Corporate profile

Company name	Lawson, Inc.
Headquarters	East Tower, Gate City Ohsaki, 11-2, Osaki 1-chome, Shinagawa-ku, Tokyo 141-8643, Japan
President and CEO Representative Director Chairman of the Board	Sadanobu Takemasu
Established	April 15, 1975

	As of the end of February 2022
Capital	58,506.644 million yen
Number of employees	10,362 (consolidated)
Business activities	Franchise chain development of LAWSON
Net sales for all stores	2,442.7 billion yen (consolidated)

Areas in which stores are operated Total number of stores (in Japan and overseas)*19,518 stores

Number of stores in Japan 14,

Hokkaido region 675 stor	es	Kanto/Kosh region 5,247	
Tohoku		Tochigi	197
1,176	ctores	Gunma	244
		Saitama	692
Aomori	279	Chiba	600
Akita	182	Ibaraki	217
lwate	178	Tokyo	1,683
Miyagi	255	Kanagawa	1,077
Yamagata	112	Niigata	226
Fukushima	170	Yamanashi	137
		Nagano	174

Chubu region 1,700	stores	Kinki region 2,647	sto
Ishikawa	103	Kyoto	
Toyama	181	Shiga	П
Fukui	107	Nara	
Shizuoka	275	Wakayama	
Aichi	717	Osaka	1,
Gifu	181	Hyogo	
Mie	136		

(inki egion		Chugoku region	
2,647	stores	936 stor	es
(yoto	329	Okayama	2
Shiga	154	Hiroshima	2
Nara	138	Yamaguchi	1
Nakayama	153	Tottori	1
Osaka	1,175	Shimane	1
lyogo	698		
		Shikoku	
		region 617 stor	
		OI/ stor	es

Tokushima 135 138

Kochi

Chugoku region		Kyushu/Okinawa region		
936 stor	es	1,658	stores	
Okayama	235	Fukuoka	529	
Hiroshima	297	Saga	75	
Yamaguchi	127	Nagasaki	125	
Tottori	136	Oita	197	
Shimane	141	Kumamoto	161	
		Miyazaki	109	
Shikoku		Kagoshima	202	
region 617 stor	es	Okinawa	260	
Kagawa	132			

4,862 China	4.560
Thailand	166
Indonesia	65
Philippines	69
Hawaii,USA	2

As of the end of

February 2022

* The total number of stores is the number of convenience stores operated by our consolidated Group, and the number of stores operated by Lawson Store
100, Inc., Lawson Kochi, Inc., Lawson Minamikyushu, Inc., and Lawson Okinawa, Inc. is included. Moreover, the number of overseas stores refers to the
number of LAWSON brand stores run by each local operating company.
Lawson Group stores = LAWSON, NATURAL LAWSON, LAWSON STORE 100

Main Lawson Group Companies

As of the end of February 2022

<u> </u>			
Field	Company name	Field	Company name
Domestic convenience store business	Lawson, Inc. Lawson Store100, Inc. SCI, Inc. Lawson urbanworks, Inc. Lawson Okinawa, Inc. Lawson Minamikyushu, Inc. Lawson Kochi, Inc.	Overseas business	Lawson (China) Holdings, Inc. Shanghai Lawson, Inc. Shanghai Le Song Trading Co., Ltd.* Shang Hai Gong Hui Trading Co., Ltd.* Zhejiang Lawson, Inc.* Chongqing Lawson, Inc. Dalian Lawson, Inc.
Entertainment business	Lawson Entertainment, Inc. LAwson HMV EntertAinment United CinemA Holdings, Inc. United Entertainment Holdings Co., Ltd.		LAWSON (BEIJING) INC. BEIJING LUOSONG Co., Ltd. Saha Lawson Co., Ltd.
	United Cinemas Co., Ltd.	SEIJO ISHII business	SEIJO ISHII, CO., LTD.
Finance-related business	Lawson Bank, Inc.	Consulting business	BestPractice, Inc.

^{*} As there is no official company name in English, an English translation is presented here.

Lawson, Inc.

SDGs Promotion Office

East Tower, Gate City Ohsaki, 11-2, Osaki 1-chome, Shinagawa-ku, Tokyo, 141-8643, Japan

https://www.lawson.jp/en/

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About the cover

The cover of this booklet uses a design drawn by an artist with disabilities who is enrolled in the welfare

Each letter represents a goal of SDGs 17, and their numbers are hidden in the letters.







LAWSON SDGs HANDBOOK 2022

Group Philosophy

Creating Happiness and Harmony in Our Communities

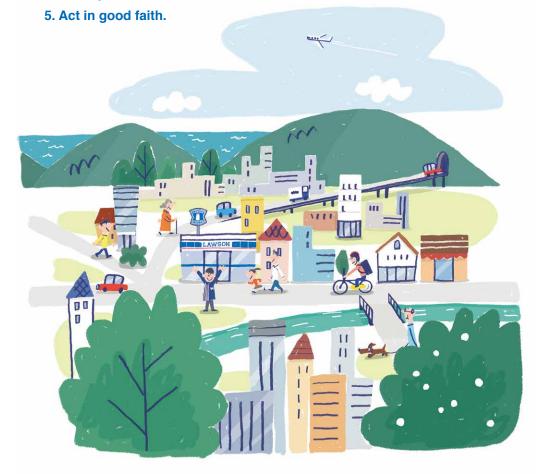
Vision

Our goal is to become the hub of refreshment in every community.

Lawson's Way (Action Guideline)

"Lawson's Way" is a set of five action guidelines that clarify the roles we play and are designed to realize the Group Philosophy with a sense of mission and responsibility.

- 1. Create stores filled with the best smile in town.
- 2. Speak out your ideas to take action.
- 3. Enjoy your challenge.
- 4. Value your friends to become one.



Understand with manga! Lawson and SDGs

Owner

A big veteran of Lawson for 20 years. He is knowledgeable and is relied on for many things.

Machiko

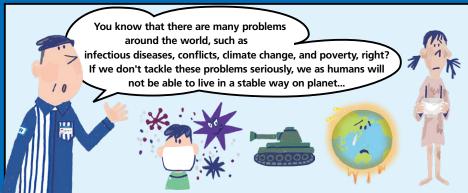
College student and Lawson crew member. She relies on the knowledgeable owner.











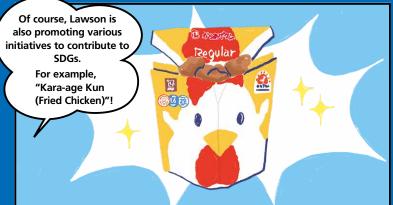




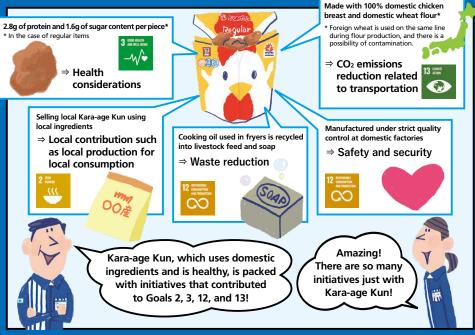














Tell us about your SDGs action!

The new FF (fried food) products sold at the counter are highly rated by customers, and we recommend freshly fried and

Since FF reaches its expiration date early, we do our best to sell it while it is still delicious.



Ms. Osawa

In order to reduce food loss, we put discount stickers on products that are close to expiring. We thank customers who have purchased our products with the best possible smiles, so that they feel positive about their purchase.



We always carefully check with customers whether they need plastic forks or spoons. Among them, there are some customers who have started using their own utensils, and I feel that talking to them on a daily basis is effective.



Ms. Scott with a smile.





initiatives!

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Every one of us will take the initiative to challenge of evolving into a "new hub of refreshment in every community."

Hello everyone.

COVID-19, which has lasted for more than two years, has changed the behavior of customers, and the tendency to use convenience stores on a daily basis has become even stronger. In order to stay close to customers in their daily lives, it is becoming more and more important for each store to understand the characteristics of the region and be closely related to the region, and to face each customer individually. To do this, we must make a concerted effort to raise our purpose (significance of existence) as a company and realize our Group Philosophy where "Creating Happiness and Harmony in Our Communities" As part of this, Lawson recently signed the United Nations Global Compact and declared its support and practice of the 10 Principles in four areas: human rights, labour, environment and anti-corruption. This is an initiative that leads directly to contributing to the SDGs.

Then, what embodies contribution to SDGs are the stores across the country, the franchise store owners and store managers who support those stores, and the approximately 180,000 crew members. Each store takes the initiative in taking action on a daily basis based on the strong desire to be useful to the community. We will continue to think seriously about what we can do for our customers, our communities, and the planet, together with our franchise stores, store crew members, and Group employees, and we will take on the challenge of evolving into a "new hub of refreshment in every community" that matches new lifestyles.

Sadanobu Takemasu

President and CEO Representative Director Chairman of the Board and Chief Sustainability Officer

Towards the Lawson Blue Challenge 2050!

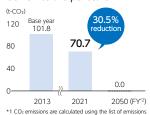
The Lawson Group is pursuing efforts to achieve the KPIs we determined for social and environmental aspects with 2025, our 50th anniversary of our founding, and 2030, target year of the SDGs, as target years. Furthermore, as a long-term goal, we have formulated an environmental vision, "Lawson Blue Challenge 2050!" In the future as well, we will continue to promote initiatives that address environmental issues in order to contribute to the goals of the SDGs and take on the challenge of achieving our goals (KPIs) for 2025, 2030, and 2050.

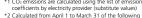
Goals for 2025, 2030, 2050 (KPI)



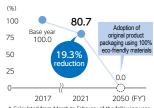
^{*} Regarding plastic, we also have a goal of reducing plastic shopping bags by 100% by 2030

CO₂ emissions per store*1



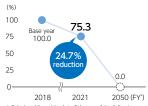


Plastic packaging weight index



* Calculated from March to February of the following year

Food waste reduced per store



* Calculated from March to February of the following year to coincide with the company's fiscal year

Participation in Initiatives

Endorsement of TCFD

In April 2020, we endorsed the TCFD (Task Force on Climate-related Financial Disclosures). To respond to the intensifying climate change issue, we analyze the risks and opportunities associated with climate, understand the impact on our business

strategies, and consider countermeasures, while striving to disclose information proactively.



WE SUPPORT

Signing of the United Nations Global Compact

Lawson has signed the United Nations Global Compact and will contribute to the development of a sustainable society by supporting and practicing the ten principles in four areas consisting of human rights, labour, environment and anti-corruption.

Under our Group Philosophy, we will earnestly consider what we can do for our customers, our communities, and the planet, and actively take on the challenge of resolving medium- and long-term issues involving the environment and society.

Submitted a letter of commitment to obtain Science Based Targets (SBT) certification.

To accelerate our efforts to combat climate change, we submitted a commitment letter in June 2022 to obtain SBT certification, which certifies that the Lawson Group's greenhouse gas reduction targets are consistent with the Paris Agreement.

We will continue to take on the challenge of achieving higher goals to realize a decarbonized society. We will also seek to reduce climate change risks and seize opportunities in our business activities



LAWSON SDGs HANDBOOK 2022 5 LAWSON SDGs HANDBOOK 2022 5

Based on our business policy: the "Three Promises," we classified our value chain-related initiatives into six categories taking into account social issues and conditions.

We decided our material issues from customers' standpoints placing importance on our initiatives as an organization responsible for safe and secure social infrastructures which are the most important thing for a retailer. Also, from 2021, major group companies have identified priority issues and set goals (KPI). The entire Lawson Group will combine forces to solve social and environmental issues.

*The main initiatives and services have been revised or abolished, with those that have already been completed removed and new ones added.



Providing high value-added private brand (PB) products

- opinions
- society (human rights, etc.) and the environment
- Development of products with consideration for health based on the 10 themes
- · Creation of a pharmaceutical product sales system
- · Promotion of collaboration with local governments on health promotion
- Creating a store environment that is convenient for everyone and comfortable to work in
- Training of store crews and promotion of their retention
- · Continuation of FC owner support system
- · Promoting fund-raising programs for children's futures
- · Creation of an environment to support children's learning
- Donation of products to facilities that require food and other support
- local governments and promoting collaboration
- · Collaboration with national and local governments to
- · Utilizing and spreading renewable energy
- developing products with a longer consumption period
- biodiversity



Business Policy



Material Issues (Materiality)

(examples)









Providing Safety/Security-Oriented Overwhelmingly High Value-Added **Products and Services Friendly to** Society and the Environment

- Deployment of Machikado Chubo in-store kitchens
- · Planning and developing locally-produced products for local consumption, and active use of domestic ingredients
- · Development and sales of socially and environmentallyfriendly products
- · Development of products and services in line with customer
- Building and operating a supply chain that is friendly to

Conducting fair and equitable transactions with suppliers

Human kindness



















well as Children's Growth

- Supporting Health Promotion for All **People Through Products and Stores**
- **Providing Comfortable Work Environment Leading to Job Satisfaction**

Coexisting Synergistically with

Communities by Serving as Part of

- Supporting Women, Senior People as
- - Promoting mobile sales and delivery services
 - Executing comprehensive regional agreements with the
 - support stricken areas in the event of a disaster
 - Promoting energy efficient stores and offices
 - · Promoting products to be sold off or sold by weight, and
 - · Reducing plastic used for containers, packaging and promotional materials
 - · Sustainable use of resources with consideration for

















Sustainable Environment Preservation Activities Toward Carbon-Free Society

Social Infrastructure

* Machi (literally "town") refers to the communities in which Lawson operates and, by extension, the global village as a whole

Achieving a sustainable society and creating happiness and harmony in our communities

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Superior taste

Surprising discoveries in usual products and services

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Environmental (Machi*) friendliness —

Creating a new era of shops that coexist with the Earth (Machi)

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Highlight

Initiatives to "make the community happy" are spreading to stores all over the country.

Our Group Philosophy and business policy, the "Three Promises," contribute to the SDGs and lead to happiness and harmony in our communities.

We solicited examples of "activities creating happiness and harmony in our communities" undertaken at stores nationwide and presented the "Franchise Store SDGs Awards for FY2021." We would like to introduce the initiatives of the ten winning stores.





Saitama Kita Branch Fukaya Hanzawa Shinden Store Mr. Takeshi Ishimaru Owner



Cooperating with a Social Welfare Council to support local life through mobile sales

In cooperation with the Social Welfare Council, we have started mobile sales that are closely linked to the local community, and we also serve as guardians. This is also used by local residents, especially the elderly. We can know their needs since we can communicate more closely with customers there than at stores. In addition, we are also delivering boxed meals to those who are recuperating at home due to COVID-19.



Doto Branch Kitami Hikarino Store
Mr. Kazuyoshi Nakahashi Owner



The first convenience store certified by the city for hiring women!

We have proactively hired women as store managers, leader crew members, and fantasistas, and we have been certified by Kitami City as a "Kitami Work-Life Balance Certification Office System" We have also realized discount sales of products that are close to their sell-by date through suggestions from women. We also collect refill packs for detergents, etc., and cooperate in collecting cardboard boxes and empty cans to support the employment of people with disabilities.

Saitama Higashi Branch Koshigaya Omanocho 2-chome Store Mr. Kenya Ichikawa Owner



Realization of barrier-free minds through vocational training for people with disabilities

We implemented vocational training for people with disabilities to promote the employment of people with disabilities. We have created an original work schedule that takes into account the individuality of each person, such as having cash registers for wheelchair users, having others do stocking and making FF*. They serve customers with wonderful smiles and accurately stock items. By working with them, the hospitality spirit of the crew is also enhanced.

Working together, we were able to face each other's "individuality" and grow.



Sapporo Kita Branch Hitsujigaoka Tembodaimae Store Mr. Naoki Matsuoka Management Owner (MO)



Supporting independence in working life through the employment of people with disabilities

We employ people with communication disabilities to support the independence of people with disabilities in their work lives. While we emphasize finding tasks and things they are good at, we are also educating them on how to deal with difficult tasks. The receptiveness of the employees working together has increased, and a culture of praising, acknowledging, and appreciating has been fostered, and as a result, it has contributed to an improvement in employee retention rate.





Aichi Minami Branch Higashiura Odai Park-mae Store
Mr. Yoji Matsuya Owner

Mr. Takeshi Nishii (photo) Store Manager



Participating in various activities, such as attending dementia supporter training course

Many of our regular customers are elderly, so we adjusted our shifts to acquire the correct knowledge and understanding of dementia, and a total of 10 people attended the dementia supporter training course. As a result, we were able to create a store where conversations with customers increased and customers could use our services with peace of mind

Additionally, we are working on various activities such as accepting workplace experiences and cleaning around the store.

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Highlight

Hiroshima Higashi Branch Mihara Minami Store
Mr. Toru Sakamoto Owner



Implemented discount sales to reduce food loss and increase sales

We decided to start with what we could do right now, and worked on that.

In these days when the problem of food loss is being called out, we are thinking about what we can do by ourselves, and we are working on discount sales at all of the stores that we run. We set detailed discount rules for each category, price range, and time period, and guide customers by posting handwritten notices. While it took time to get all the crew members to learn the operation, it not only reduced food loss, but it also expanded the product lineup and increased sales.





Yamaguchi Branch Sanyoonoda Habu Store Ms. Kazue Furutoyo Mo Mr. Kimiaki Yoshimura (photo) Acting MO



Weekly mobile sales in cooperation with local homes for the elderly

We are conducting mobile sales at two homes for the elderly in order to respond to the roles required by the community. Every week, I feel rewards when I see residents waiting with smiles and anticipation. There were some difficulties, such as preparing the products that each person requested and the consideration we took for people with physical disabilities, but it is also an important experience that we can use in our work in the store.

Kagawa Branch Takamatsu Bancho 3-chome Store 5 Stores

Ms. Emiko Waki Owner



Cutting milk cartons from MACHI café, washing them and donating them to nearby elementary schools

Thinking of ways to contribute to the environment, we began cutting, washing, and storing MACHI café milk cartons at our five stores, and donating them to nearby elementary schools. It seems that elementary schools exchange milk cartons with school toilet paper. Elementary school teachers visited the store and expressed their gratitude, and the children also sent heartwarming messages.

We received messages of thanks from elementary school students, which were very encouraging for all of our employees.





Ehime Higashi Branch Saijo Hiuchi Store Mr. Tomoaki Fujita Owner



Using mobile sales to call out for local crime prevention

In response to a request from a police station, we implement calls for activities such as crime prevention, traffic safety and fraud prevention in our mobile sales. We use an external speaker on the vehicle to play an automated voice that calls attention to crime prevention, and we call out to each person who comes to shop while handing out reflectors and crime prevention leaflets. This provides an opportunity to talk with customers, and it leads to raising the awareness of local residents.

Ehime Nishi Branch Matsuyama Yougo Higashi 5-chome Store Mr. Hiroshi Fujisaki MO



Promotion of crime prevention activities in collaboration with local governments beyond chain store boundaries

I have served as the chairman of the Late-Night Business Store Crime Prevention Association for 10 years. I work with local police to conduct crime prevention drills, inspect crime prevention systems, and take measures to prevent juvenile delinquency. We devote our energy to create communities with safety and security and for the sound development of industry, such as by building a "convenience store police officer system", in which police officers stop by stores and offer crime prevention consultations.

We will continue to work on creating stores

that are friendly to the community and

that are supported by customers.





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Superior

Surprising discoveries in usual products and services











What kind of initiatives are these?

Lawson aims to realize "Superior taste", one of the "three promises" of our business policy. We are making various efforts to provide overwhelmingly high value-added products and services that consider safety and security, society, and the environment. We aim to realize stores that match the needs of customers and regions that change with the times.

- Providing high value-added private brand (PB)
- Deployment of Machikado Chubo in-store kitchens
- Planning and developing locally-produced products for local consumption, and active use of domestic ingredients
- Development and sales of socially and environmentally-friendly products
- Development of products and services in line with customer opinions
- Building and operating a supply chain that is friendly to society (human rights, etc.) and the environment
- Conducting fair and equitable transactions with suppliers



Revitalizing local communities with local production for urban consumption by developing products with local ingredients



We promote local produce for local and nationwide consumption by using local ingredients to deepen our ties with the community.

Furthermore, we are striving to revitalize communities (regions) through efforts to jointly develop products with local high school students.

Ehime Prefecture

* The following 3 products are not currently on sale.

Iyokan Cream Puff full of happiness

This product uses 100% lyokan fruit juice from Ehime Prefecture, which was jointly developed with **Ehime Prefectural Komatsu** High School. Whipped cream containing iyokan fruit juice is combined with iyokan sauce, and the choux pastry is coated with chocolate. Due to the



This product was jointly developed with Aomori Prefectural Sanbongi Agricultural High School. Whole grain dough is topped with Aomori apple jam and thick Aomori apples drenched

in syrup, then baked and sprinkled with honey.

* This product is eligible for the award described on the right.

Hida Beef Croquette Sandwich

A sandwich with croquettes made with Hida beef, the pride of Gifu Prefecture. This is finished with a sauce that enhances the tastiness of the beef croquette.

Received the Review Committee **Encouragement Award** at the Ministry of Education, Culture, Sports, Science and Technology's Youth Experience

Activity Promotion Company Award

We were evaluated for the joint development of products with students in Tohoku region six times in fiscal 2020, and we received the "Review Committee Encouragement Award" in the 2021 "Youth Experience Activity Promotion Company Award" implemented by the Ministry of Education, Culture, Sports, Science and Technology. We will continue to collaborate with local governments and others to jointly develop products using local ingredients with students.

Outside voices

Energize Hokkaido by expanding consumption of Hokkaido -grown ingredients and promoting the appeal of Hokkaido

We concluded a comprehensive partnership agreement with Lawson in 2008, and since then we have implemented a variety of initiatives, including the promotion of food in Hokkaido, ensuring the safety and security of the region, support during disasters, and conservation of the natural environment.

Recently, in order to expand consumption of milk and dairy products, which have been affected by the spread of COVID-19, Lawson has developed products such as rice balls and sweets, and it has also contributed to the dissemination of the appeal of Hokkaido

ingredients. In addition, the first "HOKKAIDO WOOD

LAWSON Sapporo Shinhassamu 1-io Store using wood from Hokkaido

Office for the Promotion of Public and Private Sectors. Hokkaido Government

Mr. Atsushi Nishiyama Chief Coordinator



BUILDING" registered store will open as a convenience store using wood

from Hokkaido in July 2022. It is a great pleasure for people to be able to touch Hokkaido materials at a store where anyone can drop in casually. In order to continue solving various regional issues that Hokkaido faces, we ask for Lawson's help in promoting Hokkaido's regional development and disseminating its appeal.





Providing delicious products cooked in our kitchen



In 2011, we started introducing Machikado Chubo with the desire to "deliver delicious, safe, secure, and reliable products cooked in the store's kitchen to our customers." Due to the impact of COVID-19, there is a growing need to purchase delicious products cooked in-store at familiar convenience stores, and the number of stores that have introduced these products has exceeded 8,400 (8,457 stores: as of April 2022).

Among the various products, the "Thick-Sliced Sangenton Pork Cutlet Sandwich", which uses cutlets fried in the in-store kitchen, and the "Fried chicken boxed meals", which uses rice cooked in the store (released August 30, 2022) are highly recommended.

In addition, we are working on the release of products based on popular local menu items in each region, and the "Local Chichibu Waraji Katsudon" and "Local Chichibu Waraji Katsu Burger" released in June 2022 have been very well received.

Furthermore, based on the results of a customer questionnaire survey, we reviewed the proportion of the ingredients to improve products such as the "Kaisen Kakiage-don (seafood-and mixed-vegetable tempura on rice)", which is the No. 1 selling boxed meal of "Machikado Chubo" (results in April 2022).



Kaisen kakiage-don (seafood-and mixed- vegetable tempura on rice)



Fried chicken boxed meals



Thick-Sliced Sangenton Pork Cutlet Sandwich

T O P I C Ghost Restaurant

We have started a demonstration experiment of the "Ghost Restaurant" at one store in Tokyo, where newly developed products based on popular delivery menu items are cooked in the store's kitchen and delivered, and this is currently being implemented at 3 stores (as of the end of June 2022). Ghost restaurant products can be ordered with services like Uber Eats. Since all products are cooked after ordering, it is possible to provide freshly prepared products. At the same time, this also leads to utilization of free time in the in-store kitchen, which cooks items according to the demand for breakfast and lunch. Further developments will be made toward introducing this service to 100 stores in the Kanto area by the end of February 2023, and to 1000 stores nationwide by fiscal 2025.







Considering deliciousness with quality, society and the environment as its basis





Using coffee beans from Rainforest Alliance Certified farms





See ra.org for details

For our MACHI café in-store freshly brewed coffee, we use only coffee beans from Rainforest Alliance Certified farms*. This certification is awarded to farms that use sustainable farming methods to meet rigorous environmental, social and economic standards.

* The Single Origin Series and Decaffeinated Series are out of the scope.

Caring for forests by handling forest-certified products

We use FSC®-certified and PEFC-certified products, which are made from wood produced from properly managed forests, recycled resources, and other raw materials from controlled sources, for our

paper cups and other original products. In order to meet the customer's request for "high-quality products and services made in an appropriate environment", we will continue to handle sustainable products and procure raw materials that are socially and environmentally friendly.









CASE 4

Expanding our frozen food menu items in response to changes in demand due to the pandemic



With the effect of the need to shelter at home due to COVID-19, scenes with bulk buying have increased, so the need for frozen food that can be stored for a long time and can be eaten easily whenever customers like is increasing. At Lawson, in addition to frozen

foods that meet conventional stock needs, we are developing ready-toeat products (approximately 110 types) with convenient functions typical of convenience stores. In addition, as part of our product reforms aimed at realizing new convenience stores in anticipation of the post-COVID era, we will work to further expand our frozen food menu items.



T O P I C Sales of MUJI products

In about a half a year from May 2022, we will start introducing MUJI at about 5,000 stores in the Kanto Koshinetsu area, and will expand that nationwide. By rolling out MUJI products at LAWSON stores all over Japan, we believe that we will be able to deliver new value that will benefit customers all over the country.

In the future, we will jointly develop generic products and services, in order to further expand our efforts to help local residents.



LAWSON SDGs HANDROOK 2022

Human kindness

Aiming to be a place where both customers and workers are happy















What kind of initiatives are these?

creating happiness in the community.

Lawson aims to realize "Human kindness", which is one of the "three promises" of its business policy, and in addition to supporting the health promotion and active participation of all people, we are making various efforts to provide a store environment that is easy to use and work in for a wide range of people. We will drive forward with our challenges based on diverse values, enabling our employees to feel motivated in their work and

- Development of products with consideration for health based on the 10 themes
- Creation of a pharmaceutical product sales system
- Promotion of collaboration with local governments on health promotion
- Creating a store environment that is convenient for every one and comfortable to work in
- Training of store crews and promotion of their retention

- Continuation of FC owner support system
- Promoting fund-raising programs for children's futures
- Creation of an environment to support children's learning
- Donation of products to facilities that require food and other support

Athlete employee interview

- Creating an environment where various people can play active roles -

Lawson promotes diversity under the Group Philosophy of "Creating Happiness and Harmony in Our Communities" and aims to create an environment in which each and every employee can play an active role regardless of gender, nationality, age, or whether they have a disability. For this reason, we have appointed an officer in charge of diversity promotion, headed by the president, and conduct design, operation, and appointment of necessary system. As part of this, we hire athletes who aim to be active on the world stage and support them.



Yuka Takamatsu Para-athletics T38 (cerebral palsy) class 100, 200, 400 Tokyo 2020 Paralympics

Tokyo 2020 Paralympics 4X100 Universal Relay Bronze medal

Support from Lawson is a source of strength

When I was a second year junior high school student, I started track and field on the recommendation of my parents.

My main event is the 400m, but this year I am focusing on the 100m and 200m events. After the Tokyo Paralympics, I practiced with an emphasis on speed and was able to improve my personal bests in both the 100m and 200m events.

In the future, I would like to take advantage of that speed in the 400m event.



Before I joined Lawson, I worked for another company, the biggest challenge was finding time to practice, but now that I have more time to practice, and I can practice in a fulfilling environment. In addition, during the games, our employees come from far away to support me, which is a great source of strength.

My next goal is to participate in next year's Asian Games and World Championships. I will also do my best so that I can participate in the Paris Paralympics 2 years from now.



Rin Kawahara Wheelchair basketball 1.5 class Tokyo 2020 Paralympics Silver medal

Thank you for Lawson's full support

I came across wheelchair basketball when I was in high school, and after graduating from high school, I transferred to my current team in search of an environment where I could grow. After that, I joined the Japanese national team when I was 21, and I was able to win a silver medal at the Tokyo Paralympics last year. The appeals of wheelchair basketball are the intense collisions between wheelchairs and each player being assigned points according to the severity of their disability. According to the rule that the total amount of points for the players on the court must be within 14 points, players with mild and severe disabilities can participate in games equally.

After joining Lawson, I was able to secure enough practice time, and I am very grateful to all the employees who came to support me and gave me their full support.

Currently, the entire team and myself as an individual are training with the goal of winning a medal at the Paris Paralymics 2 years from now.



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Supporting people with disabilities





In February 2022, as part of our support for people with disabilities, we adopted a design for a cup of freshly brewed coffee "MACHI café" in stores (currently no longer available) drawn by an artist with disabilities from PICFA, a welfare facility in Saga Prefecture. This is a project that was born from an internal public offering, hoping that people would become even slightly interested in welfare through the cups.



Deploying materials with an "Ear mark"* to make it easier for people with hearing impairments to shop here

Many people with hearing impairments understand conversations by looking at other people's gestures and mouth movements. However, now that wearing masks has become a part of daily routines due to the pandemic, they are in a situation where they don't understand what is said when asked if they need plastic bags or disposable chopsticks, and they are worried about communication within stores. Therefore, from the end of August 2022, we will deploy materials with an "Ear mark" at stores nationwide so that people with hearing impairments can enjoy shopping.



^{* &}quot;Ear mark": A mark that expresses hearing impairments and consideration for people who are deaf and hard of hearing (All Japan Association of Hard of Hearing and Late-Deafened People)



Unifying inquiries from franchise stores to support the development of stores that are easy to work in



To ensure that franchise stores can operate their stores with peace of mind, we provide 24-hour support for 500,000 inquiries per year. Until now, there were various support desks for general operations and refrigeration equipment failures, but from April 2022, we have unified them and made them even easier to use. For frequently asked questions, we distribute a "Frequently Asked Questions Solution Sheet" to all stores every month. In addition, we are striving to improve the quality of our contact window, including politeness, accuracy, and speed. As a result, in 2021, in a call center response quality



survey conducted by the world-class evaluation organization "HDI Japan", the contact window for Lawson franchise stores has been awarded three stars, a first for the convenience store industry.



Meeting needs for what you want to eat Offering products with good taste and nutrition



The health awareness of customers has changed due to the pandemic, and there is a growing need not only to cut calories and carbohydrates, but also to actively consume protein and dietary fiber for the purpose of maintaining health. In response to this need, Lawson sells health-related products in multiple categories that provide protein and dietary fiber. In addition, we have changed the package design so that you can see at a glance which nutrients are included among the health-related nutrients specified by the company.



Garlic tomato sauce chicken steak rice bowl with a 1/2 day amount of green and yellow vegetables and protein

Set 10 health themes according to market needs

- Eat vegetables and fruits
- @ Get protein
- Get dietary fiber
- Eat foods with health claims
- 6 Low-carb
- 6 Low-salt
- Low calories
- B Low-fat
- Eat foods with good bacteria
- @ Get quality sleep

1 to 3

Items based on national indicators and medical research indicators

② to①

Items to be tackled as a challenge in anticipation of future health trends



Bibimbap rice ball with domestic glutinous barley





Almond chocolate (using inulin) 40g



Strengthening pharmaceutical sales to support the health of the community







Lawson is focusing on the sales of pharmaceuticals in order to contribute to the convenience of customers responding to an aging society and controlling national medical expenses. Since 2003, we have been working on the development of stores with dispensing pharmacies, and as of the end of May 2022, we have 50 stores. In addition, from the perspective of promoting self-medication, we are promoting partnerships with dispensing pharmacies and drugstore chains nationwide. As of the end of May 2022, the total number of stores handling overthe-counter medicine (self-medication product) is 282, including stores with dispensing pharmacies.

Furthermore, from February 2021, over-the-counter medicine are handled for the first time at Japan Uber Eats. We carry about 60 types of Class 2 and Class 3 medicine such as cold medicine, eye drops, and stomach medicine.



Together with our customers, 30th Anniversary of donation activities **Supporting children's futures**



Lawson became the first convenience store to install donation boxes at its stores in 1992, and in September 2022, we will celebrate the 30th anniversary of those boxes.

The Lawson Group conducts social contribution activities to realize the concept of "aiming to create a better future for children." As part of these, we have established The Lawson Group's "Happiness in Communities" Fundraising, which supports donations and activities for three organizations. We also pursue activities such as measures to prevent COVID-19 infections and acceptance of donations for support in emergencies such as earthquakes and torrential rains when needed.

The Lawson Group's "Happiness in Communities" **Fundraising donation point**

- Lawson Green Fund
 - (Organization receiving donation: The National Land Afforestation Promotion Organization)
- Support Dreams Fund
 - (Scholarship program for children from single-parent families) (Organization receiving donation: National Federation of Single Parents and Children's Welfare Associations in Japan)
- "Dream Classes" Fund
 - (Organization receiving donation: Japan Football Association)





Projects utilizing the Lawson Green Fund







Tokyo Metropolis Chofu Municipal Kitanodai Elementary School Principal (at that time)

Mr. Takashi Hakozaki

I applied for the "Lawson Green Fund" subsidy with the thought that "I want children to feel the changes of nature." With the cooperation of a local landscaping company, three cherry trees, daffodils, and other flowers have been planted, and the Cultivation Committee takes care of them as a symbol for children to gather. These cherry blossoms and daffodils watch over the children not only in everyday life, but also at graduation ceremonies and entrance ceremonies.

Lessons using the "Dream Classes" Fund





Tokyo Metropolis Shinagawa Ward Yashio Gakuen 5th Grade Homeroom Teacher (at that time)

Mr. Keitaro Kumasaka

I feel that the question "What kind of person do you want to be?" from the "Dream Teacher" was a paradigm shift for the children. The children expressed themselves by facing their future selves, saying things such as "a kind person who understands everyone's feelings" and "a person who helps people in need." They were able to learn that "dreams" are born from a person's ideal self.

T O P I C Support for Ukraine

In 2022, we accepted "Ukraine Humanitarian Crisis Relief Fundraising" and the "Ukraine Emergency Relief Donation" to assist those displaced within Ukraine and from Ukraine to other countries due to the conflict in Ukraine. A total of 197,005,568 yen of donations was received from customers.



Supporting children's learning

(Student City/Corporate Internship Simulation Program/ special class in a hospital)



As one way to help create an environment in which children can grow up healthy, we have set up a LAWSON Experience Store in Sendai City's Student City.*1 The program is designed to enable elementary school students to learn about their relationship with society, how the economy works, what money is, what work is, etc., and to develop social independence through experience.



In addition to this, since fiscal 2017, we have been cooperating with "Corporate Internship Simulation Program*²", in which junior and senior high school students work to solve problems as corporate interns through classes. In fiscal 2021, we supported the learning of approximately 1,100 junior and senior high school students from 27 schools.

Moreover, from November 2021 to February 2022, special classes were held online for a total of 16 students studying in hospital classes*3 in 3 districts. In the class, we introduced the structure of convenience stores, the ingenuity of products, and the SDGs initiatives, with a guiz. The purpose of this is to provide hospitalized children who are unable to participate in extracurricular activities due to the pandemic with the opportunity to come into contact with society.

*1 A registered trademark of Junior Achievement Japan (the Japanese headquarters of Junior Achievement, the world's largest economic education organization) *2 Managed by Twice Research Institute Co., Ltd. *3 Special support classes set up in hospitals for children



CASE®

Making 3 videos to make children smile

With opportunities for extracurricular activities and work experience decreasing due to the COVID-19 pandemic, three videos were produced with the hope of bringing smiles to children's faces. This can also be used as teaching material at schools.





<Let's learn about SDGs at Lawson!>

CASE ®

Presenting donated books to elementary and

junior high schools

Supporting children's learning



Dalian Lawson, Inc. in China has set up book donation boxes in its stores in cooperation with the Dalian Hope Process* Office. We widely publicize our donation activities through our stores, employees, and the

media, and ask customers to donate books and other items that are lying unneeded in their homes. We give points to those who donate, and when points are accumulated, we give them original products. Collected books will be donated to elementary and junior high schools in poverty-stricken areas around Dalian along with rice balls and desserts from Dalian Lawson. In addition, we have also set up a book corner called the Lawson Love Hear Library at schools to which donations have been made to.

* Project to support the education of impoverished children in China



Environmental (Machi) friendliness

Creating a new era of shops that coexist with the Earth (Machi)

















Lawson aims to realize one of the 3 promises of its business policy, which is to have Environmental (Machi*) friendliness. We are working on sustainable environmental conservation activities for the realization of a decarbonized society along with coexisting with local communities by providing social infrastructure. In order to contribute to the goals of the SDGs, we are working to reduce CO₂ emissions, food loss, and the use of plastic in containers, packaging, and plastic shopping bags, and we aim to achieve our goals (KPIs) for 2025, 2030, and 2050.

- Promoting mobile sales and delivery services
- Executing comprehensive regional agreements with the local governments and promoting collaboration
- Collaboration with national and local governments to support stricken areas in the event of a disaster
- Promoting energy efficient stores and offices
- Utilizing and spreading renewable energy

- Promoting products to be sold off or sold by weight, and developing products with a longer consumption period
- Reducing plastic used for containers, packaging and promotional materials
- Sustainable use of resources with consideration for biodiversity
- Efficiency enhancement of distribution and promotion of changeover to environmentfriendly trucks



Making various efforts to reduce the amount of limited resources used



Selling by weight

We sell daily necessities such as detergent and shampoo and foods such as dried fruits and nuts by weight mainly at Natural LAWSON stores so that you can purchase only the amount you need when you need it. Currently, this has led to reduction of plastic use by approximately 79% (results as of October 2021) compared to sales in plastic containers.



Upcycled* products

We sell upcycled products made from unopened/unused products and nonstandard products that cannot be sold due to scratches or deformation.

* The rebirth of things that were planned to be discarded into new things to increase added value



Tea made by processing non-standard fruits

Plastic spoons and forks with slotted handles

In line with the enactment of the Plastic Resource Circulation Act from April 1, 2022, we are introducing spoons and forks that reduce the amount of plastic used, by measures such as opening a hold in the handle and shortening the length. This is expected to reduce annual plastic use by approximately 67 tons. Wooden spoons are also being used on a trial basis in some areas so that stores may have that option available in the future.



Employee voices

Merchandising Division Daily Products and Fast Foods Dept., Lawson, Inc.

Keita Yoshioka Merchandiser

At the in-store freshly brewed coffee "MACHI café", as part of consideration for society and the environment, since its introduction in 2011, if customers bring their own containers such as tumblers, we will offer a discount of 10 yen* from the regular price. From 2019, we have gradually switched the cups of each size of the ice product menu to paper materials. In addition, the ice cup lid has been changed to one that does not use a straw, and the muddler has been changed to a wooden one. Through these efforts, we have been able to reduce approximately 2,165 tons of plastic annually. In fiscal 2022, we plan to reduce the amount of plastic used in ice cup lids and switch to paper packaging for straws. Going forward, we



will continue to take on the challenge of developing products that contribute to society and the environment, such as promoting further resource conservation, while paying attention to customer value and convenience, such as usability.

* Self-machine stores are not eliqible.

T O P I C Cleaning Volunteer Activities

Lawson participates in the "GREEN SEA Setouchi Hiroshima Platform (abbreviated as GSHIP)", which was established by Hiroshima Prefecture with the aim of achieving zero marine plastic waste. As part of that activity, we conducted volunteer cleaning activities at Miyajima Tsutsumigaura Nature Park in Hatsukaichi City, Hiroshima Prefecture on November 7, 2021. On that day, a total of 23 people, including owners and employees of franchise stores and employees of Lawson Headquarters, participated. A total of 126 people, including other participating companies, collected a total of 222.3kg of marine litter, including plastic items washed up on the beach.



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Becoming an earth-friendly store by introducing energy-saving equipment



Ten Energy-saving Rules

In order to reduce the amount of electricity used in our stores, we have established the "Ten Energy-saving Rules" and are working on cleaning the air conditioner filters and adjusting the temperature at each store.

- 1 Clean refrigerator and air conditioner filters once a week
- Keep air conditioner temperature settings at 27°C in summer, 18°C in winter, and OFF in spring and autumn
- Minimize the time for which doors to walk-in and storage freezers and refrigerators are open while moving products in and out
- 4 Keep the area around outdoor units of refrigerators and air conditioners neat and tidy
- Restock summer products that are frozen in-store from stocks that have been refrigerated
- Restock hot drinks with products that have been stored at room temperature
- Do not overfill storage freezers and refrigerators
- 1 Turn off lighting and air conditioning in back rooms and storage areas when no one is present
- Arrange products so that they do not disturb the air curtain on open cases
- Minimize the number of times storage freezers and refrigerators are opened

Introduction of energy-saving equipment

We have installed non-Freon (CO2 refrigerant) freezing and refrigerating system, which use CO2 that have a lower impact on global warming compared to fluorocarbons as a refrigerant and significantly reduce greenhouse emissions, at approximately 4,600 stores (as of the end of February 2022) to promote energy-saving at our stores.



Off-site PPA* * A method of installing a solar power generation facility in a remote location and transmitting the generated renewable energy to consumer equipment

Renewable energy development (solar power generation equipment) 500 locations



Power generation Power generation company (Subsidiary of Mitsubishi Corporation)

Electric power retailer

→ Electricity flow Electric access Renewable electricity I AWSON store Company Non-renewable electricity accessing electricity



Installed solar power generation equipment on the roofs of approximately 2,000 stores. Further strengthening renewable energy introduction

In collaboration with Mitsubishi Corporation, we plan to gradually supply renewable energy from solar power generation facilities outside the stores premises to approximately 3,600 LAWSON stores from fiscal 2022. The scale of the solar power generation facility is expected to be approximately 45MW, equivalent to the power consumption of approximately 9,000 ordinary households, which is expected to reduce approximately 19,000 tons of CO2 annually.



Working for CO₂ emission reduction throughout the supply chain



Experimental initiatives in product delivery

We aim to improve the efficiency of our nationwide logistics network and reduce our environmental impact. Since 2020, we have been working to improve the efficiency of our timetables by using AI to create delivery schedules automatically. In addition to this, we are also working to reduce CO₂ emissions by experimenting with and verifying new technologies, such as fuel cell trucks and electric trucks.



Fuel cell truck

CO₂ emissions generated by our supply chain

Lawson's business activities have an impact on the environment at each stage of the supply chain, from raw material procurement to product manufacturing, distribution, sales, disposal and recycling. Therefore, we ask suppliers such as manufacturing factories for rice dishes and distribution centers to cooperate with questionnaires and work to understand CO2 emissions. We assess the environmental impact at each stage, consider issues to reduce it, and promote initiatives for energy saving, resource saving, and waste reduction.

FY2021 CO₂ emissions in the Supply Chain*

Categories		Details	CO ₂ emissions (Thousand tons CO ₂)
Scope1 (Direct emissions)		Gasoline consumption of company vehicles	4.2
Scope2 (Indirect emissions)		Electricity consumption of the Headquarters, regional offices, branches, and stores	1,027.5
	Categories 1	Raw materials purchased (Private and national brand products, plastic shopping bags, etc.)	4,010.5
	Categories 2	Buildings, furniture and fixtures etc., and information system hardware	88.2
Categ Scope2	Categories 3	Electricity consumption associated with procurement of electric power	146.9
(Other indirect	Categories 4	Energy consumption of the delivery centers	139.2
emissions)	Categories 5	In-store waste, and industrial waste due to store closures and remodeling	20.9
	Categories 6	Business trips by Lawson Headquarters employees	0.8
	Categories 7	Commutes by Lawson Headquarters employees	1.5
	Categories 12	Disposal of containers, chopsticks, and plastic shopping bags	22.7
Total			5,462.3

^{*} It does not cover all of Lawson's supply chain. Scope 2 includes electricity consumption by stores from 2020.



Promoting recycling and working to reduce food loss





Discount sales

In June 2021, we started a demonstration experiment in which AI recommends discount amounts for products with a short expiration date and a relatively high risk of food loss, depending on the situation for each store. Until now, each store judged their discount time, amount, and target product, but by using AI, it will be possible to make discount sales easier and more effective.

Temaedori

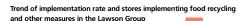
The three ministries of the Consumer Affairs Agency, the Ministry of Agriculture, Forestry and Fisheries, and the Ministry of the Environment implement "temaedori" in cooperation with the Japan Franchise Association, "temaedori" is an initiative that aims to reduce food loss by encouraging customers who plan to eat the products immediately after purchasing to "take" and purchase the products in order from the "front" of the product shelf.



Recycle unsold food and cooking oil

Unsold food generated at stores is transported to a food recycling plant, processed into feed products, and shipped.

In addition to being recycled into raw materials for soap and feed, cooking oil used in fryers is recently also being used as biomass fuel for power plants and 5,000 cars. The use of bio-jet fuel is also progressing, so in the near future, planes may fly with the oil used to fry Kara-age Kun.





- *1 Figures for the implementation rate of food recycling and other measures does not include Lawson Okinawa, Inc., Lawson Minamikyushu, Inc., and Lawson Kochi, Inc.
- *2 Calculated from April 1 to March 31 of the following year

T O P I C Half price hot milk

In two days from December 31, 2021, at LAWSON stores nationwide, "hot milk" was sold at half the regular price, at 65 yen (tax included) to support in increasing consumption of "milk", which continue to have reduced demand due to the spread of COVID-19 and decreased consumption at school lunches during the end of the year and New Year holidays. We will continue to support the expansion of milk consumption as Lawson with the milk can mark.





Supporting meals by donating products to food banks, etc.



We want students who are in need due to the pandemic and families who need support to enjoy a good time. With this in mind, in cooperation with the Food Bank All Japan and Kodomonoibasyo Support Osaka(Children's Whereabouts Support Osaka), we donated New Year's dishes and surplus Christmas cakes that had previous been put aside for final disposal.

Going forward, we will continue these efforts to effectively utilize food and reduce food loss.



Outside voices

NPO Food Bank TAMA

Mr. Seiichiro Shibata

Our organization mainly provides support for children who cannot eat enough, and it delivers food and other items free of charge to child welfare facilities, children's cafeterias, and single-parent families.

Lawson regularly donates sweets, cup noodles, and daily necessities, and I am very grateful to them. The children who received the items were very pleased with the



Donation to child development support and after-school day service facilities operated by NPO Yumenome

frozen fried chicken that we received for the first time last year. In addition, we've

been receiving donated Christmas cakes for the last two years. They've been very well received, and we've received many messages of thanks from mothers who said, "We had a really wonderful time." and "It was the first time that we ate whole cakes with our children."

We will continue to listen carefully to the voices of those who need support, and actively work to solve the problems surrounding children under the motto of "visible support" that is closely tied to the community. We look forward to continued cooperation from Lawson.



Holding food drives all over Japan



We held food drives in each area office and at the headquarters in Tokyo in June 2022. This was conducted for employees in each area and headquarters as a familiar SDGs initiative. A total of about 3,000 products were collected, and through food banks that donated by area, the products were used for support activities in the local community, such as providing products to households like single-parent families who need support and to nursing homes. We will continue to regularly hold food drives going forward.



Helping make lives more convenient as part of social infrastructure



Out-of-office pickup service

In collaboration with SAGAWA EXPRESS Co., Ltd., we are conducting a trial of a service to allow customers who were absent at the time of delivery to pick up the undelivered parcels at stores in Tochiqi, Yamanashi, Nagasaki, Shimane, and Yamaguchi Prefectures.

This is an initiative aimed at improving customer satisfaction, reducing the burden on drivers caused by re-deliveries due to absence of the customer, and reducing CO₂ emissions.

In the demonstration tests conducted so far, the number of delivery trucks associated with re-delivery was reduced by customers picking up parcels that were not delivered due to their absence at stores, leading to a total CO2 reduction of 0.48 tons.



Deployment of mobile sales vehicles

We offer the "Lawson Delivery Service" at some stores, which delivers to homes, and the "Lawson Mobile Sales Service", which delivers to elderly care facilities and companies, to bring the joy of shopping to everyone. This initiative started in 2012, and currently, 102 vehicles (as of the end of June 2022) are deployed in 34 prefectures. At the same time, we are also providing a "watching service" in cooperation with local governments, etc., that calls out to elderly people who are shopping.





Ponta special wrapping car (only one)

Participation in Safety Station activities

The Lawson Group actively participates in the Japan Franchise Association's Safety Station activities (SS activities), and we are promoting cooperation in building a safe and secure community and efforts to improve the environment for young people. We also take special measures to prevent robbery and fraud, and we respond to the rush of groups of people such as women, children and elderly guardians.

Lawson's Safety Station activity data for 2021*

Women's last minute rush	1,340 stores	more than 1,985times
Children's last minute rush	715 stores	more than 1,029times
Elderly guardians	2,729 stores	more than 5,009times
Scam (billing fraud) prevention	3,078 stores	
Encouraging juveniles to go home during the midnight hours	7,818 stores	



^{*} Figures are extracted from the 2021 SS questionnaire report







Lawson's SDGs activities are also posted on the website Please check them out!



https://www.lawson.jp/en/csr/

