Lawson contributes to happiness and harmony in its communities by creating added value through its customer-oriented business model.

Social challenges Lawson is tackling Declining labor force (Employed people aged 15 to 64) Projected rate of decline by 2025 compared with 1990 Approx. 20% decrease

Source: "Population Census," Ministry of Internal Affairs and Communications for data up to 2015 (excluding people of unknown appl; "future Population Projections of Japan (projection as of January 2012) (projection of medium variant briths (deaths)), National Institute of Population and Social Security Research for data after 2020

Rapidly aging society (Increase in the population of residents aged 75 or older) Projected rate of increase by 2025 compared with 1990 Approx. 3.6 times

Source: "Population Census," Ministry of Internal Affairs and Communications for data up to 2010; "Population Projection for Japan," Ministry of Internal Affairs and Communications for 2015 data

Empowerment of women (Increase in the number of double-income households)

Compared to 1991 Approx. 1.4 times

Source: "Annual Report on Health, Labour and Welfare," Ministry of Health, Labour and Welfare, "White Paper on Gender Equality," Cabinet Office, "Special Survey of the Labour Force," Ministry of Internal Affairs and Communications, "Labor Force Survey (detailed tabulation)," Ministry of Internal Affairs and Communications

Rise in medical expenses

Projected rate of increase by 2025 compared with 1990 Approx. 2.9 times

Sources: "Annual Report on Health, Labour and Welfare 2011," Ministry of Health, Labour and Welfare for data up to 2009, "Future Outlook for Medical Expenses and Estimate of Financial Impact," Health Insurance Bureau, Ministry of Health, Labour and Welfare (October 25, 2010) for data after 2015

Worsening food and plastic waste problems Food waste 6.43 million tons Plastic waste 9.4 million tons

Source: Announcements by the Ministry of the Environment: Estimated Food Waste in Japan in fiscal 2016 (April 2019) and Plastics Smart Campaign (January 2019)

Rise in average global temperatures (Long-term global geals determined by the Paris Agreement of December 2015) pre-industrial era 2°c or less

Inputs

Human capital (human resources)

Employees' collective skills and capabilities, personal motivation and organizational experience that contribute to sustainable corporate growth

Financial capital (funds)

Capital raised to fund business activities through sales of shares and borrowing

Representation of the second s

Necessary tangible assets for conducting business activities, generally referred to as "infrastructure," including land, buildings, machinery and IT

O Intellectual capital (technologies and brands)

Lawson's combined intangible assets, including brands, appraisals, expertise, purchasing data, intellectual property and software

Social capital (resources and social norms)

Natural resources, social norms, and relationships of trust established with stakeholders



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

Business Policy (Three Promises)

Superior taste

Community customers invironmental (Machi) friendliness

Human

kindness

Personally rewarding/active Lawson's Way (action guidelines) for franchise stores and employees

Business basis

Coexistence and mutual prosperity with franchise stores ORespect for human rights in the supply chair Reinforced corporate governance OThorough risk management and compliance

Group Philosophy

Creating Happiness and Harmony in Our Communities

Outputs



Nurturing human resources who are self-motivated and innovative to satisfy local community needs appropriately

Investment determined according to capital discipline to meet the expectations of the equity market



Leveraging the full supply chain to develop products that meet local community needs



Cultivating innovation based on prompt perception of changes in local communities





Lawson wants to join you in creating excitement by becoming your "Hub of refreshment in every community" with a three "Whew!" surprises. A new LAWSON for a new era.



Outcomes