

## Environmental Activities

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# Fulfilling Our Role as a Corporate Citizen from a Social and Environmental Perspective

## Promoting environmentally friendly store development and merchandising based on Green Vision 2005

In 1997, Seiyu became one of the first retailers in the world to obtain ISO 14001 certification for environmental management activities. In May 2002, Seiyu published the Seiyu Sustainability Report 2002, an expanded version of the former Seiyu Environmental Activity Report that addresses the sustainability of the company from social, environmental and economic points of view. Seiyu has earned approval for the development of its environmental activities and its progressive attitude towards information disclosure.

In 2001, Seiyu announced Green Vision 2005, a medium-term environmental management plan that outlines the Company's strategy as a retailer towards environmental activities. Seiyu is working to achieve the

four major objectives of the plan: 1) broadening the range of safe, reliable and environmentally friendly products and packaging; 2) contributing to the local community by sponsoring events such as the Eco-Smiling Study Program; 3) building stores with lower environmental impact; and 4) creating an administrative system and enhancing employee training based on the ISO 14001 environmental management system. In 2002, Seiyu initiated the Eco Tax program on an experimental basis, which is a tax within the company on environmental pollutants such as carbon dioxide generated through business activities.

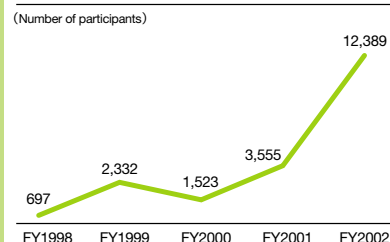
As a corporate citizen, Seiyu considers environmental activities to be an integral part of its management philosophy, and will work to build a sustainable company by strengthening its commitment to social and environmental initiatives such as social activities with local customers.

## Expanding the Eco-Smiling Study Program For Children at 400 Stores Nationwide

The Eco-Smiling Study Program is an environmental study group held at Seiyu stores in which children learn about the barrier-free concept and social welfare and examine environmentally friendly products and recycling facilities. More than 20,000 children have participated in the program since its inception six years ago. Beginning in 2003, Seiyu will expand the program to include study groups at production centers and recycling plants as well as a study group in Sweden, a country that is extremely progressive in its approach to environmental protection and social welfare.



### Total Number of Participants in Eco-Smiling Study Program



## Expanding the Range of Kankyo Yusen Original Brand Products and Launching a Promotional Campaign

In February 2002, Seiyu formulated the Seiyu Environmental Product Standards, selected products that met these standards and began working towards established sales targets. The Company also sells Kankyo Yusen, a private brand line of environmentally friendly products, at all stores nationwide. In fiscal 2002, 33 new products were introduced, primarily stationery supplies such as notebooks, bringing the total number of products in the lineup to 97. As part of a promotional campaign during the months of June and October (Environment Month and Recycling Promotion Month), all Kankyo Yusen products were sold at a discount.



## Seiyu Eco-Smiling Summit 2002

Seiyu has held environmental summits for children at five locations in Japan, beginning with the Eco-Smiling Summit 2002 at the United Nations University in Shibuya, Tokyo on October 12, 2002. The young delegates from all over the country listened to reports from children who participated in the Eco-Smiling Study Program in Sweden international exchange program, and discussed environmental issues and the future of the Earth.

