Materiality for Creating Happiness in Our Communities

About Lawson!

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Contribution to the Sustainable Development Goals (SDGs)

Lawson Group's approach to contributing to the SDGs

Lawson Group believes that striving to realize the Three Promises to become the hub of refreshment in every community based on its Group Philosophy, "Creating Happiness and Harmony in Our Communities," ultimately promotes the Sustainable Development Goals (SDGs). With this in mind, we are working proactively to solve social issues.

Establishing systems for contributing to the SDGs and implementing PDCA cycles

Aiming to realize a sustainable society through our business activities, we have been working to establish systems for solving social issues and implementing PDCA cycles for them, including the establishment of an SDGs Committee in March 2019.

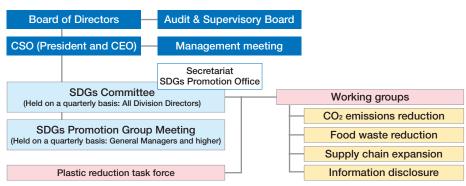
From March 1, 2021, the Company established the position of Chief Sustainability Officer (CSO), with the president, CEO, and representative director appointed to the position to further strengthen initiatives. In responding to the issues, the SDGs Committee identifies material issues that align with the Three Promises, and periodically shares the progress of the entire Group, while each division conducts self-directed initiatives in its own business activities.

Furthermore, we have established working groups under the SDGs Committee to strengthen our initiatives on key issues that require a quick response; namely, CO₂ emissions reduction, food waste reduction, plastic reduction, supply chain expansion, and information disclosure.

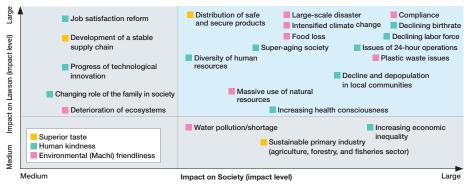
Identification of material issues (materiality)

We classify our activities with respect to Lawson's value chain into six categories based on the Three Promises to customers enumerated in our business policy, and in consideration of pertinent social issues and circumstances. We make decisions from the customer's point of view, with the primary emphasis on the safety and security of retailers and on social infrastructure initiatives for the retail industry.

SDGs Committee Organization



Impacts of identified social issues



Steps to identifying material issues

In order to find issues with heavy impacts on the environment, society and economy, and then identify Lawson's own material issues, we categorized our business activities into value chain phases, such as raw materials procurement, manufacturing, and distribution and confirmed what initiative was helpful toward achieving each target or goal of the SDGs by clarifying social issues in every phase.

STEP From the social issues identified in the feedback or questionnaire results from stakeholders such as customers, franchise stores, shareholders, and institutional investors, we selected the issues with heavy impacts on society.

3 Cross-checking the social issues identified through stakeholder feedback with those impacting heavily on Lawson, we prioritized those necessary for us to become "the hub of refreshment in every community."

TEP We linked Lawson's initiatives for the specified social issues to the Three Promises, and decided our material issues.

Target Setting (material issues)

Business policy	Applicable SDGs	Material issues (materiality)	Major initiatives and services	
Superior taste	2 Hotel Suchemberging 12 Hotel Records	Providing Safety/Security- oriented, Overwhelmingly High Value-Added Products and Services that are Friendly to Society and the Environment	Providing high value-added private brand 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	 Deployment of LAWSON Farm agricultural products Development of products and services in line with customer opinions Developing and operating a supply chain with consideration for society (human rights, etc.) and the environment Conducting fair trade with suppliers
Human kindness	2 meer 3 cocentum — — — — — — — — — — — — — — — — — — —	Supporting Health Promotion for All People Through Products and Stores	Development of products with consideration for health-based on the 10 themes Creation of a pharmaceutical product sales system Expansion of NATURAL LAWSON and HealthCare LAWSON	 Promotion of health promotion partnerships with local governments Supporting and subsidizing health initiatives for owners and crew Promotion of health and productivity management (mental healthcare, exercise promotion, etc.)
	5 county 8 county awards	Providing Comfortable Work Environments Leading to Job Satisfaction	Creating a comfortable work environment for use by all kinds of people Training and retention of store crews Continuation of FC owner support system Promoting the Management Owner system for multiple-store management	 Enhancing communication with franchise stores Creating an environment where all kinds of human capital can be active Promotion of job satisfaction reforms using DX, etc. Development and expanded use of leave for maternity, childcare, nursing, long-term care, etc.
	1 Property 4 Constitution 17 Protections of the Property Constitution of t	Supporting Women and Seniors as well as Children's Growth	Maintaining Scholarship program for children from single-parent families Promoting fund-raising programs for children's futures (school afforestation activities, the "Dream classes," etc.) Creation of an environment to support children's learning Donation of products to facilities that require food and other support	 Deployment of "Care-focused LAWSON for Senior Citizens" program (support for long-term care), regional revitalization events Promoting Safety Station (SS) activities (community watch service for women, children, and seniors)
Environmental (Machi) friendliness	11 SECONDACTION ACCORDING TO THE PART OF T	Coexisting Synergistically with Communities by Serving as Part of the Social Infrastructure	Expansion of mobile sales and delivery services Online product dispatch, returns, and in-store delivery pick-up services Promotion of Lawson Bank ATM services	 Government certificate issuance services Executing comprehensive regional agreements with the local governments, promotion of partnerships Collaboration with national and local governments to support stricken areas in the event of disaster
	2 MINES 7 MINISTRATION 12 SECONDAIL 13 CAMET 14 BETWINSTER 15 DE LA	Sustainable Environmental Conservation Activities Toward the Realization of a Carbon-Free Society	 CO₂ reduction: Promoting energy efficient stores and offices (Introducing and operating energy efficient equipment) CO₂ reduction: Utilizing and spreading renewable energy CO₂ reduction: Efficiency enhancement of distribution and promotion of changeover to environment-friendly trucks Reduction of food loss: promotion of selling out stock, selling by weight, development of products with long best-before date 	 Reduction of plastic waste: Reduction in amount of plastic used for containers, packaging, and sales promotion materials, etc. Reduction of use of natural materials such as copy paper, etc. Sustainable use of resources with consideration for biodiversity