

Circle K Sunkus' management philosophy is as follows: "We aim to be a company that achieves steady, sustainable growth, while earning the trust of society." Guided by this philosophy, the Circle K Sunkus Group regularly conducts environmental programs and socially beneficial activities at its nationwide network of more than 6,000 Circle K and Sunkus stores, leveraging its ties with local communities.

## Environmental Activities

### Promoting Food Recycling

Circle K Sunkus is engaged in food recycling using food residue, along with measures to curtail the generation of food waste. In the fiscal year ended February 28, 2010, Circle K Sunkus began selling at certain stores products including ingredients developed through food recycling activities.

#### (1) Recycling Bread Crust Scraps Into Eco Feed

Eco Feed refers to animal feed that has been processed using raw materials derived from reusable food waste materials. Every year, Circle K Sunkus recycles approximately 180 tons of bread crust scraps discarded from its sandwich preparation centers into animal feed for delivery to pig farms. Pork raised on this feed is used as food ingredients in boxed lunches and other items under the original brand Re Pork. A total of 9 different products featuring Re Pork were sold from August 2009 to April 2010 at Circle K Sunkus' stores in the Shikoku region.



Boxed lunches featuring Re Pork.

#### (2) Growing Carrots Through a Food Recycling Loop

The UNY Group is working to establish a recycling business plan called the Food Recycling Loop in accordance with the Food Recycling Law of Japan. Under this plan, food residue, including food products that have reached their sales expiration dates at UNY Group stores, are recycled into compost, and the compost is then used to grow agricultural produce. In January 2010, Circle K Sunkus commenced sales of boxed lunches containing carrots grown using this compost at its stores in the Chukyo region.

### Exceeded Target for Reducing Plastic Shopping Bag Usage

By the fiscal year ending February 28, 2011, Circle K Sunkus aims to reduce the total weight of shopping bags used per store by 35% compared with the level in the fiscal year ended February 28, 2001, in partnership with various members of the Japan Franchise Association. To this end, we have trimmed excess material from plastic shopping bags and made them smaller and lighter, while requesting the cooperation of customers at stores. In the fiscal year ended February 28, 2010, Circle K Sunkus distributed approximately 320,000 reusable shopping bags made from recycled store uniforms to customers at no charge. Helped partly by this measure, Circle K Sunkus reduced its plastic shopping bag usage per store by 37.4% compared with the level in the fiscal year ended February 28, 2001, exceeding its reduction target of 32% for the fiscal year ended February 28, 2010 on the same basis.

### Carbon Offset Activities Using KARUWAZA CLUB Points

Circle K Sunkus is promoting carbon offset activities through a service that enables KARUWAZA CLUB members to exchange their points for CO<sub>2</sub> emissions rights. From the launch of this service in December 2008 to April 26, 2010, emissions rights corresponding to 158 tons of CO<sub>2</sub> were issued through the exchange of KARUWAZA CLUB points.



Carrots are grown using compost made from recycled food residue from stores.

## Social Contribution Activities

Convenience stores are points of contact with large numbers of consumers. Leveraging this infrastructure, Circle K Sunkus collects donations through fundraising boxes placed in all Circle K and Sunkus stores, in addition to contributing a portion of earnings generated by its activities to supporting NPOs for the purpose of providing humanitarian assistance.

## Store Fundraising Activities

Circle K Sunkus conducts store fundraising activities for three organizations receiving donations. It divides the

fiscal year into three collection periods and raises funds for each organization in one of the three collection periods. In the fiscal year ended February 28, 2010, Circle K Sunkus rolled out a system whereby its *KARUWAZA CLUB* membership points can be exchanged to make a fundraising donation at its stores. In addition, during the fiscal year, Circle K Sunkus once again conducted emergency store fundraising drives and contributed the proceeds to emergency relief activities for those affected by earthquakes and other unforeseeable natural disasters.

### Results of Fundraising Activities in the Fiscal Year Ended February 28, 2010

Collection period	Organization receiving donations	Donations
April to July 2009	The National Federation of All Japan Guide Dog Training Institutions "Nationwide Guide Dog Campaign"	¥28,441,974
August to November 2009	National Land Afforestation Promotion Organization	¥15,631,808
December 2009 to March 2010	Japan UNICEF	¥21,566,964
<b>Total</b>		<b>¥65,640,746</b>

\* Of the total amount of donations shown above, donations of ¥523,850 were made through the exchange of *KARUWAZA CLUB* points.

### Emergency Relief Activities in Response to Major Disasters in the Fiscal Year Ended February 28, 2010

Collection period	Disasters	Contributions
July to August 2009	Heavy rain in the Chugoku and Northern Kyushu area	¥10,158,686
October 2009	Offshore Sumatra and Samoan Islands earthquakes	¥11,506,518
January 2010	Major Haiti earthquake	¥29,518,215

## NPO Support Activities

### NPO Family House

Family House provides lodging for families of children from all over Japan who are battling serious illnesses such as cancer. These facilities help ease the economic burden on families who come to Tokyo from other parts of Japan to seek treatment for their child.

### NPO Japan Team of Young Human Power (JHP)

Circle K Sunkus has supported the construction and renovation of schools in Cambodia since the fiscal year ended February 28, 2004. From the fiscal year ended February 28, 2010, Circle K Sunkus has supported the construction of

schools together with the top-ten franchisees who have received a superior performance award during the fiscal year. The seventh "Everyone's Dream School" was built with the support of this program at Ka Po Primary School. On a cumulative basis, approximately 4,100 children are now studying at these schools.



The seventh "Everyone's Dream School" schoolhouse.



Nameplate of franchisees participating in assistance for the construction of the schoolhouse.