









## Stakeholder engagement

The Group makes opportunities to directly receive stakeholders' needs and expectations regarding the social responsibility and roles that we should achieve through our business activities. We use the valuable opinions and requests for review of our group's material issues, improvement in business activities, development of products and high quality of services, and

enhancement of brand management. We had a lot of opportunities for engagement from fiscal 2017 to 2018 and gained so many opinions and requests. The following is the implement status of stakeholder engagement of our group.

	 Customers	 Employees	 Local communities / NGO	 Franchisees	 Store staff	 Shareholders and investors	 Future generations	 Suppliers
Method / Content	<ul style="list-style-type: none"> <li>● Sales in the stores and through online supermarkets</li> <li>● Receiving and responding to opinions and requests</li> <li>● Holding of customer participation events in the stores</li> </ul>	<ul style="list-style-type: none"> <li>● Visits of the stores by the President and direct dialog</li> <li>● Implementation of employee surveys</li> <li>● Motivation Up seminar</li> <li>● Employee training / support system for self-enlightenment</li> <li>● Implementation of self-evaluation (stress check) / individual interview</li> <li>● In-house portal site/company magazine</li> </ul>	<ul style="list-style-type: none"> <li>● Dialog through Customer Service Office</li> <li>● Dialog with the local community through support for the development of the next generation, crime prevention and disaster risk reduction, and environmental beautification activities</li> <li>● Collaboration with the local government</li> <li>● Direct dialog with elementary schools through the development of the next generation</li> <li>● Donation of funds raised in the stores and funds raised by employees</li> <li>● Joint holding of events and activities</li> <li>● Human support for the operation of organizations</li> </ul>	<ul style="list-style-type: none"> <li>● Direct meeting with the President</li> <li>● Regular store visits by the supervisor</li> <li>● Holding of policy announcement meetings / product seminars</li> <li>● Publishing monthly magazines for franchisees</li> <li>● Operation of Franchisee Relations Office</li> </ul>	<ul style="list-style-type: none"> <li>● Store staff commendation system</li> <li>● On-site workshops for store staff</li> <li>● Development training for foreign staff</li> <li>● System for promoting excellent staff as a full-time employee</li> </ul>	<ul style="list-style-type: none"> <li>● General Meeting of Shareholders</li> <li>● Financial results briefing (including overseas)</li> <li>● Meeting to exchange views with investors</li> <li>● Explanatory meeting on sustainability</li> <li>● Information disclosure through the website and the publication of a range of reports</li> </ul>	<ul style="list-style-type: none"> <li>● Provision of learning opportunities such as workplace experiences, etc.</li> <li>● Cooperation and sponsorship for contests aimed at high school students / university students</li> <li>● Hosting of elementary school students contests</li> <li>● Provision of learning opportunities such as workplace experiences, etc.</li> <li>● Support through fund-raising donations for the experience-based learning programs run by NGOs / NPOs</li> </ul>	<ul style="list-style-type: none"> <li>● Explanatory meeting of product strategies</li> <li>● Information collaboration between companies</li> <li>● Installation of an information provision window</li> <li>● Implementation of a business partner questionnaire</li> </ul>
Achievements and Evaluation	<ul style="list-style-type: none"> <li>● Reflection in sales and number of customers visiting stores</li> <li>● Improvement of the evaluation of products and services</li> <li>● Number of voices to the Customer Service Office: 92,886 (FM), 3,690 (U)</li> </ul>	<ul style="list-style-type: none"> <li>● Dialog with the top management, exchanging opinions. Held in 12 places nationwide (FM)</li> <li>● Implementation rate of stress check: 74.4% (FM)</li> <li>● The number of employees who used the self-enlightenment support system: 483 (FM)</li> <li>● Recruitment and development of various human resources</li> </ul>	<ul style="list-style-type: none"> <li>● Strengthening of the environment awareness of the children in the local community</li> <li>● Contribution to the crime prevention and disaster risk reduction structures of the local community</li> <li>● Cumulative total number of participants in environmental cleaning activities: a total of 1.2 million (FM)</li> <li>● Number of participated stores in the All-Store Simultaneous Cleaning Campaign: 192 stores (U)</li> <li>● Fiscal 2017 fund raised in the stores (except for relief donation): approx. 325 million yen (FM), approx. 16 million yen (U)</li> </ul>	<ul style="list-style-type: none"> <li>● Support for smooth store operation (FM)</li> <li>● Completion of brand conversion of 5,003 stores</li> <li>● Converted stores: daily turnover y/y 110%, the number of customers y/y 112% (FM; as of the end of Nov. 2018)</li> </ul>	<ul style="list-style-type: none"> <li>● Number of store staff who received commendations: 49,401; the top prize, the Excellent Staff prize, was awarded to 241 staff (FM)</li> <li>● Number of on-site workshops held: 6,493 times Number of participants: 27,810</li> <li>● Number of foreign staff participated in the workshop: 292 (FM; Dec. 2017 to the end of Dec. 2018)</li> <li>● Number of excellent staff promoted as full time employees: 10 (FM; Dec. 2017 to the end of Dec. 2018)</li> </ul>	<ul style="list-style-type: none"> <li>● Number of shareholders: 26,978 (HD; as of the end of February 2018)</li> <li>● Number of participants in the financial results briefing: approx. 200</li> <li>● Individual meetings with investors: approx. 300 times</li> <li>● Domestic and overseas conferences (sponsored by securities companies): approx. 10 times</li> <li>● Explanatory meetings for individual investors: four times</li> </ul>	<ul style="list-style-type: none"> <li>● Fiscal 2017 internship participants: a total of 364 (FM)</li> <li>● 344 students from eight schools participated as designers in the creation of products from recycled materials (U)</li> <li>● Cumulative number of letters applied to Thank You Letter Contest: approx. 320,000 letters (FM)</li> <li>● Cumulative number of participants in Forest Classes for kindergarteners: approx. 20,000 (FM)</li> </ul>	<ul style="list-style-type: none"> <li>● receipt of replies from 416 companies, including consisting of 29 requests, 20 complaints, and 29 compliments as free responses, out of approx. 1,000 companies that were requested to submit questionnaire</li> </ul>
Response / Plans	<ul style="list-style-type: none"> <li>● Upgrading of products and services</li> <li>● Making store management high quality, including the product lineup, customer interactions, cleanliness, etc.</li> <li>● Increasing communication opportunities utilizing the store facilities</li> </ul>	<ul style="list-style-type: none"> <li>● Improvement of support for work-life balance</li> <li>● Enhancement and expansion of the career advancement support system and the education and training structure</li> </ul>	<ul style="list-style-type: none"> <li>● Proposal and implementation of the development of the next generation and local community activities through the stores</li> <li>● Expansion of regional contribution activities based on comprehensive partnership agreements, disaster relief agreements, and watch over agreements</li> <li>● Effective utilization of in-store fundraising and company donations</li> <li>● Raising the awareness of employees and customers for the solution of social issues</li> </ul>	<ul style="list-style-type: none"> <li>● Fundamental revision of store operation</li> <li>● Enhancement and expansion of store support</li> <li>● Establishment of deep trust relationship</li> <li>● Creation of stores while understanding and contributing to local communities</li> </ul>	<ul style="list-style-type: none"> <li>● Promotion of store operation innovation</li> <li>● Enhancement and expansion of the system that increases motivation of staff</li> <li>● Enhancement of the content of the on-site workshops and foreign staff training</li> </ul>	<ul style="list-style-type: none"> <li>● Growth of shareholder value</li> <li>● Succinct and faithful information disclosure focused on accuracy, speed, and fairness</li> <li>● Construction of a sound and highly transparent management system</li> </ul>	<ul style="list-style-type: none"> <li>● Enhancement and expansion of the provided programs</li> <li>● Improvement in the rate of participation of the stores and employees in the program</li> </ul>	<ul style="list-style-type: none"> <li>● Strengthening of governance in the entire supply chains and consideration of human rights and the environment</li> <li>● Notification of Sustainability Procurement Principles and Supply Chain CSR Code of Conduct</li> </ul>

\*(FM): FamilyMart (U): UNY