

# CORPORATE SOCIAL RESPONSIBILITY (CSR)

## Basic Policy for CSR Activities

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

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

## Emphasis on Stakeholder Engagement

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

## Advance Groupwide CSR Activities

To realize stakeholder engagement, the Company formed the CSR Promotion Committee and 5 specialized sub-committees following the Company's establishment. However, to facilitate the thorough

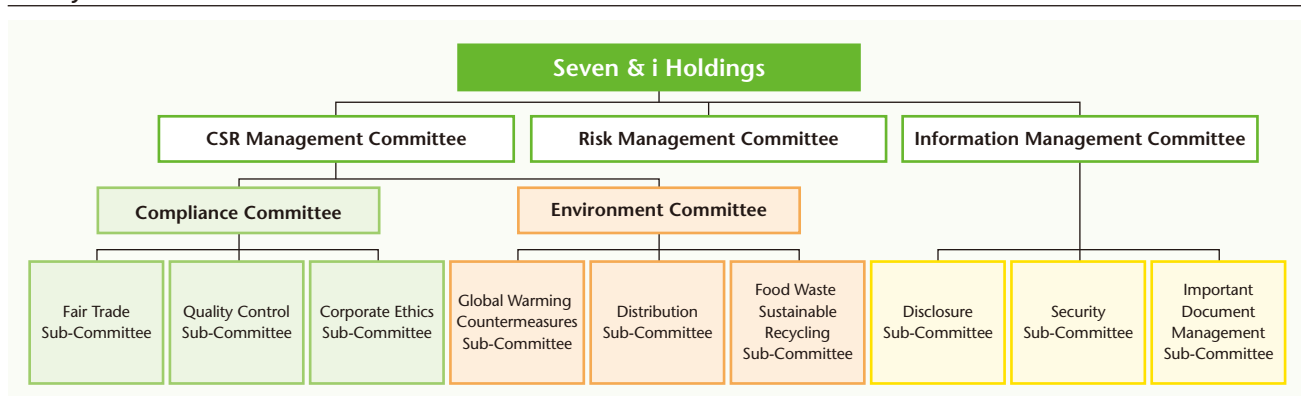
strengthening of CSR activities even more rapidly, at the beginning of the fiscal year ending February 28, 2009, the Group moved to a three committee system comprising the CSR Management Committee, the Risk Management Committee, and the Information Management Committee, with officers from Group companies participating in the committees.

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

## Customers

In recent years, there have been a number of reports of incidents that have shaken consumer trust, including the use of out-of-date ingredients, tampering with sell-by dates, and falsifying locations of origin.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

## CSR System



## Business Partners

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

Economic globalization has advanced, and outsourcing and production have expanded to countries around the world. In this setting, companies have a responsibility to meet their CSR obligations—such as strict observance of laws and regulations, environmental conservation, and normalization of working

conditions—not only for their own operating activities but also for the entire supply chain for their products and services. Accordingly, the Fair Trade, Quality Control, and Corporate Ethics sub-committees are addressing individual CSR issues. In December 2007, to enhance CSR throughout the supply chain, we formulated the Seven & i Holdings Business Partner Action Guidelines, which are now in effect.

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



Seven & i Holdings received the grand prize at the Japan Internal Control Awards 2008—the Integrity Award

## Seven & i Holdings Environmental Declaration

We believe the most pressing problem facing all people around the world is how to preserve the environment and pass on an abundant and beautiful natural world to the next generation. Our mission is to contribute to the solution of this problem. To achieve harmony between the environment and our business activities, we will work together with our customers, local communities, and business partners throughout the entire supply chain, from product development and manufacturing to distribution and sales. We will strive to be a leader in the global retail industry not only in product safety and security but also in measures to alleviate environmental problems, and pursue initiatives on a Groupwide basis.

We consider the prevention of global warming to be the largest and most serious challenge facing the world. We are aggressively pushing forward measures to contribute to the achievement of low-carbon societies by reducing emissions of carbon dioxide, the primary cause of global warming.

We endeavor to provide environmental education for all employees in the Group, to ensure that each employee is aware of the Company's social responsibilities as a good corporate citizen, and to exist in harmony with the environment and our local communities.

From the viewpoint of sincerity and transparency, we disclose all information relating to these initiatives accurately, reliably, and promptly.

## Framework of the Fundamental Policies Relating to Measures to Contribute to the Prevention of Global Warming

### I. Establishing and verifying the volume of CO<sub>2</sub> emissions

### II. Reducing CO<sub>2</sub> emissions

- Reducing CO<sub>2</sub> emissions from product development and manufacturing activities
- Reducing CO<sub>2</sub> emissions by increasing distribution efficiency
- Reducing CO<sub>2</sub> emissions from sales and marketing activities
- Reducing CO<sub>2</sub> emissions from employees

## Symbol Mark for Ecological Activities



This mark shows how Seven & i Holdings, together with “customers,” “business partners,” “shareholders,” “local communities,” “employees,” “government organizations, NGOs, and NPOs related to the environment,” and “international society,” is working on global environmental conservation activities.



In June 2008, through the U.N.'s ITTO (International Tropical Timber Organization), we decided to contribute to a tropical forest conservation program that is linked to reduced CO2 emissions.



From June 19 to 21, 2008, we had an exhibit at the 2008 Exhibition on the Environment in Hokkaido.

### Local Communities

The Company is developing a range of initiatives for local communities, such as conducting Safety Station activities to help create safe and secure communities, and campaigns to prevent smoking and alcohol consumption by minors. In particular, our efforts to create safe communities and provide disaster relief for local communities have been highly evaluated. In addition, Seven-Eleven Japan (SEJ) has been contributing to the revitalization of regional areas since 2007 by concluding Local Revitalization Comprehensive Partnership Agreements with each prefectural government in Japan. Through the agreements, the Company is strengthening bonds of mutual cooperation with local communities in a range of areas, including such initiatives as local production for local consumption and the promotion of healthy living. It has also been increasing joint initiatives between SEJ and Ito-Yokado stores in the same prefectures to bolster Groupwide efforts for local community revitalization.

### Employees

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

### The Environment

In June 2008, the Company announced the Seven & i Holdings Environmental Declaration and Seven & i Holdings Fundamental Policies Relating to Measures to Contribute to the Prevention of Global Warming. Also, in July 2008, we had an exhibit at The 2008 Exhibition on the Environment, which was held in advance of the G8 Hokkaido Toyako Summit. Group companies such as SEJ and Ito-Yokado were showcasing their green initiatives to heighten understanding of the Group's commitment to the environment.

### External Evaluation

Seven & i Holdings has been included in the FTSE4Good Global Index since 2006, and in 2008 the Company's inclusion in the index was continued. The FTSE4Good Global Index is one of the indices created and managed by FTSE, an independent company that is owned by The Financial Times and the London Stock Exchange.



### Disclosure

Detailed information about the Company's CSR activities is provided in the CSR Report 2007. This report is available, in English and Japanese, on our web site at: [http://www.7andi.com/en/csr/csrreport\\_2007.html](http://www.7andi.com/en/csr/csrreport_2007.html)