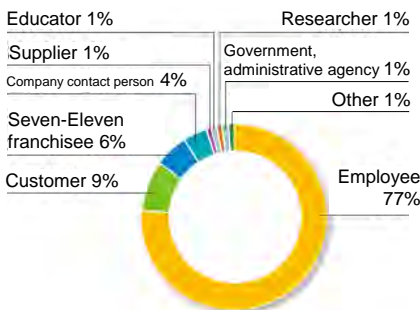
We thank you for the 154 responses we received for the Questionnaire for Readers of the Seven & i Holdings CSR Report 2011. Please find the aggregated results below. The 153 results received by the end of February 2012 led to planting of 153 trees (p.27). We would like to express our appreciation to all those who cooperated.

Since the fall of 2012, a system has been in place for accepting responses to the questionnaire from online readers. We will continue incorporating stakeholders' opinions in report editing and our activities. Your candid opinions and comments are greatly appreciated.

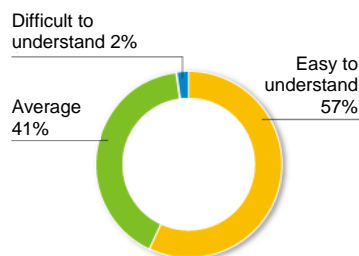
Results of Questionnaire for Readers of the CSR Report 2011

Responses collected: 154

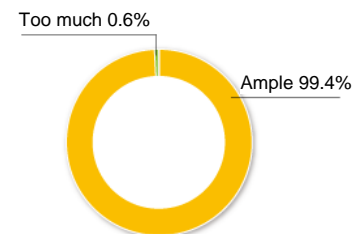
Q. Position of the respondent



Q. Clarity of the report



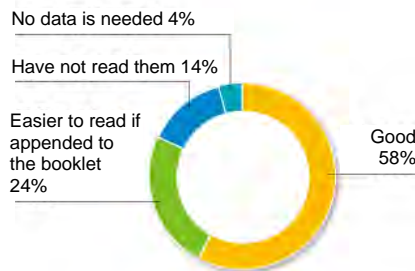
Q. Number of pages; amount of information



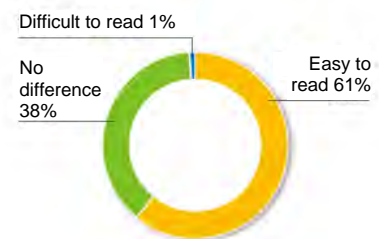
Q. Items of interest that ranked first to fifth (multiple responses were accepted)

- First: Responding to the Great East Japan Earthquake
- Second: Providing Safe, Reliable Products and Services
- Third: Messages from CEO and COO
- Fourth: Creating Fulfilling Workplaces
- Fifth: Coexisting with Local Communities

Q. About data collection on the website



Q. Compared with last year's report (Only those who read last year's report)



Q. Opinions and requests regarding this report and Group CSR activities, and our responses

Readers' opinions and requests	Our responses
It would be better if CSR measures were more actively promoted	<ul style="list-style-type: none"> - The report was edited with an intent to focus on noteworthy activities. - There is an abridged version of the full report, so as to create a booklet that is easy to handle. - There are now more operating companies that publish a separate booklet on CSR activities. - A new CSR Action page (in Japanese) was added to the website for featuring the latest activities by employees. http://www.7andi.com/csr/acction.html
The fonts used are too small	<ul style="list-style-type: none"> - We tried to avoid using small fonts. - Each page is displayed in PDF format per unit of one page instead of two facing pages.



SEVEN&i HLDGS.

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