

**Planning** & Development

Based on the Group philosophy of "Creating Happiness and Harmony in Our Communities," Lawson is working to incorporate SDGs (Sustainability Development Goals) throughout all of its business activities, from planning and development to procurement, production, logistics, and at its stores.



Proper control of speciall

selected products

UNITED CINEMAS HMV&BOOKS

Production

work style reforms

Logistics

Addressing global warming and

**FCEV** 

LAWSON

Where the Three promises (Superior taste, Human kindness, **Environmental friendliness**) come to life

Stores

AWSON 100

LAWSON

**Group Philosophy** 

#### **Creating Happiness and Harmony in Our Communities**

**Group Slogan** 

#### **Hub of refreshment in every community**

We want to bring to you: Warmth and relief in everyday life. Flavors full of smiles. Heart filled moments.

Greater convenience and a better society.

**Progressing with Passion and Compassion.** Embracing new challenges, nurturing people, and guiding the future. In Japan, across the globe, and in every community. Dedicated to our craft of uplifting and

comforting all.

Lawson Group unites,

To serve everyone, without limits.



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- \* The SDG target numbers included in this booklet have a high relevance with the initiatives shown on each page.
- \* Some products included in this booklet may no longer be on sale.

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## **Top Message**

Questions from store crews for President Takemasu!



## "Hub of refreshment in every community" What is the relationship between Lawson and SDGs?



### What is Lawson focusing on when promoting SDGs?

I personally think that making Lawson's Group Philosophy of "Creating Happiness and Harmony in Our Communities" a reality is a way of contributing to SDGs.

To achieve this, we have established six material issues<sup>\*1</sup> based on our business policy of Three promises (Superior taste, Human kindness, Environmental (Machi) friendliness), and are implementing a range of initiatives. An example that highlights this is change we made to deliver "Superior taste" to our customers—we expanded our area company system nationwide to create stores deeply rooted in their local communities, rolling out initiatives like those focusing on local production for local consumption. When it comes to "Human kindness," we are working on creating stores that provide convenience for customers, and a comfortable work environment for our crew. And we have incorporated a range of methods in our efforts to ensure "Environmental (Machi) friendliness," including discounting products approaching the end of their allowable sales time\*2 and optimizing the number of product orders by utilizing AI technology, as we work toward reducing food waste.

- \*1 See P6-7 of this booklet for details on the "Six material issues."
- \*2 The allowable sales time is a time set by Lawson during which products can be sold and consumed with peace of mind by customers.





### What type of SDG activities are available at stores?

A real-life example of "Human kindness" in action is keeping restrooms in a clean condition. There seems to be a high level of anxiety amongst the elderly and people with disabilities in particular regarding the use of restrooms when they are outside their home. Ensuring that restrooms can be used by customers at any time with complete peace of mind is directly related to a higher level of customer satisfaction. I have been popping into our stores around the country and taking part in restrooms clean-up activities since 2019 in that time I have found that stores that keep their restrooms spotless also make sure other

areas of their store are kept clean stocked with a wide range of items. To me, this really highlighted the importance of making the effort to keep restrooms clean on a daily basis. An area we are focusing on under the theme of "Environmental (Machi) friendliness" is the "Ten Energy-saving Rules"\*3 aimed at reducing electricity consumption in our stores. Cleaning air conditioner filters and setting them to a temperature appropriate for each season are effective methods for cutting down on wasted electricity consumption, so make sure to implement these steps.

\*3 See P24 of this booklet for details on the "Ten Energy-saving



As the world shifts to the post-COVID era following COVID-19 restrictions, people have started to go back out into their communities. And after experiencing so many of these restrictions, many people may be beginning to realize the importance of their connections with one another. As a "business that adapts to change," Lawson is seeking to achieve a "welcoming future" by making full use of digital technologies to create a new approach to customer service and diverse working styles. The "Green Lawson" \*4 store that we opened in November 2022 allows

customers to be served remotely via in-store avatars—this presents rewarding employment opportunities for the elderly, those who are childrearing, and people with disabilities, free from their constraints.

Lawson will be celebrating its 50th anniversary milestone in 2025. Looking ahead, we hope to continue treasuring the ties between people by serving customers at "New hub of refreshment in every community" that are tailored specifically for each individual community.

\*4 See P27 of this booklet for details on "Green Lawson."

## **Understand with manga!** The Lawson SDGs Story



My motto is "The customers' smile comes first!" Knows everything about Lawson, and is always looking for new challenges to take on.

New crew member. Striving to learn more about Lawson! Honest and kind,

he is adored by everyone.



Oh, the allowable sales time is almost over! It's still fine to eat, so it's a bit of waste



For things like that, let's sell it faster with a discount! Anything we can do to



They're so tasty-it's great that they won't go to waste! I'll slap a discount sticker



But...is there anything else we can do other than discounts?



The first thing is to make orders more accurate. Next is to put them facing the front of shelves! Line up items with the shortest allowable sales time at the front, and inform customers to take those items first!

If there are still some leftovers they can be used as livestock feed or recycled as fertilizer



Oh, wow! Lawson has a variety of ways to help reduce food waste... Hold on... This sounds similar to SDGs...



**SDGs (Sustainable Development** Goals) refer to 17 goals to transform our world. These goals were adopted at the UN Sustainable Development Summit held in 2015 and are designed to end a range of issues like poverty, conflicts, climate change, and infectious diseases, in line with the pledge "Leave no one behind."

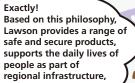
Well done for noticing! There are actually many things in common with the SDGs pledge of "Leave no one behind." and Lawson's group philosophy. You do know of Lawson's group philosophy, right?



Of course! It's "Creating Happiness and Harmony in Our Communities." Right?

[Group Philosophy] **Creating Happiness** and Harmony in Our Communities.









and works to reduce food loss. There are many ways we are actually contributing to SDGs during our day-to-day duties at the store.



Creating Happiness and Harmony = in Our Communities.



I had always thought it was difficult to try and incorporate SDGs in my daily life, but I am actually making a contribution while working! That makes it feel so rewarding!

Tell me more about what initiatives Lawson is implementing! Sure. Let's take a closer look then!

## Material issues and **Major initiatives**

Lawson is focusing on these types of initiatives and services based on our business policy of the "Three Promises!"



**Business Policy** 



**Material Issues** (Materiality)

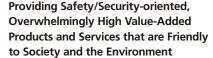
Major Initiatives/Services\* (examples)











- · Providing high value-added private brand (PB) products
- · Deployment of Machikado Chubo in-store kitchens
- · Planning and developing locally produced products for local consumption, and spontaneously utilizing domestic ingredients
- · Developing and selling products under consideration of society and the environment
- Development of products and services in line with customer opinions
- · Conducting fair and equitable transactions with suppliers

















**Supporting Health Promotion for All People Through Products and Stores** 

**Providing Comfortable Work Environment Leading to Job Satisfaction** 

Supporting Women and Seniors as well as Children's Growth

- · Development of products with consideration for health based on the 10 themes
- · Promoting the manufacturing and sales of products used by customers with peace of mind
- · Promotion of collaboration with local governments on health promotion
- · Creating a store environment that is convenient for everyone and comfortable to work in
- Creation of a workplace environment where diverse human capital can work in an active and lively manner
- · 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
- · Promoting Safety Station (SS) activities

P16-21















Sustainable Environmental Conservation Activities Toward the Realization of a Carbon-Free Society

Coexisting Synergistically with

Social Infrastructure

Communities by Serving as Part of

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

- · Expansion of mobile sales and delivery services
- · Revitalizing local communities with initiatives tailored to regional
- · 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
- · Efficiency enhancement of distribution and changing over to environment-friendly trucks
- · Reducing food waste: Promotion of the Reduce, Reuse, Recycle initiative
- · Reducing plastic used for containers, packaging and promotional
- · Sustainable use of resources with consideration for biodiversity













P22-27

#### **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.

\* The main initiatives and services have been revised or abolished, with those that have already been

### **Toward Achieving our 2050 Goals! Environmental Vision**

## **Lawson Blue** Challenge 2050!

~ Save our blue planet! ~

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.

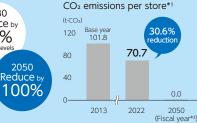
The "Lawson Blue Challenge 2050!" environmental vision was also established as a long-term goal, and the Group is taking on the challenge of achieving the 2050 targets (KPI).

#### CO<sub>2</sub> emissions reduction target

2030

Reduce by

50%

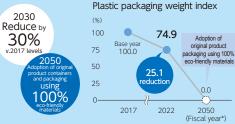


- \*1 CO2 emissions are calculated using the list of em coefficients by electricity provider (substitute values)
- \*2 Calculated from April 1 to March 31 of the following

Adoption of

2050

#### Plastic packaging use reduction target

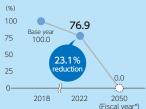


\* Calculated from March to February of the following yes to coincide with the company's fiscal year

#### Food waste reduction target

50% 2050 Reduce b 100%

2030 Reduce by Food waste reduced per store



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

Feel great receiving

from so many customers

"Thank you!"

## Highlight

## Various initiatives across Japan for "Creating **Happiness and Harmony in Our Communities!"**

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 also presented the Franchise Store SDGs Awards again in FY2022. We would like to introduce the initiatives of the ten winning stores.





Left: Sapporo Nishi Branch Sapporo Maruyama Minami 1-jo Store Mr. Masaki Konno Owner

Right: Sapporo Higashi Branch Sapporo Utsukushigaoka 3-jo Store Mr. Tadao Kaneko Owner



Hiring staff through a booth set up at a job fair for the elderly

We ran a booth at a job fair for the elderly that was organized by the local government, where visitors could watch videos of staff cooking in the kitchen and use actual automatic changedispensing machines. Giving visitors the opportunity to take part in actual work gives them peace of mind—"Maybe I can do this job," which led to the hiring of new staff.

Chiba Kita Branch Kashiwa Minamimasuo 1-chome Store Mr. Naoki Noda owner



#### Mobile sales catering mainly to nursing homes

We provide a mobile sales service three to five times a week at about twelve locations. mainly nursing homes, to give elderly people a sense of excitement. We are aiming to increase the number of sales locations as a way of contributing to the region and creating happiness in communities.

Shizuoka Nishi Branch Kikugawa Nishikata Store Mr. Tadashi Totsuka owner



### Mobile sales service in regions where shopping is difficult

With more local shops closing up in mountainous regions, I have long been working with various organizations to visit around 40 locations a week, because I wanted to "Help out with peoples' shopping."

My elderly customers appreciate the service and tell me it is fun being able to choose their own products.



Kyoto Minami Branch Drug Hikari Takoyakushi Takakura Store Ms. Mieko Oike Owner



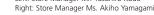
#### Holdig "Child Store Manager" events

We hold "Child Store Manager" events every month, mainly for elementary school children, where they can take part in stocking shelves or cooking Kara-age Kun. Words of appreciation from children taking part in the events is a source of motivation for our staff.





Left: Store Manager Mr. Yasuhiro Kudo



## Highlight

We have just started out with these initiatives, but want to expand scope in the future

Osaka Kita Branch Miyakojima Takakuracho 1-chome Store Mr. Hiroya Kitada Owner





Cooperating with initiatives like food drives for children's cafeterias and junior high school student work experience

All our staff communicate with customers and ask them to donate any shelf-stable foods they could not eat themselves at home to struggling households like single-parent families. We also accept junior high school students every year to take part in work experience at our stores, giving them the opportunity to prepare themselves for future work and learn how to interact with customers by using registers.

Tottori Branch Ketaka Shikanocho Store Mr. Kenji Hayashi Owner



Mobile sales and community watch services for seniors in hilly areas

As part of my collaborative work with the local government, for nine years I have been visiting areas where shopping is difficult to check on the people living there. If people are unable to come directly to my mobile sales vehicle, I make every effort to visit them at their homes to check how they are doing.



I want to play an essential role for my



Paying attention to our product lineup for our customers

\*\*SON\*\*\*

\*\*BINET\*\*\*

\*\*LAWGIN\*\*\*

\*\*REAL TOTAL THE PROPERTY OF THE

Tokushima Branch Higashi Miyoshi Cho Hiruma Store Mr. Hiroshi Hyodo Owner



Providing mobile sales for elderly people's facilities

From four years ago, we have been visiting a total of five social welfare associations and elderly facilities with our mobile sales vehicle. We are often asked to bring certain products the following week, which we deliver every week, together with our big smile.

Saga/Kurume Branch Mizu Kihara Store Mr. Yoshiro Kuhara Owner



Providing mobile sales service for elderly and disabled customers

Around 50 times a month, we regularly visit nursing homes and facilities for the disabled. We also hold summer festivals and Christmas events as part of efforts so that customers can practice their shopping skills, and our customer's families also praise the service we provide: "It is excellent training for their independence."



Kumamoto Nishi Branch Kumamoto Kyomachi 2-chome Store Mr. Ryosei Yanagida owner



Work experience for school for special needs education and events for after-school day services

We run work experience at our store four times a year to provide the opportunity to perform tasks like packing items in bags and restocking shelves. Users of day services participate in season in-store events like Halloween and bean throwing ceremonies.





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**Superior** taste







## **Surprising discoveries** in usual products and services



Lawson aims to realize "Superior taste", one of the "Three promises" of our business policy.

We are making various efforts to provide overwhelmingly high valueadded 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.

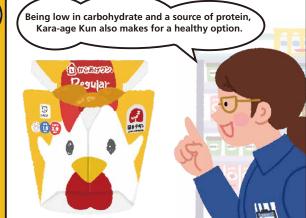












### Delivering the tastiness of rare rice brands from around Japan

#### Rice brands used so far

- "Fukkurinko" produced in Hokkaido (July 2022)
- "Yukiwakamaru" produced in Yamagata (September 2022)
- "Hyakumangoku" produced in Ishikawa (November 2022)
- "Fufufu" produced in Toyama (March 2023)
- "Ichihomare" produced in Fukui (May 2023)
- "Yumepirika" produced in Hokkaido (July 2023)



Salty rice ball using Fufufu rice from Toyama Prefecture

Brands of rice that are only produced in smaller quantities and intended for local consumption are not very well known around the country. To give as many people as possible the opportunity to savor the taste of these rare rice brands, we launched the "Nihon Okomeguri (In Search of Japan's Best Rice)" rice ball range from July 2022 made only with these rare rice brands.

#### VOICE

"Fufufu" rice is known for its uniform grains and light taste, making it ideally suited to rice balls as well as boxed meals. Our primary goal was to have more people enjoy our safe and secure rice, so in 2019 we acquired Japan Good Agricultural Practices (JGAP) certification\* and we are now aiming to develop sustainable agriculture.

As the producer, it is amazing to see rice balls made with "Fufufu" at Lawson stores around the country being savored by countless customers, and it made me again realize just

how precious this type of rice is. We will continue our efforts to get more people aware of rice produced in Toyama Prefecture and contribute to rice consumption in Japan.

\* Initiatives for production process management aimed at ensuring the sustainability of agriculture.

Agri Rise Nanbo Co., Ltd.
President Chihiro Fujisawa







## Revitalizing communities with an extensive range of products, and contributing to local production for local and urban consumption

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



Mackerel with Miso & Tartar Sauce
Rice ball developed together with students of Saiki Honan High
School in Oita Prefecture. Miso produced in Oita is used to
make the miso tartar sauce, and mixed with fried mackerel for
the filling.



Hokkaido salmon and cream on fresh pasta Developed as a tie-up with the Hokkaido Nippon-Ham Fighters, this vibrant pasta features a perfect blend of Hokkaido salmon saltiness and cream

### Improving products and services based on customer feedback

As a hub of refreshment in every community, we apply the feedback received from customers for making improvements to products and services as a way of highlighting the importance of our relationship with customers. Examples of such improvements have been listed on the Lawson website since January 2022. One example that illustrates this is feedback we received stating that it is difficult to know which food items are spicy—so we developed a labeling guide that includes the type of flavor in the product name if that product is particularly distinct. Another improvement we made was the addition of handling precautions on packaging to make it easier for customers to know which products are likely to cause burns.

We are developing products that factor in

customer feedback, and even including various

· Example of labeling guide for spicy food





 Example of text added as a precautions against burns



There is sauce inside. Please be careful not to burn yourself.



## More responsibly sourced products

#### Using coffee beans from Rainforest Alliance Certified farms at our "MACHI café"

For our MACHI café in-store freshly brewed coffee, we use only coffee beans \* from Rainforest Alliance Certified farms, which farmers follow more sustainable farming practices and promote human rights of farmers and workers, and protect natural resources and the environment.





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

#### Caring for forests by handling forestcertified products

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









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



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 creating happiness in the community.







Many of the people with hearing impairments look at the way a person's mouth moves to understand what they are saying. This is impossible when we are all wearing masks, right?









For instance. we are aiming to create an in-store experience that makes both customers and employees happy









#### SDGs actions by store crew

When our regular customers who are visually impaired come into our store, we carry a shopping basket and hold their arm to help guide them around, and also read out product names aloud.



I feel overjoyed that so many people know about the illustrations I draw thanks to "Karaage Kun." Drawing the design for the popular "Kara-age Kun" has given me confidence and motivation to create even more illustrations.

One of the artists in charge of Kara-age Kun design

Ms. Shoko Fujise

### Creating an in-store environment that is safe for so many people

A "sheet" with the "Ear mark" is visible at the checkout counters, allowing people with hearing impairments to shop with peace of mind. A "communication board" is also available on the Lawson website and app. For World IBD Day (to raise awareness about patients suffering from inflammatory bowel disease) in May 2023, we also teamed up with Takeda Pharmaceutical Co. Ltd. to raise awareness on point-of-sales (POS) cash

registers and other areas to ensure restrooms are easy to use by those who have difficulty with them.



### **Supporting artists**

Lawson supports the activities of artists with disabilities. In 2022, artists from the welfare facility "PICFA" created coffee cup designs for use at "MACHI café," made stickers displayed inside restrooms for raising awareness, and created artistic restrooms (at 3 stores). They also drew the "Kara-age Kun Birthday Package" designs for Lawson in 2023. PICFA art is also available for sale as postcards at the multi-functional copier.









Lawson chosen as Exemplary Company of Tokyo's "Barrier Free of the Heart (Kokoro no Barrier Free)"

Efforts for the hearing-impaired, support for artists and other measures resulted in Lawson being chosen as an exemplary company of Tokyo's "Barrier Free of the Heart (Kokoro no Barrier Free)" initiative in fiscal 2022.

### Initiatives that also make employees happy

The "Lawson Channel (Law-Chan)" app exclusively for store crew brings "Fun, great-value and useful" information to crew members. The app covers the latest Lawson news and allows crew members around the country to post content and actively communicate with each other. This app is also equipped with a convenient function for checking payslips.

The "Lawson Channel" app also includes the Lawson glossary "Lawsonary" in various languages (currently available in 9 languages) for international store crew members. Terms used frequently at stores can be searched easily, promoting smooth communication between crew members.



"Lawsonary" screen

Lawson is providing a new approach to work by utilizing the latest technology









### Achieving a "more inclusive future" with non-restrictive. non-contact avatars

Lawson is aiming to achieve a "cohesive society" where anyone can work in a lively manner without having to worry about any disabilities or restrictions.

The futuristic "Green Lawson" store that opened in Tokyo in November 2022 features avatars that serve customers, and there are currently around 30 (as of July 2023) "Lawson avatar operators" certified by Lawson.



#### VOICE

I had always wanted to work using my voice, so applied for a position as an avatar operator where I could make use of my voice and experience serving customers. The advantages of working as an avatar operator is I can work flexibility regardless of time or location—as long as an Internet connection is available. Ouestions from customers and responses are communicated via a monitor, so I can ask in-store crew for help if I run into any problems.

A feature of customer service with an avatar is that I can move seamlessly between numerous

stores. I am working in Tokyo, but can move to Osaka with the click of a button, meaning I can interact with many customers. I hope to see this style of work using avatars become more common in the future.



Ms. Shino Nakajima

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### Supporting childrens' future with fundraising activities

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 two organizations.

We also accept donations for support in emergencies such as earthquakes and torrential rains when needed.

Total funds raised in FY2022 536,120,582 yen

Of which, The Lawson Group's "Happiness in Communities" Fundraising

270,203,661 yen

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)

We are contributing to society with

our fundraising and support activities

#### "Katsuju Festival - Forest Classroom" event

The "Katsuju Festival - Forest Classroom" for children and parents (mothers), an environmental education program using the Lawson Green Fund.

The event was held in two locations—in Machida City, Tokyo in Apri and in Katano City, Osaka in November, 2022—with a total of 28 participants in 13 groups taking part. Activities included maintaining and thinning forest areas, and making a "natural kaleidoscope."

#### "Lawson Green Fund" Fundraising achievements

- Donated funds (total) 4,660 million yen
- Number of forest trees pruned (total) Approx. 19.96 million trees
- Amount of CO<sub>2</sub> absorbed by planted trees (2022) Approx. 5.4 t





### Disaster fundraising in FY2022

Numerous fundraising activities were conducted for accepting donations to support people affected by disasters and for reconstruction assistance.

August 2022 Flood Relief Fund

Pakistan Flood Relief Fund

- · 2022 Typhoon Talas Disaster Relief Fund
- · Ukraine Humanitarian Crisis Fund
- Turkey and Syria Earthquake Relief Fund
- · Ukraine Emergency Relief Fund
- · Afghanistan Earthquake Relief Fund

### Supporting children's learning all around Japan

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 develop social independence through experience. Lawson is also working with the "Corporate Internship Simulation Program\*2" that provides junior and senior high school students with experience solving issues as corporate interns through their class work. In FY2022, Lawson supported the learning efforts of around 1,500 junior and senior high school students at 36 schools.

In FY2021, we also held special classes for a total of 16 children and students at hospital schools in three districts. As a result, Lawson received the "Review Committee Encouragement Award" in the 2022" for the second consecutive year from the Ministry of Education, Culture, Sports, Science and Technology in its "Youth Experience Activity Promotion Company Award."





\*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.

#### Supporting lifestyles with donations to food banks

Products that have passed the delivery deadline but still have ample time until the expiration date are regularly donated to those in need like single-parent families and care homes via food banks or "Kodomo-

Takushoku-Ouendan" (a food delivery program for children and families in Japan). These initiatives help to resolve social issues like child poverty and food loss, and in FY2022 we donated around 1.35 million items (126 t) of food items and daily necessities, bringing much joy to those in need.



Picking and packing work



Delivering donated items

We are supporting the learning and lifestyles of children











In February 2023, three stores in Edogawa Ward, Tokyo ran a timelimited campaign allowing eligible fried items to be purchased by customers bringing in their own container.

This campaign was planned together with the four members of the "TINO-N Team" of Edogawa Girls' Junior & Senior High School (in Edogawa Ward, Tokyo) that won the "Lawson Award" in the FY2021 "Corporate Internship Simulation Program," and implemented with the support of the Edogawa Ward local government.



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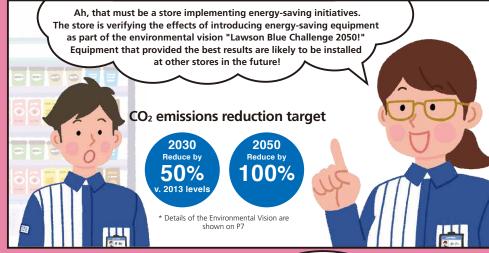
## Creating a new era of shops that coexist with the Earth (Machi)

Lawson aims to realize one of the "Three 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 CO<sub>2</sub> emissions, food loss, and the use of plastic in containers, packaging, and plastic













### "Ten Energy-saving Rules" initiatives

Lawson has established the "Ten Energy-saving Rules" to reduce the amount of electricity wasted throughout the entire store, and is working on cleaning refrigerator and air conditioner filters and keeping air conditioners set at the right temperature.

- 1 Clean refrigerator and air conditioner filters once a week
- ② 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
- 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
- 6 Restock hot drinks with products that have been stored at room temperature
- Do not overfill storage freezers and refrigerators
- 3 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
- 10 Minimize the number of times storage freezers and refrigerators are opened









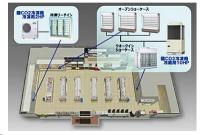
#### SDGs actions by store crew

I make an effort to turn off lighting and other devices in the office when it is not being used. I also remind other crew members to turn the lights off in unused areas in line with the Ten Energy-saving Rules.

Ms. Ogata

## Introduction of energy-saving and energy-creating systems

To achieve the goal of "reducing CO<sub>2</sub> emissions per store by 50% compared to 2013 levels" by 2030, approximately 5,300 stores have been equipped with "CFC-free (CO<sub>2</sub> coolant) freezing and refrigeration systems" that have significantly less greenhouse gas emissions compared to CFC-based systems. Furthermore, solar power generation systems have already been installed on approximately 2,000 stores (as of the end of February 2023).



### T O P



#### Stores that "reduce" and "create" energy

We have opened energy-saving model stores equipped with latest energysaving and energy-creating systems, and are rolling out systems that produced positive results to other stores.

A store opened in Kawasaki, Kanagawa Prefecture in November 2022 has doors installed on around 80% of the freezer cases and refrigerated showcases. Combined with the installation of systems for solar power generation and energy management, the goal is to reduce electricity consumption by 40% compared to FY2013 levels.



### **Initiatives for logistics**

## Introduction of delivery trucks using hydrogen as fuel

Delivery centers in Motomiya City in Fukushima and Ota Ward in Tokyo have each started using a light-duty fuel cell truck that runs on hydrogen. Areas using these light-duty fuel cell trucks for product deliveries to stores will gradually be expanded moving forward.



So we are making efforts to reduce the environmental impact throughout the entire supply chain



## Increasing delivery efficiency and reducing environmental impact

Since 2021, we have streamlined our shipping timetables with the use of automatically created Ai-based delivery schedules. The delivery frequency of chilled and room-temperature items will gradually be reduced at all stores from three times per day to two times from December 2023, as a way of implementing work style reforms and reducing CO<sub>2</sub> emissions.

#### VOICE

#### Our daily efforts to maintain reliable supply of products!

The logistics industry is undergoing tremendous change. To develop a sustainable product delivery system, Lawson is streamlining operations in three key areas: delivery center network; delivery routes and timetables to stores; and warehousing work at delivery centers.

Delivery frequencies to stores and changes to delivery times in particular can have a significant impact, so we are working with store crew to make the optimal adjustments and achieve the best balance overall.

We will also be tackling a range of reforms in the future, which will help resolve social issues and contribute to the reliable supply of products.



Lawson, Inc.

Emi Tsuzurahara

## CO2 emissions generated by our supply chain

The environmental impact of each stage of the supply chain—from sourcing raw ingredients to manufacturing, logistics, sales, final disposal, and recycling of products—is being assessed to consider the issues required for reduction, and we promote initiatives for energy saving, resource saving, and waste reduction.

- \* It does not cover all of Lawson's supply chain. FY2022 results have been independently verified by the Japan Management Association (independent verification excludes electricity consumption at LAWSON STORE 100 covered in Scope 2).
- Scope 2 includes electricity consumption of FC stores covered in Category 14 of Scope 3.

EV2022	CO	miccione	in the	Sunnly	Chain*

(Thousand tons CO<sub>2</sub>)

Categories		Details	
Scope1 (Direct emissions)		Gasoline consumption of company vehicles	
Scope2 (Indirect emissions)		Electricity consumption of the Headquarters, regional offices, branches, and stores	896.8
	1	Raw materials purchased (Private and national brand products, plastic shopping bags, etc.)	4,193.6
Scope3 (Other indirect emissions)	2	Buildings, furniture and fixtures etc., and information system hardware	70.3
	3 Electricity consumption associated with procure power		145.0
	4	Energy consumption of the delivery centers	136.0
	5	In-store waste, and industrial waste due to store closures and remodeling	21.9
	6	Business trips by Lawson Headquarters employees	0.8
	7	Commutes by Lawson Headquarters employees	1.4
	11	Use of sold products	56.5
	12	Disposal of containers, chopsticks, and plastic shopping bags, etc.	40.6
Total			5,567.1

### Initiatives for reducing food waste

Lawson recognizes the reduction of food loss as a material issue, and is aiming to reduce loss by 50% compared to 2018 levels by 2030. A range of initiatives are being implemented through our partnerships with affiliated companies and organizations.

#### Experimental initiatives

In December 2022, a demonstration experiment was conducted to sell desserts (selected items) that passed their allowable sales time for a discount on exclusive app for the "Cookpad Mart" fresh ingredients e-commerce site.

Another demonstration test was conducted at stores in Tokyo in January 2023, donating flash-frozen fried foods like Kara-age Kun that passed their allowable sales time to organizations like children's cafeterias that require support.

#### 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 having 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.

#### Recycling unsold food and cooking oil

Unsold food generated at stores is processed into feed products at recycling plants, 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 cars.





Demonstration experiment selling discounted

Children love donated Kara-age Kun

items on Cookpad Mart

\*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

Various methods are being used to help reduce food loss

#### SDGs actions by store crew

Fried foods taste best when they are freshly fried, so we replenish them often and also recommend new products to customers. This not only boosts customer purchases, but also helps reduce food loss.



## Reducing the use of plastic with newly designed shapes

We are aiming to reduce the amount of plastic used for plastic containers and packaging by 30% compared to 2017 levels by 2030.

With the Plastic Resource Circulation Act coming into effect from April 1, 2022, we introduced spoons and forks made with less plastic by implementing designs like an opening in the handle.

Other measures include using a sealed lid for some types of salads, to help reduce the amount of plastic used for lids and adhesive tape. In the past we had applied paper labels printed with product names and ingredients, but we introduced technology that prints directly on packaging to eliminate the need for labels.





### Sustainable and futuristic "Green Lawson" stores developed together with customers and communities

In November 2022, we opened the sustainable "Green Lawson" store in Toshima Ward in Tokyo. which was developed together with customers and communities and incorporates more than 20 measures implemented to achieve goals like reducing environmental impact and food loss, and providing employment opportunities free of restrictions by using avatars.

The effects of these measures will be verified at Green Lawson, and then rolled out at suitable Lawson stores around Japan.



Green Lawson (Lawson Kitaotsuka 1-chome store

#### Main initiatives at Green Lawson\*

Serving customers with avatars Promotion of diverse work styles by serving customers remotely

Mobile order service Reduction of food loss by preparing food when ordered instead of leaving items on shelves

Sale of frozen boxed meals Reduction of disposed foods by switching to frozen items with lengthy expiration dates

4 Refrigerator showcases with doors Achieve significant energy savings by preventing cold air from escaping

6 Elimination of shopping bags and cutlery Recommend the use of eco-bags and reusable chopsticks to help reduce the amount of plastic

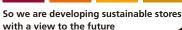
6 Signboards and shopping baskets made with recycled plastic

\* Green Lawson are demonstration stores, and initiatives are subject to change











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The entire Lawson Group is working as

of "Creating Happiness and Harmony

in Our Communities."

one to take on challenges for society and

communities in line with the group philosophy

Overseas business
China 5,620 stores
Thailand 181 stores
Indonesia 256 stores
Philippines 101 stores
Hawaii 2 stores

1.5,620 stores
Ind 181 stores
Ind 181 stores
Ind 181 stores
Ind 256 stores
Ind 181 stores
Ind 18

Domestic enience store business

LAWSON

13.839 stores

\* As of the end of

44 theaters.

NATURAL LAWSON 131 stores

February 2023

inancial services business



ATMs 13,519 Partnered financial institutions 384 Seijo Ishii business superweket 克城區口

208 stores

### Lawson China

# LAWSON FREE 13 CHIMATE ACTION

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## Increasing the number of energy-saving prefab stores

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A new store was opened in November 2022 within in the Tianjinxi Railway Station concourse in Tianjin City, China. The use of high-performance insulation helps limit electricity consumption, and construction materials can be reused after the store is closed down. Prefab stores are planned to be constructed in more locations in the future.



#### LAWSON

#### LAWSON PHILIPPINES, INC.

## Starting supply of stainless steel cutlery



In-store dining areas are more common in the Philippines than in Japan. Customers have been provided with stainless steel spoons and forks since 2021, to help reduce the amount of plastic used.



#### LAWSON ENTERTAINMENT

#### Lawson Entertainment, Inc.

## Increasing the scope of reused merchandise



The "HMV Trading Card Shop" was opened within "HMV record shop SHINJUKU ALTA" that sells used analog records.

In addition to records, the shop has also started buying and selling used trading cards and trading card-related merchandise. The range of available reused merchandise is planned to be increased into the future.



#### Lawson Bank, Inc.

#### LAWSON STATION ローソン銀行

# Guidephones with braille displays for visually impaired customers



Guidephones with braille displays have been installed to allow visually impaired customers to use Lawson Bank ATMs smoothly (excludes some ATMs). Voice guidance plays when a customer picks up the guidephone, and they can operate the ATM by following the voice guidance and pressing the number keys on the phone.



## LAWSON 100

#### Lawson Store100, Inc.

## Reduction of plastic use for boxed meal packaging



The "Dake Bento" series of boxed meals is a simple dish catering to customers who want to enjoy only a single type of topping on their rice. The package is wrapped instead of using a lid, to help reduce the amount of plastic.



#### SEIJO ISHII CO., LTD.



### Interacting with local children



The "Cash register work experience for kids" is held occasionally for children between the ages of 6 and 12 years old. The event is designed to give children the opportunity to enjoy working and communicating with store staff and customers with hands-on experience using supermarket checkouts.



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