

Creating Happiness and Harmony in Our Communities

This is the Corporate Philosophy of the Lawson Group. We aim to create communities where all community members can live in harmony and feel happiness by helping the communities overcome the challenges facing them and responding to various customer requests and needs.

Lawson Group Environmental Policy

Our Commitment

To sustain the blessings of Earth for future generations, the Lawson Group will consider the environment in every aspect of our business activities and strive to achieve sustainable development and coexistence with local communities.

Our Principles

1 Creation of a low-carbon society

We will combat global warming by conserving energy and resources and reducing waste in all our business activities.

2 Consideration in the development of products and services

We will give proper consideration to effects on the natural environment and local communities at every stage in the cycle of products and services, from procurement of raw materials to sales and disposal.

3 Active participation in social contribution activities

We will participate actively in social contribution activities, serving as a member of our communities in efforts to promote greenery and beautification of the regional environment and pursuing other initiatives.

4 Continuous improvements

We will strive to preserve the environment by leveraging our environmental management systems to make continuous improvements, which will be measured against objectives and targets.

5 Observance of laws and regulations

We will observe laws and internal rules related to environmental preservation activities.

6 Promotion of communication

We will foster greater awareness of environmental preservation through education, while also promoting communication with stakeholders.

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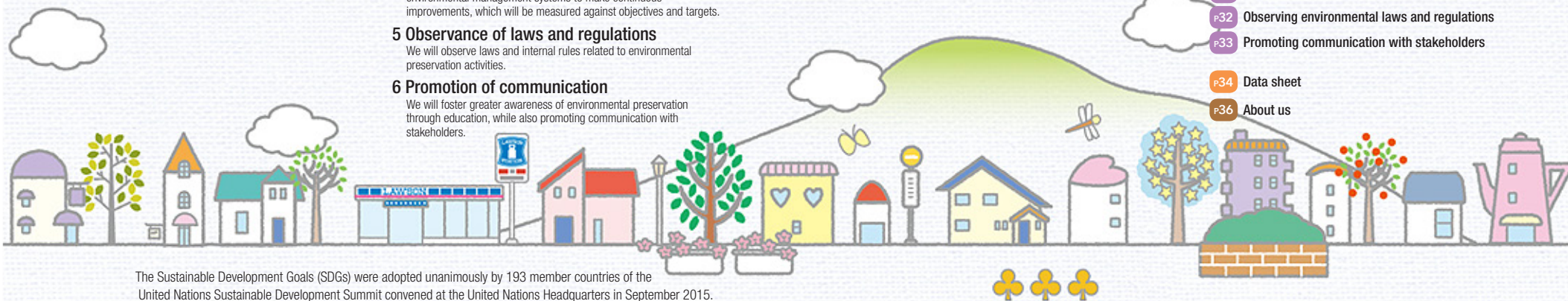
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The Sustainable Development Goals (SDGs) were adopted unanimously by 193 member countries of the United Nations Sustainable Development Summit convened at the United Nations Headquarters in September 2015. The Summit set 17 goals and 169 targets for achieving the SDGs on a global scale by 2030. The Lawson Group is contributing proactively to these efforts in the areas of economy, society, environment, human rights and governance.

SUSTAINABLE DEVELOPMENT GOALS



Helping children achieve their dreams

Support Dreams Fund

(Scholarship program for victims of the Great East Japan Earthquake)

The Support Dreams Fund (scholarship program for victims of the Great East Japan Earthquake) is a scholarship program to support students who face difficulties in attending school due to the Great East Japan Earthquake.

The following introduces the story of a student who is doing her best to realize her dreams with the help of the scholarship, and the thoughts of the Lawson Group.



Ms. Yuuri Tabata

Support Dreams Fund (scholarship program for victims of the Great East Japan Earthquake) scholarship student
From Minamisanriku-cho, Miyagi Prefecture
Senior at the College of International Relations, Nihon University

Mr. Tatsuya Murase

Deputy Senior Vice President,
Division Director,
Franchisee Business Support Division



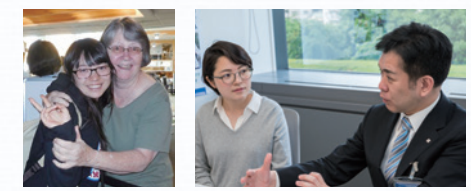
Support Dreams Fund pushed me to take a step toward my dreams.

Murase: The Lawson Group established this fund on April 14, 2011 with the belief that the power of young people is essential for recovery from the Great East Japan Earthquake and that we should not let young people give up on their dreams. We want to foster young dreams.

Tabata: March 11 was the day before my junior high school graduation ceremony. After my house, where my mother ran her hairdressing business, was washed away by the tsunami, I was worried that I might not be able to go to high school due to financial reasons. When I heard about the Support Dreams Fund, I immediately applied for the scholarship and was able to go to the high school of my choice.

Murase: It was our pleasure to have helped you. We have also developed products, part of whose sales is donated to the Support Dreams Fund. "Miyano Bread" developed in cooperation with the students of Miyagi Prefecture Agricultural High School has livened up the communities and boosted the fund, uniting our customers, business partners, franchise stores, and employees. I really felt that the students' desire to energize the communities has been conveyed to everyone who bought the product.

Tabata: When I was a high school student, I stayed with a



host family in the U.S. through a program of TOMODACHI Initiative, which is also supported by Lawson. Through this experience, I developed a desire to know the world more and hoped to go on to the College of International Relations at Nihon University.

Murase: Many of the scholarship students express their gratitude for the fund and tell that they will give back to the communities. I am full of emotion as I realize that our founding belief that the power of young people will revive the communities was correct.

Tabata: I have found my dream. In the future, I'd like to increase opportunities for children in Minamisanriku-cho to have more international exchanges. I wish to tell them how fun it is to learn English, give them learning experiences that cannot be given at school, and make Minamisanriku-cho more attractive.

Murase: It is important for us to continue to support each community until the Tohoku region has fully recovered from the disaster. We will ensure that our new members take over the projects, working together with franchise owners for the future.



Lawson opened a store in "Machi Nami Marché" in Namie-machi

Namie-machi, a town affected by the Great East Japan Earthquake, in Fukushima Prefecture opened a temporary shopping center named "Machi Nami Marché" on October 28, 2016, in preparation for the start of residents' return in March 2017. Lawson, the first retailer to resume its business in Namie-machi in 2014, also opened a store in the shopping center. The store delivers daily essentials and peace of mind to the residents, serving as the community infrastructure.



“Happiness in Communities” fund-raising activity to ensure a better life for the next generation

The Lawson Group is conducting “Happiness in Communities” fund-raising activities in support of “greenery” and “children.” Its four pillars are: Lawson Green Fund, Support Dreams Fund (scholarship program for victims of the Great East Japan Earthquake), Support Dreams Fund (scholarship program for children from single-parent families), and TOMODACHI Fund.

Cumulative Donations:

About **8.6** billion yen

(From September 1992 through February 2017)
The amount above includes donations from Lawson headquarters, donations via Loppi, donations of point rewards, and donations for disaster-stricken areas in addition to the funds raised by the “Happiness in Communities” fund-raising activity.



Lawson is also collecting donations via Loppi multimedia information terminals and donations of Ponta reward points and d reward points in addition to those collected through in-store donation boxes.

1992	2011	2013	2017
Lawson Green Fund (See page 5) Started	Support Dreams Fund (Scholarship program for victims of the Great East Japan Earthquake) Started	TOMODACHI Fund Started	Support Dreams Fund (Scholarship program for children from single-parent families) Started
Cumulative donations: Approx. ¥3.91 billion	Cumulative donations: Approx. ¥1.89 billion	Cumulative donations: Approx. ¥90 million	Collection in the stores started on July 1, 2017

Support Dreams Fund (Scholarship program for victims of the Great East Japan Earthquake)

Recipient: Civic Force

This scholarship program has been organized to support students affected by the Great East Japan Earthquake (No repayment required). In addition to providing each student with a scholarship amounting to ¥30,000 per month for a maximum of seven years, it helps the students through various activities, such as lectures, live performances and practical education programs, until they start earning their own living.

TOMODACHI Fund

Recipient: U.S.-Japan Council (Japan)

Started with the aim of extending support for recovery from the Great East Japan Earthquake, the TOMODACHI Initiative is a public-private partnership also aiming to develop leaders of the next generation through educational and cultural exchange programs. The Lawson Group has agreed with the purpose of the initiative and continues to support it.

Every little donation helps keep forests healthy.

Mr. Masaatsu Aoki
Managing Director
The National Land Afforestation Promotion Organization



The National Land Afforestation Promotion Organization is engaged in environmental projects, especially afforestation, which include nationwide tree planting/growing festivals, nationwide greening campaigns, the National Fund for Forest Greenery and Waters, and the Green Scouts. We offer support for creating forests both in Japan and foreign countries using donations collected via the Green Fund, supported by Lawson, from many citizens, companies, and organizations.

One person's small donation can make a big difference. The accumulation of goodwill becomes a huge support for growing healthy forests. With donation boxes in its 13,000 stores throughout Japan, Lawson is offering a bridge between people and the Green Fund in communities, enabling anyone to donate whenever they wish. We are very happy about this. The Lawson Green Fund is being used to support school greening projects—including tree planting, tree maintenance, and biotope installation—carried out at 60 elementary and junior high schools per year. We are also grateful that franchise owners and Lawson employees participate in forest improvement activities, including school greening projects. It is very meaningful to actually enter forests and learn more about them. In the future, we wish to work with Lawson to devise a mechanism of cashless donations that is as easy as putting money in a donation box.



Lawson Green Fund

Recipient: The National Land Afforestation Promotion Organization

We are promoting activities to preserve forests which are irreplaceable assets for all creatures living on Earth for the future. Through this fund, the Lawson Group supports school greening activities carried out mainly at elementary and junior high schools and schools for special needs education in Japan, and greening projects in various areas carried out by volunteer groups.



For detailed activities of the National Land Afforestation Promotion Organization, visit <http://www.green.or.jp/>



Support Dreams Fund (Scholarship program for children from single-parent families)

Recipient: National Federation of Single Parents and Children's Welfare Associations in Japan

This scholarship program has been organized to support children from single-parent families so that they can continue on to receive higher education. A total of 400 students, are selected for the scholarships. Third-year students in junior high schools and all students of high schools, colleges of technology, upper secondary courses at specialized training colleges, and high schools for special needs education living in Japan are eligible to apply. It provides each student with a scholarship amounting to ¥30,000 per month for up to 4 years (no repayment required).



Supporting children's learning and development Student City* to inspire them to dream big

The Lawson Group operates stores in the Student City hands-on learning facilities in Kyoto City and Sendai City to help children learn about social mechanisms through work and to provide an environment where they can learn and grow healthily.

*Student City is a registered trademark of Junior Achievement Japan, Japan headquarters of Junior Achievement, one of the world's largest educational organizations.



The real purpose of the virtual experience is to develop children's "skills for life."

Ms. Midori Hayama

Teachers' Consultant of the Kyoto City Board of Education

The KYOTO Student City allows children to have a virtual experience in a simulated city in Ikikata Tankyukan consisting of banks, stores, newspaper companies, a ward office, etc. They can develop their "skills for life," including the ability to think for themselves, discuss, make decisions, and work together, while understanding how society and the economy work. Student City is like a "real city" as we want children to feel connected with the real world. Products displayed at the LAWSON store in Student City are also real ones. Since most children have experience shopping at a real LAWSON store in their neighborhood, it seems that the Student City experience helps them understand the structure of society and how money flows. I think this is because children are very familiar with Lawson. A visit to Student City can change children dramatically. One principal has told us that his students said they would study harder to do well at a job after visiting the virtual city. It is a great pleasure for us that students have realized what they are learning at school every day leads to their future. We hope that Student City will provide students with a learning environment suitable for each school's circumstances, in further cooperation with companies and volunteers.



Student City is an educational program where children can develop their social skills and understand the relationship with society, economic structures and what money/work is through hands-on experience as part of their learning at school. For example, they can work as shop attendants, learning cash register operations, customer service, sales aggregation, etc.

For detailed activities of the Student City, visit <http://www.ja-japan.org/education/student-city.html>

The KYOTO Student City opened in January 2007 and celebrated its eleventh anniversary this year. As of today, over 100,000 children have learned here. For detailed activities of the KYOTO Student City, visit <http://www.edu.city.kyoto.jp/scfp/>

HAPPY LAWSON supports families with children

HAPPY LAWSON aims to support customers raising children. In addition to its wider aisles for strollers, a multi-purpose toilet room and a nursing room, the store offers space to rest and chat in peace for every generation, from families with small children to visitors to the park.



HAPPY LAWSON Yamashita Park Store (Yokohama City, Kanagawa Prefecture)

Preparing for disasters and supporting community reconstruction Serving as a community lifeline

In order to fulfill its role as a community lifeline when a disaster occurs, the Lawson Group is not only prepared for large-scale disasters, but also has various quick disaster response measures and measures for continuing business at its stores in place .

We provide food, daily necessities and other relief supplies to the people in affected areas as support for victims.

Disaster preparedness and response

The Lawson Group aims to continue to provide customers with products and services by keeping as many stores open for as long as possible on the premise of ensuring the safety of human life in the event of a large-scale disaster. For this, we have formulated a "disaster relief manual" specifically showing what actions we should take when a large-scale disaster occurs. We regularly conduct emergency drills, and confirm the procedures for disaster relief.

When a large-scale disaster occurs, disaster relief headquarters are set up immediately. Lawson takes advantage of a "disaster information map system" designed to enable personnel to respond while the disaster situation is being confirmed in real-time to conduct safety checks, ascertain the nature of the damage, and implement support measures for shops, factories and shipping centers. We have also signed disaster goods supply agreements and agreements to help stranded commuters with local governments and public organizations nationwide and are prepared to send relief supplies to evacuation centers in cooperation with those local governments.



Disaster information map system

Lawson won Best Resilience Award/ Selected as a Designated Public Institution

In March 2017, Lawson received a Best Resilience Award (in the field of Risk Communication Information) for its achievement of establishing a disaster information map system, an infrastructure system for sharing disaster information. The award was part of Japan Resilience Awards 2017, an award developed to discover, evaluate, and recognize efforts to make society strong and resilient in preparation for large-scale disasters.

Lawson also became a Designated Public Institution on July 1, 2017, based on the Disaster Countermeasures Basic Act (designated by the Prime Minister of Japan). We will work closely with relevant government agencies to play an important role in disaster prevention, emergency measures, disaster relief, etc.



Disaster Response Activities for the Kumamoto Earthquakes

The Kumamoto Earthquakes that occurred in April 2016 caused enormous damage to Kumamoto and Oita Prefectures. Immediately after the earthquakes, the Lawson Group established a disaster relief headquarters and confirmed the safety of franchise owners, crews, and headquarters employees. We strove to keep the stores open and to reopen the earthquake-impacted stores as soon as possible, by dispatching headquarters employees and others from around Japan to the affected areas as an emergency assistance team, arranging alternative deliveries from other undamaged delivery centers, and sending temporary drivers and trucks to the affected areas.

Lawson immediately started supplying relief goods, such as drinking water and food upon receiving a request from the Disaster Response Headquarters established by Kumamoto Prefecture and Kumamoto City. Furthermore, the Lawson Group began accepting donations through in-store donation boxes, donations via Loppi multimedia terminals, and donations of Ponta reward points and d reward points from all over Japan. The donations received from customers totaled approximately 312 million yen as of July 31, 2017.



Emergency Response Team

Various emergency services in case of large-scale crises in Japan provided by the Public Interest Incorporated Association Civic Force

Mr. Taku Shinjo
Civic Force



The Civic Force was established to realize quick and effective support for victims of large-scale disasters, such as earthquakes, occurring in Japan, in collaboration with NPOs, companies, local authorities, residents' organizations, etc. For Kumamoto Earthquakes victims, the Civic Force conducted a variety of support activities, including search for missing persons, distribution of relief supplies, and management of evacuation centers. We used the support offered by Lawson for improving and managing the evacuation shelters, and three inkjet printers donated to our on-site offices. We cooperate with Lawson in a variety of projects from emergency support for disaster-stricken areas to long-term recovery assistance, such as the scholarship program Support Dreams Fund (scholarship program for victims of the Great East Japan Earthquake). Lawson is indispensable for our activities, not to mention for people living in the communities.

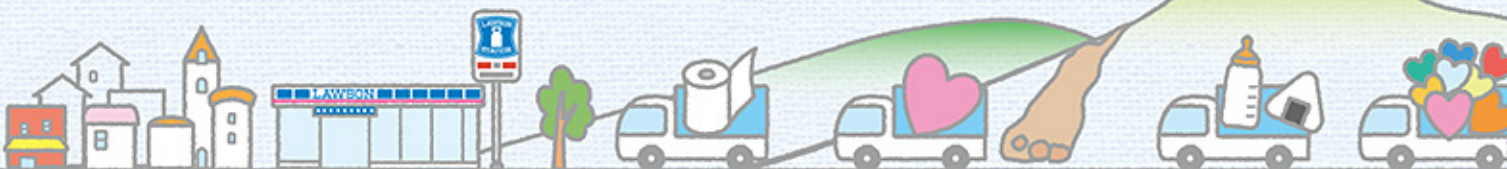
*For detailed activities of the Civic Force, visit <http://www.civic-force.org/>



Prefabricated community space installed in the aftermath of the Kumamoto Earthquakes

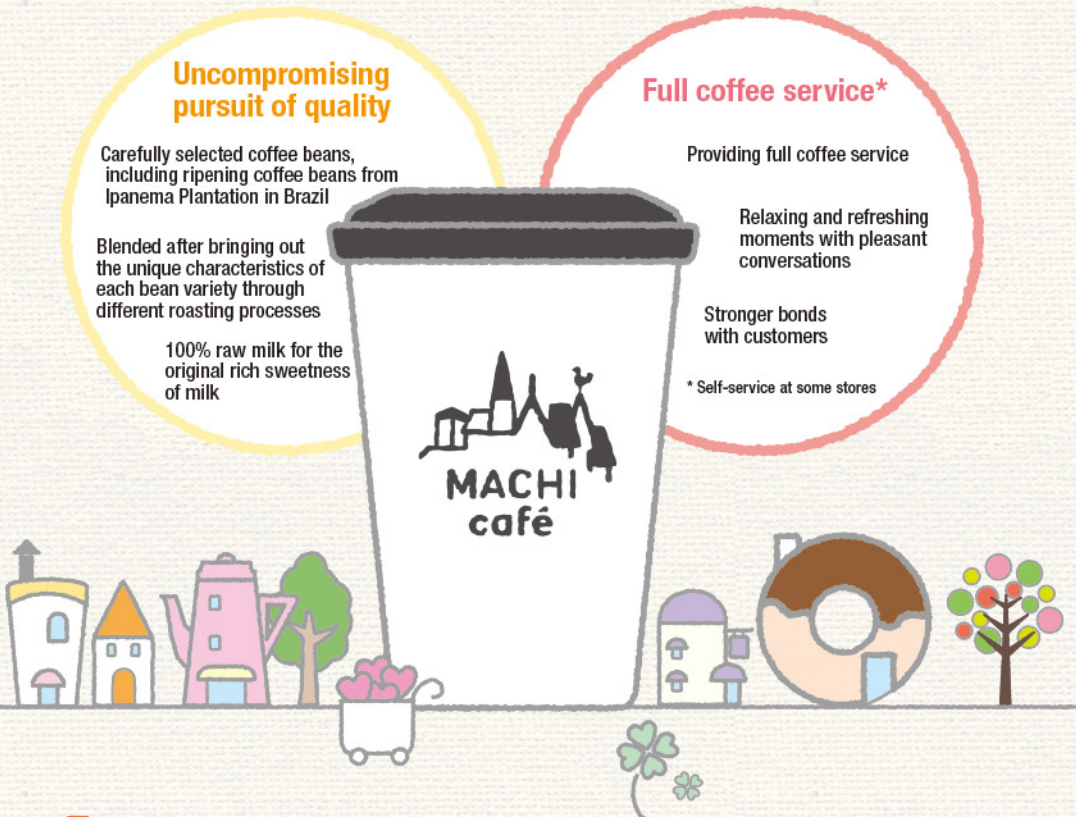
Disaster relief fundraisers carried out in FY2016

Name of Fundraiser	Donations collected
2016 Itoigawa City (Niigata Prefecture) Large-scale Fire Relief Fundraiser	2,111,567 yen
2016 Typhoon Lionrock Relief Fundraiser	6,437,546 yen
2016 Kumamoto Earthquakes Relief Fundraiser	312,132,193 yen (Excluding products with contribution)
2016 Taiwan Earthquake Relief Fundraiser	32,404,694 yen



A cup of coffee from MACHI café to put a smile on your face

MACHI café is our in-store freshly brewed coffee service. Our desire to build bonds with customers is reflected in every phase from growing of individual coffee beans to serving the customer at a store.



Environmental and social considerations Rainforest Alliance Certified™

The Rainforest Alliance is a non-profit international environmental protection organization founded in 1987. Rainforest Alliance certification is awarded to farms that satisfy rigorous standards in such areas as environmental preservation and life quality improvement for farm workers. Lawson uses only coffee beans* grown on certified farms for its MACHI café fresh-ground coffee service. Furthermore, as a member of the Rainforest Alliance Consortium jointly established by the Rainforest Alliance and companies that trade in certified products, Lawson engages in promotional and educational activities in Japan by hosting symposiums, for example.

*Excluding single-origin and decaffeinated coffee



Personalized customer service: My strong desire to interact with customers in irreplaceable communities.

Ms. Shizuka Fukushima

FY2016 Top of Grand Fantasistas
Store crew, LAWSON Kumamoto Shinmachi 3-chome Store



We are proud of the taste of the coffee we serve at MACHI café. It is the fruit of our careful bean selection, post-roast blending, and use of customized espresso machines. We are also proud of our full coffee service. This is a big feature of MACHI café, which I am very proud of. After the Kumamoto Earthquakes occurred, I served a customer who was a victim of the disaster. When I handed the coffee to her, she told me that it made her feel happy because it felt like the coffee had been specially made for her. Her words remain etched on my memory. This convinced me that we can indeed build bonds with our customers. I will continue to serve coffee along with some happiness to customers in order to spread a smile to the whole community.

Customers of Kumamoto Shinmachi 3-chome Store

I come to the store for a café latte a few times a week. In addition to its excellent taste, Ms. Fukushima's customer service is superb. I can feel her love and care for each customer and for the community.



Ms. Minako Oishi

I tried and compared various coffee served at different places, but I love MACHI café's coffees more than coffee from anywhere else. I am happy with its reasonable price as I often come here with my children.



Ms. Mika Asakawa

I think the smiling faces of the store staff members and personalized full coffee service give customers a sense of security, as many of them are elderly people and families with small children living in this community. I have been a great fan of LAWSON store since the opening of this store 20 years ago.



Mr. Makoto Miyazaki

MACHI café Fantasistas: Our coffee masters

Lawson's Fantasistas are store staff members who have rich knowledge about MACHI café and an ability to present its uncompromising quality as well as the joy of tasting coffee. There are approximately 9,000 Fantasistas nationwide (as of end of May 2017). They wear a special black apron and serve coffee with cordial hospitality. 200 of them are called Grand Fantasistas, coffee professionals selected from all LAWSON stores in Japan. Fantasistas are building bonds with customers through the coffee they serve.



Health-conscious food for mental and physical health

We offer not only safe, reliable, and health-conscious but also delicious food because we want our customers to be both mentally and physically healthy while enjoying our food. Lawson wants to contribute to everyone's good health by offering low-calorie, low-carbohydrate, and low-salt products.



Our suggestions for delicious low-carb meals consisting of food sold at LAWSON stores.

We have many low-carb products to recommend.



The flyer images above are for illustrative purposes only.



Easy to stick to - A major reason to choose a low-carb diet for healthy eating.

Dr. Satoru Yamada (M.D., Ph.D.)

Director, Diabetes Center, Kitasato University Kitasato Institute Hospital
President of Association for Healthy and Palatable Eating



The low-carb diet, which I recommend, allows you to eat when you feel hungry without strict dietary restrictions. Carbohydrates, or “carbs” for short, are one of the three major nutrients. However, it is important to keep the amount at an appropriate level. Therefore, I advocate a low-carb diet in which you limit your carb intake to 40g per meal or up to 130g per day. It is a diet that is easy to stick to, even for taxi drivers who tend to have peculiar eating habits and lifestyles. Their job often forces them to remain seated for a long time, and to eat fast or late at night during their long work hours. Due to their irregular lifestyles, compared to people with other jobs, it is not possible for them to follow healthy living guidance, such as “eat slowly” or “sleep early and wake up early.” Lawson's low-carb bran bread is ideal for drivers who often use convenience stores during work. Many drivers say that they stick to the diet because bran bread is delicious. The key to keeping your diet on track is to “enjoy the food you eat to become healthier.” It is also important that your healthy eating plan can be incorporated easily into your daily life. I am most grateful to Lawson for developing low-carb products and offering them well before the diet became popular. I am looking forward to the development of new low-carb products that are both delicious and exciting.



Bran Bread

Our bran buns use fiber-rich bran (grain husks) with fewer carbs than flour. These soft, moist buns with a fresh-baked aroma are low in carbs.

Each bun contains

Carbs	Calories	Fiber
2.2g	66kcal	5.7g

Practice a low-carb diet with bran bread — HINOMARU Kotsu Co., Ltd.



Sightseeing taxi driver, HINOMARU Kotsu Co., Ltd.
Mr. Takeshi Watabe

The low-carb diet is easy for me to stick to as it allows me to eat anything I like as long as I keep my carbohydrate intake low by mainly eating bran bread. I don't feel stressed from the diet. I tend to have irregular meal patterns because of my job, but I can buy Lawson's bran bread whenever and wherever I want. So it is very convenient for me. I am also happy that Lawson's wide variety of bran breads are all delicious.

Always supporting your health

Lawson has ventured into providing an extensive range of self-medication support services to help community residents maintain healthy lives. These services include support for senior citizens and their families and sales of medicines at LAWSON stores opened in collaboration with drugstore or dispensing pharmacy chains and nursing care service providers.



Enhancement of OTC (over-the-counter) medicine sales



Healthcare Lawson offers products that are not sold in other LAWSON stores, such as OTC medicines and beauty products. Registered sellers offer on-the-spot consultation and advice, which has been well received by our customers. OTC medicines were sold at 158 stores as of the end of May 2017.

Opening stores with a dispensing pharmacy on the premise



In order to open stores with an in-store dispensing pharmacy, Lawson is working with QoI Co., Ltd., a major dispensing pharmacy chain, and MIZ-Pharmacy Co., Ltd., a dispensing pharmacy and drugstore operator in Saga and Fukuoka Prefectures. 42 stores have been opened as of the end of May 2017.

Opening "Care Lawson" stores



Care LAWSON supports senior citizens and their families. It is complete with a care consultation counter and a salon-type space where people of all ages can gather in a casual manner. It offers a large assortment of products aimed at meeting the needs of senior citizens and their families.

There is a pleasure unique to convenience stores.

Ms. Haruka Hata

Supervisor, Sapporo East Branch, Hokkaido Store Operations Dept., Lawson
Registered seller (qualified in 2012)

I often receive positive comments from our customers. For example, they say, "It's convenient that I can buy my lunch/drink and medicine at the same time" or "I'm glad that I could buy medicine from a familiar face at the LAWSON store outside the operating hours of local pharmacies." You can safely buy medicines from a familiar face at a familiar store whenever you need to — this must be a huge advantage of buying medicines at LAWSON stores for customers. As registered sellers, we are able to find the most suitable medicine for each customer through everyday conversation and consultation and can recommend it to support their health. In the past, when I noticed that one of our regular customers looked unwell, I spoke to him/her and gave advice. I felt relieved when he/she visited us a few days later in good health. When the customer thanked me, I was really glad to be a registered seller at Lawson.

Now I am working as a supervisor and planning to increase the number of stores selling OTC medicines. I wish to create stores that give more satisfaction to our customers. In addition to selling medicines, we hope that these stores will serve as "community health hubs" providing various health services to our customers. We hope that customers feel peace of mind at the stores and visit us again and again. "Creating Happiness and Harmony in Our Communities" through health support services — this is what I want to achieve.



Establishing collaboration with local governments to improve community residents' health

Lawson aims to contribute to convenient and healthy community life with the slogan of being "community health hubs." It has entered into agreements with local governments in Japan concerning the promotion of health promotion activities. Based on these agreements, Lawson cooperates with the local governments for their health promotion projects, such as distribution of information on health, health check-ups by examination cars on store premises, and health consultation events (projects vary depending on the local governments).



Signing an agreement with Miyaki-cho in Saga Prefecture



Making our communities vibrant Cooperation with local governments

Lawson collaborates closely with local communities and governments to conduct various activities, including promotion of local production for local consumption, childcare support activities, response to disasters, contribution to the environment, etc.



Using stores nationwide to make communities happier and livelier

Lawson has entered into comprehensive agreements with 45 prefectures and 7 government-designated cities to revitalize communities and to create better living environments for every community member. Under these agreements, Lawson cooperates with each local government and proactively promotes various community contribution activities. These include making the stores more community-based, developing products with locally-sourced food ingredients, providing welfare and childcare support, promoting tourism, and implementing disaster prevention measures. In addition, we have opened a total of 10 antenna shops in collaboration with seven local governments. Lawson takes advantage of its nationwide network to make communities throughout Japan happier and livelier.



Bonds with people as the basis for cooperation with communities.



Mr. Nobuhiro Hagio
Kyushu Area Support Dept., Store Operations Division, Lawson



Lawson has signed agreements with all eight prefectures, including Okinawa and three cities in the Kyushu area, and is implementing various measures such as sales of local products, promotion and advertising of tourism, and response to disasters.

The first prefecture we signed a comprehensive agreement with in this area is Saga Prefecture. We opened an elderly-friendly store in 2006 at the request of the prefecture. The store features wide aisles and sells fresh vegetables and meat produced in Saga Prefecture as well as local specialties.

In Oita Prefecture, we launched two different types of bento (boxed meals) made with local food ingredients every month under the brand name of "The Oita" in order to promote local production for local consumption. We also launched cream puffs that contain sweet potato "Kanta-kun," also a local product, developed by a local high school student to promote the "Oita" brand.

In Fukuoka City, we have installed a fast EV charger at a store to respond to EVs' widespread use. These are just a few of our wide variety of initiatives. Currently, stores in Fukuoka Prefecture have leaflet racks installed for the prefecture's PR materials in collaboration with the prefecture. These racks are made using local wood (thinned wood) at a local support center for persons with disabilities. This initiative involves many people from timber suppliers, local support centers for persons with disabilities, local governments, Lawson, and many other people who are willing to cooperate, connecting all the people involved. The most important thing is the relationships among people. I have also realized that it is important for every single store to build close bonds with the people in the local community.

We receive positive feedback on Lawson's and local governments' collaborative efforts to solve problems and to respond to community needs, as well as many words of encouragement, from our customers living in the communities.



Fukuoka Prefecture PR leaflet rack



Kanta-kun Cream Puff



Flyer at the time of the product launch

Looking after your safety and security as a community safety station



The Lawson Group is proactively participating in the Safety Station Activities of the Japan Franchise Association (JFA) by promoting cooperative efforts for safe and secure community development, environmental improvement for young people, etc.

Aid for sudden illnesses & injuries:

842 stores

Responding to women's evacuation:

1,470 stores

Protection from stalkers:

698 stores

Prevention of emergency scams:

972 stores

Source: Extracted from FY 2016 Franchise Owner & Store Manager Questionnaire (JFA) for LAWSON stores only

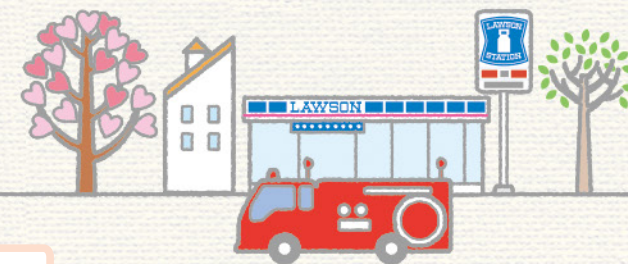


Prevented a special fraud

A customer in his 70s visited us to buy a gift card worth 38,000 yen. As he looked very unfamiliar with buying gift cards, a staff member asked the purpose of the purchase. The customer told the staff that he was asked to do so by a third person on the phone. The staff member suspected this might be a scam and reported it to the police. When a police officer came to the store and enquired with the customer in detail, it was revealed to be a gift card fraud conducted by stealing the card number.

Looked after a lost child

A young child reported being lost. We kept the child while searching for the child's parents in the store and parking area. As we could not find the parents, we called the police. A police officer searched the neighborhood with the child, and the child was able to return home safely.



Mobile sales service

Lawson provides mobile sales services that involve visiting homes for the elderly, companies, and factories that are located far away from our stores to sell food products and daily necessities.

We work with local governments to provide an "eye-on-the-elderly" service, moreover, in which we confirm the safety of the elderly residents who shop with us during mobile sales.



A new-type vehicle dedicated to mobile sales was introduced in November 2016. The truck has four different temperature sections to preserve food at suitable temperatures and is equipped with mobile POS devices that can register sales and print receipts.

Protected a woman from a stalker

A woman rushed into our store. She said she had been stalked by a strange man. We hid her in the back room temporarily. As we thought that she might be stalked again on the way home from the store, one of the staff members accompanied her home.

Protected a community from a fire

A woman rushed into our store on a weekday evening and said there was smoke coming out of the house next to hers. So one of the staff members went out to confirm the house with the woman, calmed her down, and reported it to the fire department. Soon, a fire engine arrived and extinguished the fire. Fortunately, it was just a small fire. Although it happened during rush hour, the incident did not have a large impact on the people in the neighborhood.

Stores that “create” or “save” energy for the future

Lawson opens eco-friendly model stores featuring cutting-edge technologies. We verify the effects of the technologies installed at the store and introduce those demonstrating high effects into our next new regular stores.

The latest eco-friendly model store, the LAWSON Kodaira Tenjin-cho 2-chome Store (Kodaira City, Tokyo)



Energy creation (Create)

Solar power generation system: **Approx. 14%**

Energy saving (Save)

First convenience store

Radiant panel air conditioner (with dehumidifier): **8%**

Freezing and refrigeration systems using CO₂ coolant + refrigeration display cases with doors*: **16%**

Others: **13%**

Approx. **37%**

1 Solar collector roof windows

Automatic lighting control responding to natural light. Solar heat collected by the windows is used for heating during winter to supplement the air conditioner.



2 Sloped ceiling

This improves air-conditioning and ventilation efficiency. A natural convection flow created by warm air (heat) in the store rising to higher part of the ceiling creates air circulation or ventilation.



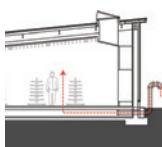
3 Polycarbonate eaves

These brighten the sales floor, contributing to reducing lighting costs. During summer, they deflect solar radiation and reduce solar heat, improving air-conditioning efficiency.



4 Use of under-floor geothermal energy

Geothermal energy accumulated in the under-floor space is used for store ventilation. The system improves air-conditioning efficiency as it supplies air close to room temperature.



5 Solar power generation system

Solar panels equivalent to 22kW are installed on the rooftop of the store for power generation. Power equivalent to 10kW is to be sold, while power equivalent to 12kW is to be consumed in the store.



6 Radiant panel air conditioner (with dehumidifier)

Radiation panels on the ceiling keep the store cool in summer and dehumidify the air by discharging the condensation generated.



* See p.23 for freezing and refrigeration systems using CO₂ coolant and refrigeration display cases with doors



First convenience store

Five-star & ZEB ratings

The LAWSON Kodaira Tenjin-cho 2-chome Store, an eco-friendly model store, acquired a five-star rating, the highest in the Building Energy-efficiency Labeling System (BELS), which evaluates the energy-saving performance of buildings on a five-level scale. The store also achieved “net Zero Energy Building” (ZEB), the highest of the three levels (ZEB, Nearly ZEB, and ZEB Ready) in the energy rating system for buildings. If a building has achieved net zero primary energy consumption (energy used for air-conditioning, ventilation, lighting, hot water, etc.) through the use of renewable energy, installation of highly energy-efficient equipment etc., the building is given a ZEB rating.



First convenience store

IoT-based energy saving support system

The system sends notifications to a tablet installed at the store to carry out daily “energy savings.” It also sends the tablet notifications to carry out “energy saving” (or “energy creation”) during peak energy consumption periods to ensure a stable power supply. Upon confirming the notifications, store equipment (refrigerators, air conditioner, lighting equipment, etc.) equipped with IoT technology in the store automatically saves (or creates) energy. This is the first initiative of its kind to receive approval from the Ministry of Economy, Trade and Industry as a Virtual Power Plant Test Project in the convenience store industry.



Lawson is introducing the latest energy-creation and energy-saving technologies to many of its stores.

Mr. Naoto Tsuda

Store Construction Dept., Corporate Sales and Store Development Division, Lawson

We implement the latest energy-creation and energy-saving technologies at our eco-friendly model stores. Then, we verify the effects of the technologies and promote the introduction of those demonstrating significant effects into other stores. As a result, LED lighting has now been introduced at almost all stores while solar power generation systems and freezing and refrigeration systems using CO₂ coolant have been introduced into about 2,000 stores. Our latest eco-friendly model store, the Kodaira Tenjin-cho 2-chome Store, has received the highest rating in the BELS, a system to evaluate the energy efficiency of buildings. In addition, 93 stores are equipped with the IoT-based energy saving support system that saves energy automatically when power consumption peaks. The system would save a significant amount of energy if implemented in all our stores. I am convinced that the Lawson Group, including franchise stores, can contribute to solving Japan's energy problems.



Stores that “create” or “save” energy for the future

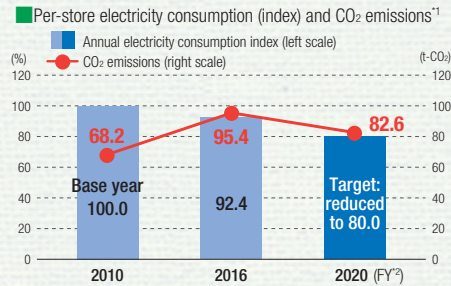
Lawson has set the goal of reducing per-store electricity consumption by 20% by fiscal 2020 (compared to the fiscal 2010 level).

Energy-saving target

Lawson has set the goal of reducing per-store electricity consumption by 20% by fiscal 2020 (compared to the fiscal 2010 level) and is promoting measures to save and create energy.

*1 CO₂ emissions derived using adjusted coefficients for receiving-end terminals published by the Federation of Electric Power Companies of Japan. The figures for fiscal 2016 and 2020 are estimates based on coefficients for fiscal 2015.

*2 Calculated for April 1 to March 31 to coincide with the administrative fiscal year.



<Save> Ten Energy-saving Rules

- 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
- 3 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
- 5 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
- 7 Do not overfill storage freezers and refrigerators
- 8 Turn off lighting and air conditioning in back rooms and storage areas when no one is present
- 9 Arrange products so that they do not disturb the air curtains on open cases
- 10 Minimize the number of times storage freezers and refrigerators are opened



<Create>

Solar power generation system

Lawson had installed solar power systems on the rooftops of about 2,000 stores by fiscal 2016. These systems have a generating capacity of 12 kW, comprising 10 kW (two 5 kW devices) for use in energy sales and 2 kW for in-store use.



Solar panels equivalent to 22 kW installed at the Kodaira Tenjin-cho 2-chome Store (exceeding the usual 12 kW)

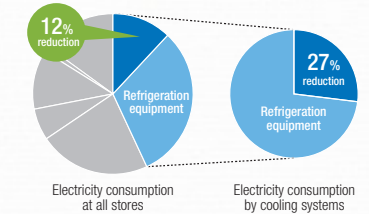
<Save>

Active introduction of freezing and refrigeration systems using CO₂ coolant

In fiscal 2010, Lawson began installing CFC-free (CO₂ coolant) freezing and refrigeration systems that have high energy-saving effects. The total number of stores with the systems reached about 2,000 as of February 28, 2017. The impact of CO₂ coolant on Earth's atmosphere is very small, just 1/4,000 that of CFC coolants, greatly reducing greenhouse gas emissions. CO₂ coolant is also highly energy efficient, reducing the electricity consumption in all stores by 12%.



Reduction of electricity consumption through use of CO₂ coolant



<Save>

Refrigeration display cases with doors

Refrigeration display cases in some stores are equipped with double-glazed doors to prevent cool air from leaking. Thermal insulators are also enhanced for increased thermal insulation performance. These improvements contribute to higher refrigeration efficiency.



Idea behind CO₂ offsets

CO₂ emissions are offset by efforts to reduce them elsewhere, such as afforestation, forest preservation and clean energy use. LAWSON customers can exchange shopping Ponta reward points acquired by using their d point cards for CO₂ offset credits or purchase CO₂ offset products. By offering these credits, we help customers offset their CO₂ emissions. The total volume of CO₂ offset so far is approx. 27,600 tons, achieved by 33.16 million participating customers.



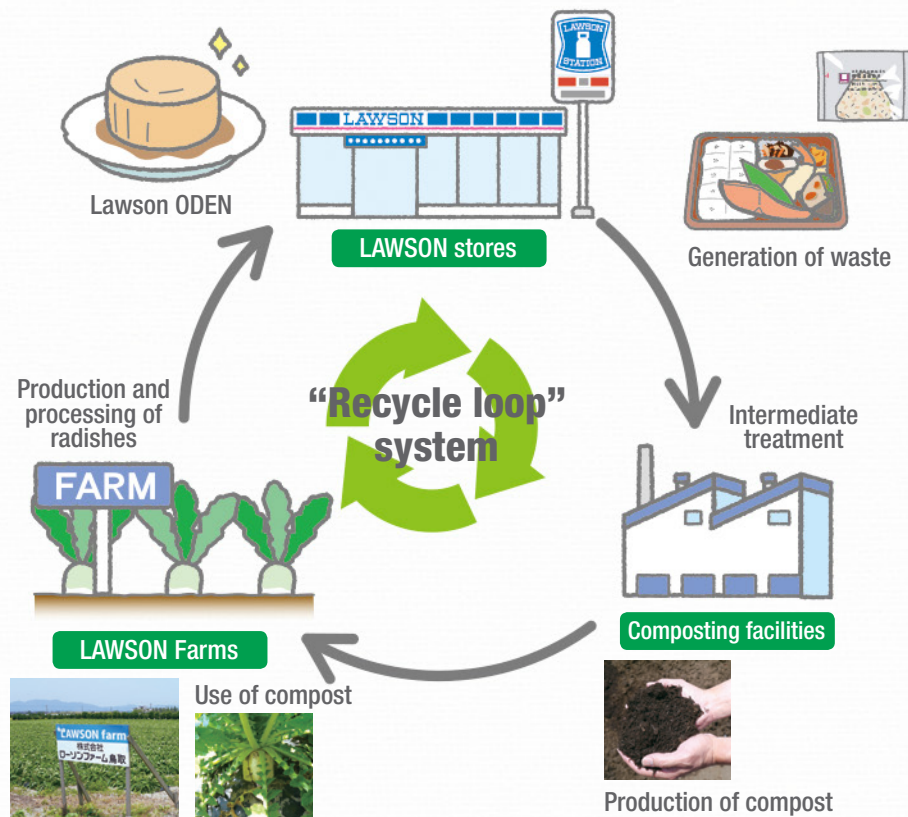
Effectively utilizing surplus food



LAWSON Farms nationwide analyze the soil and grow agricultural products in healthy, mineral-fortified soil. Also, LAWSON Farm Tottori uses compost made from waste food or other products from LAWSON stores around the area for soil cultivation.

We have realized a food “recycle loop” system in which compost is made from waste food from stores, the recycled compost is used for production of radishes, and the radishes are sold as ODEN products at LAWSON stores.

■ Food recycling loop - a model in which waste food is circulated as resources -



■ LAWSON Farms

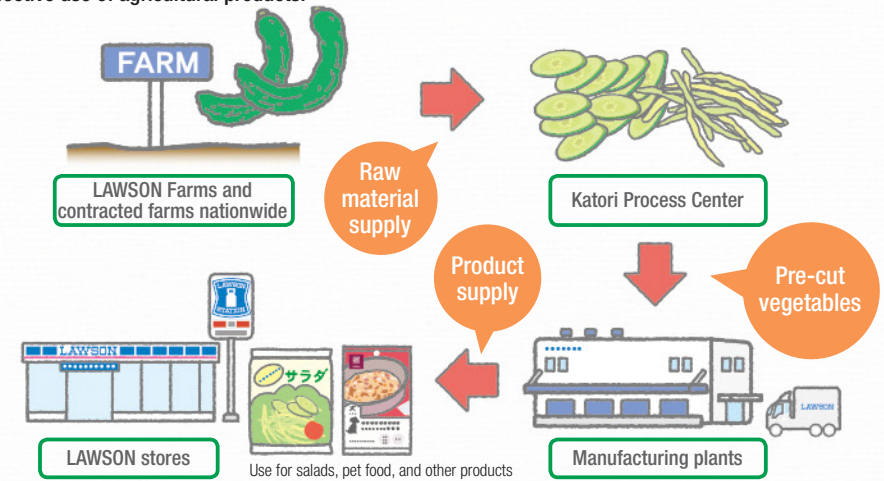
Our “LAWSON Farms” have expanded to 23 locations nationwide (as of the end of February 2017) to ensure a stable supply of safe, fresh, high-quality fruits and vegetables to Lawson Group stores in order to contribute to healthy lives. We procure fresh vegetables for LAWSON stores year-round from a nationwide network of production areas.



Using imperfect vegetables for prepared food or other deli items



Imperfect vegetables are agricultural products that are slightly different from perfect vegetables in terms of their appearance, such as their shape or size, although they have the same quality in terms of taste and nutrition. These imperfect vegetables are generally not suitable for sale and may be disposed of before being delivered to stores. At LAWSON Farms, 10-15% of agricultural products are imperfect vegetables. They are processed for deli items, salads, Japanese pickles, and other food items. This helps make effective use of agricultural products.



LAWSON Farms have earned JGAP certification for their efforts to ensure food safety and environmental conservation



Lawson is working to ensure further food safety as well as to obtain JGAP certification^{*1} in order to establish a proper farm management system for LAWSON Farms. In FY 2016, 22 LAWSON Farms^{*2} nationwide earned JGAP certification. This is the first case in which a retail company and agricultural corporation working together have obtained JGAP certification.

*1 JGAP (Japan Good Agricultural Practice): This is the certification for farms that work on food safety and environment conservation. It represents the good agricultural practices that are promoted by the Ministry of Agriculture, Forestry and Fisheries of Japan for introduction.

*2 All LAWSON Farms except LAWSON Farm Jinskekikougenchou (which has met the JAS standard for organic vegetables) have obtained the certification.

*3 The number below the JGAP certification logo is for LAWSON Farm Chiba.

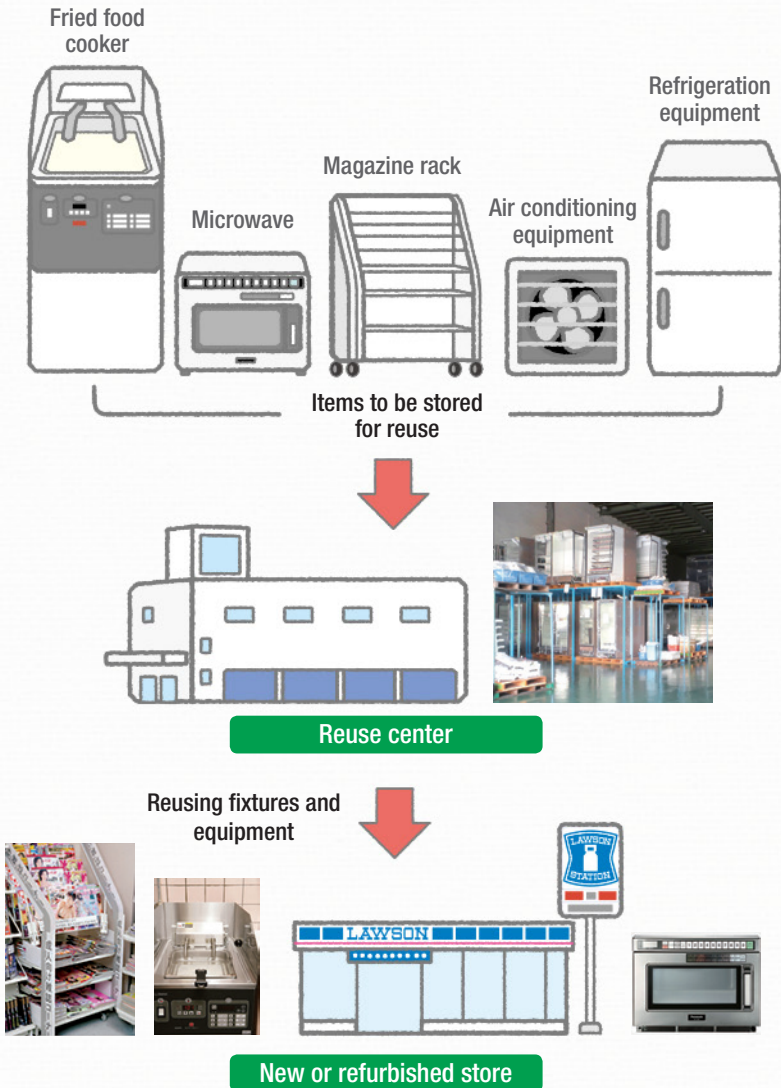
■ Acquisition of JGAP certification As of the end of February 2017

Farm name	Application items
Chiba	Radish, Japanese mustard spinach, carrot
Hyogo	Onion, Chinese cabbage, lettuce
Ibaraki	Bunashimeji mushroom
Ishinomaki	Grape tomato, cucumber, green onion
Oita Bungo Ono	Green onion
Yamanashi	Grape
Hokkaido Honbetsu	Wheat
Aichi	Cabbage, Chinese cabbage
Miyazaki	Cucumber
Tokachi	Onion
Hokkaido Iwanai	Radish
Akita	Mesclun green
Nigata	Rice
Nagasaki	Leaf lettuce, sunry lettuce, green onion, onion
Tottori	Radish
Kumamoto	Japanese orange
Satsuma	Cabbage
Enime	Japanese orange
Aichi Toyohashi	Strawberry
Kagoshima	Radish, carrot, sweet potato
Oita	Tomato, grape tomato
Ichiki Kushikino	Lettuce, leaf lettuce

Effectively reusing fixtures and equipment



When we refurbish or close a store, we keep its fixtures and equipment that meet a certain standard in our reuse centers and reuse them for refurbished or new stores. One reuse center is located in western Japan and the other in eastern Japan. All fixtures and equipment are numbered for identification to enable effective reuse in the stores regardless of their location.



Bring Your Own Bag campaign to reduce the use of plastic shopping bags



We cooperate with customers in reducing the use of plastic shopping bags by having store staff ask customers whether they need them, and by creating and distributing our reusable shopping bags, the Convenience Store Eco Bags.

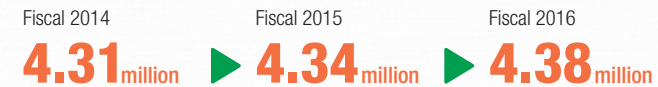
Creation and distribution of reusable shopping bags

Lawson makes Convenience Store Eco Bags to help reduce the use of plastic shopping bags. These reusable shopping bags are just the right size for the boxed meals and bottled drinks that customers buy frequently. In March 2007, we started handing out these bags in some LAWSON stores to promote our Bring Your Own Bag campaign. Later, we started selling the bags through Loppi multimedia information terminals. We also promote penetration of the bags outside the company by releasing the bags' specifications and inviting other companies to collaborate. We have distributed 4.38 million reusable shopping bags* in the 9 years since we introduced the initiative.



* Including reusable shopping bags other than our Convenience Store Eco Bags

Total number of distributed reusable shopping bags



Reducing the use of plastic shopping bags

We work to reduce the use of plastic shopping bags by having store staff ask customers whether they need them, using in-store broadcasting, and putting up posters. We also participate in municipal campaigns to reduce the use of plastic shopping bags by posting campaign notices and promoting the use of appropriately sized plastic shopping bags. In fiscal 2016, the per-store use of plastic shopping bags decreased by 25.9% compared with fiscal 2000, and the plastic shopping bag handout rate was 78.0%.

Municipalities conducting campaigns to reduce the use of plastic shopping bags
Prefectures: Fukushima, Okayama, Fukuoka, Nagasaki, and Kagoshima.
Cities: Asahikawa (Hokkaido), Sendai (Miyagi), Edogawa (Tokyo), Musashino (Tokyo), Yokohama (Kanagawa), Nagoya (Aichi), Kyoto (Kyoto), Nara (Nara), Izumiotsu (Osaka), and Amagasaki (Hyogo)



A plastic shopping bag reduction campaign poster posted in the stores

Reducing the environmental burden in raw materials procurement to

our supply chain sales activities at stores

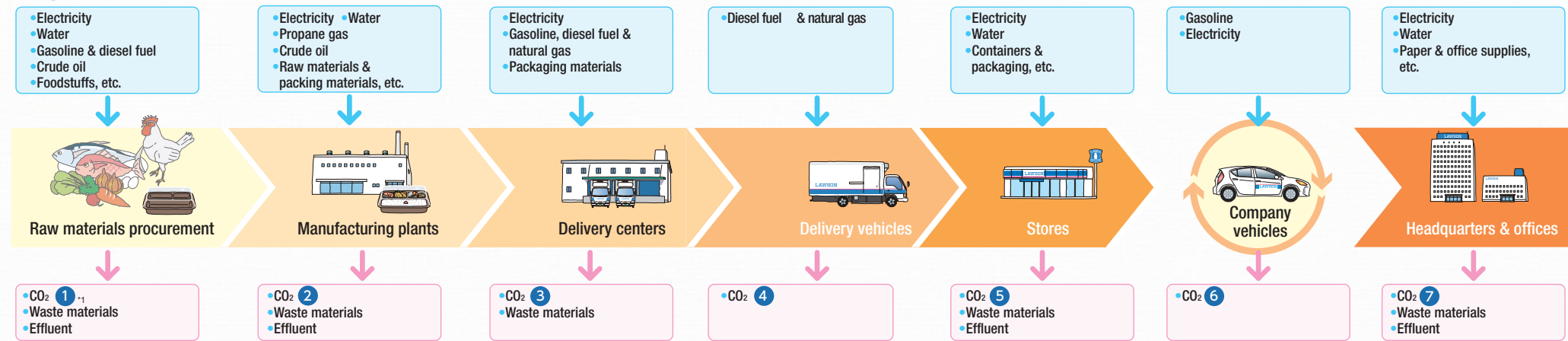


The Lawson Group operates as a manufacturing retailer based on a small commercial area model, producing high value-added products and selling them in customers' neighborhoods.

To support these operations, Lawson is enhancing efficiency by expanding its involvement in every stage of the supply chain, avoiding waste of ingredients in food processing and maximizing distribution efficiency. In all these efforts, we are working to reduce the environmental burden.

Materials flow and CO₂ emissions in our supply chain

INPUT



Stocked raw materials (private and national brand products, plastic shopping bags, etc.) **74.46%** [3,711.8]^{*2}

Electricity consumption by franchise stores **20.47%** [1,020.4]

OUTPUT

Total CO₂ emissions in fiscal 2016 **4,985.1** thousand tons

*1 The numbers 1 to 7 after "CO₂" correspond to the numbers shown in the bar graph.

*2 CO₂ emissions in brackets (thousand tons)
Calculations are based on "Explanations by Industry (Retail Industry) for the Basic Guidelines on Accounting for Greenhouse Gas Emissions throughout the Supply Chain," Ver. 1.0

Energy consumption by delivery centers **1.73%** [86.6]

Disposal of containers, disposable chopsticks and plastic shopping bags **0.69%** [34.6]

Waste materials generated by stores and industrial waste generated at times of store closures and remodeling **0.53%** [26.3]

Electricity consumption by headquarters, areas, branches, and Company-operated stores **0.51%** [25.3]

Gasoline consumption by Company vehicles **0.11%** [5.3]

Business trips **0.01%** [0.5]

Electricity consumption associated with procurement of electric power **1.49%** [74.3]

In raw materials procurement process:

Lawson produces boxed meals, rice balls, desserts and other products using as many domestically sourced, seasonal ingredients as possible. This not only contributes to the revitalization of local communities across Japan, but it also reduces energy consumption in transportation compared to using ingredients imported from overseas.

In manufacturing process:

We have introduced the Production Process Management System, which carefully measures ingredients, product volume and servings down to a gram. The system enables us to reduce food waste by eliminating over-production.

In delivery process:

Lawson promotes multi-drop deliveries and optimizes delivery frequency. In addition, our trucks are fitted with eco-friendly tires to improve fuel economy. We also train drivers to prevent unnecessary vehicle idling.

At stores:

A semi-automatic ordering system has been introduced for products such as boxed meals, rice balls, and bakery items. A proper merchandise assortment and ordering quantities contribute to waste reduction by enabling customers to find what they want whenever they come to a store.

Lawson supports the "COOL CHOICE" Movement



"COOL CHOICE" is a national movement which aims to "reduce emissions of greenhouse gases (such as CO₂)." This campaign encourages people to make smart energy-saving choices in their daily lifestyles, such as by turning on or off lights in a room, turning on or off the water tap when washing the face, and setting air-conditioner temperatures to appropriate levels. The Lawson Group collaborates in this initiative and contributes to realizing a low-carbon society.

Keeping our communities clean and tidy



The Lawson Group participates proactively in local cleanup and beautification activities and environmental events that are hosted by municipalities or other organizations.

We introduce our environmental activities and promote the Lawson Green Fund in local environmental events.



All Kyoto Beautification Drive
Date: November 6, 2016 (Sun.)
Places: Kyoto City (shopping districts and tourist spots)
Participants: 41
We have been active participants since 2004.



Love Earth Cleanup 2017
Date: May 21, 2017 (Sun.)
Places: Oohori Park (Chuoh-ku, Fukuoka City)
Participants: 88
We have been active participants since 1994.



Sendai Eco Festa 2016
Date: September 4, 2016 (Sun.)
Place: Civic Square, Kotoudai Park (Aoba-ku, Sendai City, Miyagi Prefecture)
We have been active participants since 2012.



Tanba Friendship Festival
Date: October 29 and 30, 2016 (Sat. and Sun.)
Place: Tanba-no-mori Park, (Tanba City, Hyogo Prefecture)
We have been active participants since 2009.

Continuously improving our environmental performance



Lawson strives to preserve the environment by utilizing the ISO 14001 Environmental Management System to make continuous improvements, which will be measured against targets.

Contributing to achieving a sustainable society from two perspectives

The Lawson Group seeks to contribute to achievement of a sustainable society from the following two main perspectives.

First, we pursue activities that make proactive contributions to society and the environment. In particular, we are endeavoring to determine the volume of CO₂ emissions released from our supply chain and installing the latest energy-efficient equipment in our stores as part of our efforts to reduce CO₂ emissions from our operations.

Second, we provide proactive support for our customers' social and environmental activities by delivering eco-friendly products and services.

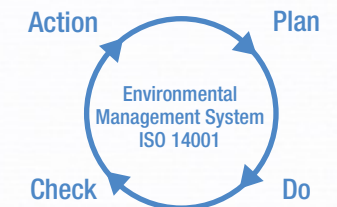


Using the ISO 14001 Environmental Management System to reduce the environmental burden

We employ the ISO 14001 Environmental Management System to promote business activities that are considerate of society and the environment and implement the PDCA (Plan-Do-Check-Action) cycle to promote a harmonious relationship with society and reduce the environmental burden. To promote the ISO 14001 Environmental Management System, the CSR Promotion Department of the Franchisee Business Support Division acts as a secretariat, and cooperates with the representatives of headquarters, the various areas, and the Group companies responsible for CSV* promotion to conduct activities including managing progress with respect to social and environmental goals, providing guidance and assistance for stores and responding to internal and third-party environmental audits. To ensure that the management system is functioning effectively, in addition to internal environmental audits conducted several times a year, the Company is subject to third-party audits. We are continuously verifying the status of our activities through such means and working to improve them. In FY 2016, our management system was assessed by third-party auditors for the transition to the ISO 14001:2015 standard, and the certification was successfully registered.

* CSV: Creating Shared Value, the creation of value through business activities that both address social issues and contribute to corporate growth.

We utilize the Environmental Management System to monitor progress



[Applications for ISO14001 certification]
(As of March 1, 2017)
20 divisions, 8 areas,
4 Group companies and
13,111 stores*
*As of end of February 2017

Observance of environmental laws and regulations

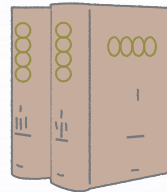


The Lawson Group observes environmental laws and regulations, identifies potential environmental risks through internal audits and endeavors to prevent environmental accidents.

The Group also shares results of internal audits, trends of new regulations, examples of accidents experienced by other companies and other information within the Group, and seeks to raise awareness Groupwide.

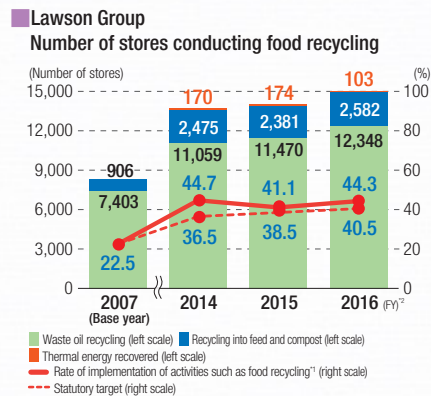
Main laws and regulations

Name	Category
Act on the Rational Use of Energy (Energy Saving Act)	Energy efficiency
Act on Promotion of Global Warming Countermeasures (Global Warming Countermeasures Act)	Energy efficiency
Waste Management and Public Cleansing Law	Waste reduction
Law for Promotion of Recycling and Related Activities for Treatment of Cyclical Food Resources	Waste reduction
Law for the Promotion of Sorted Collection and Recycling of Containers and Packaging (Container and Packaging Recycling Law)	Waste reduction
Private Sewerage System Act	Water pollution
Act on Rational Use and Proper Management of Fluorocarbons (Fluorocarbon Emission Control Act)	Ozone layer protection
Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities (Renewable Energy Act)	Energy efficiency



Recycling unsold food

Each day, the average LAWSON store generates approx. 9 kg of unsold food waste and approx. 2 kg of oil (waste oil) used in the preparation of fried foods. The Lawson Group sends unsold food to recycling plants, where it is processed into feed (for pigs and chickens) and compost. Collected used cooking oil is made into livestock feed additives, biodiesel, and other products. As a result of such efforts for recycling, we achieved a food recycling ratio of 44.3% in fiscal 2016, above the statutory target of 40.5%.



*1 The food recycling ratio does not include Lawson Okinawa, Inc., Lawson Minami-Kyushu Inc., Lawson Kouchi, Inc., or Lawson Sanin, Inc.
*2 April 1 to March 31.

Promotion of communication with stakeholders



We will foster greater awareness about environmental preservation by promoting social and environmental education while also promoting communication with stakeholders.



Internal environmental training

The Lawson Group provides social and environmental education for headquarters employees as well as for franchise owners and store managers and crews. We also conduct new employee training as well as annual general environmental training for all employees via e-learning. Franchise stores receive training at the time of store openings and a flow of information through in-house magazines and our Living in Harmony with Communities: Initiatives Report. The representatives responsible for promoting CSV activities participate in internal and external training and take the environmental certification test to raise their own awareness of the environment.



Communication with business partners who collect waste oil

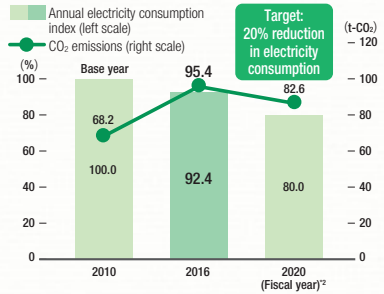
Once a year, Lawson and its business partners who collect waste oil across Japan gather and engage in direct communication to cooperate in improving the observance of laws and regulations and service levels. As part of this effort, we present awards to the partners and their drivers who were highly rated in store questionnaires to raise awareness of further improvement.

CSV Subcommittee

With the CSR Promotion Department of the Franchisee Business Support Division acting as a secretariat, the CSV Subcommittee convenes meetings every month attended by representatives of headquarters, the various areas, and the Group companies responsible for CSV promotion. Its principal activities include managing progress and sharing information with respect to social and environmental goals, providing guidance and assistance for stores, responding to internal and third-party environmental audits, and promoting social and environmental education.



Per-store electricity consumption and CO₂ emissions*1



*1 CO₂ emissions are derived using adjusted coefficients for receiving-end terminals published by the Federation of Electric Power Companies of Japan. The figures for fiscal 2016 and fiscal 2020 are estimates based on the coefficients for fiscal 2015.
*2 Calculated for the year from April 1 to March 31 to coincide with the administrative fiscal year.

CO₂ Offset Program

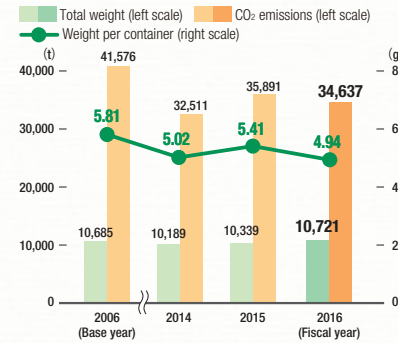
Total number of participating customers

33.16 million

Total CO₂ offset

Approx. **27,600 tons**

Container/packaging weight and CO₂ emissions



Total number of distributed reusable shopping bags

Fiscal 2014: 4.31 million
Fiscal 2015: 4.34 million
Fiscal 2016: 4.38 million

Plastic shopping bags used per store



CO₂ emissions from our supply chain in fiscal 2016

Total CO₂ emissions

4,985.1 thousand tons

Stocked raw materials (private and national brand products, plastic shopping bags, etc.) **74.46%** [3,711.8]

* CO₂ emissions in brackets (thousand tons)

Calculations are based on "Explanations by Industry (Retail Industry) for the Basic Guidelines on Accounting for Greenhouse Gas Emissions throughout the Supply Chain," Ver. 1.0

Waste materials generated by stores and industrial waste generated at times of store closures and remodeling **0.53%** [26.3]

Electricity consumption by headquarters, areas, branches, and Company-operated stores **0.51%** [25.3]

Gasoline consumption by Company vehicles **0.11%** [5.3]

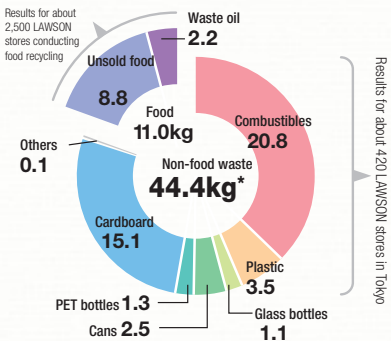
Business trips **0.01%** [0.5]

Energy consumption by delivery centers **1.73%** [86.6]

Disposal of containers, disposable chopsticks and plastic shopping bags **0.69%** [34.6]

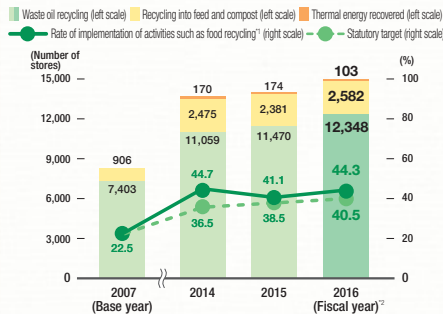
Electricity consumption associated with procurement of electric power **1.49%** [74.3]

Average daily waste per store



*The sum of food and other waste is 55.4 kg.
*April 1, 2016 to March 31, 2017.

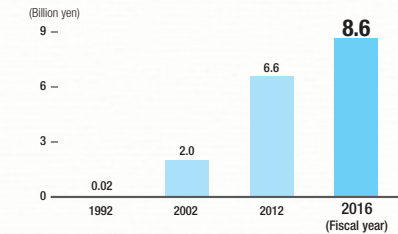
Food recycling ratio & number of stores conducting food recycling



*1 The food recycling ratio does not include Lawson Okinawa, Inc., Lawson Minami-Kyushu Inc., Lawson Kouchi, Inc., or Lawson Sanin, Inc.
*2 April 1 to March 31.

Total customer donations received since 1992 (including disaster relief funds)

Approx. **8.6 billion yen**



Achievements of Lawson Green Fund activities

Cumulative donations: Approx. **3.91 billion yen**

Activities conducted in Approx. **4,148 locations**

Size of the area planted for greening: Approx. **7,104 ha**

Number of trees planted for greening: Approx. **17.76 million**

The size of the area and the number of trees planted for greening have been calculated on the basis of the total amount of donations raised through Lawson Green Fund activities, the overall achievements of the Green Fund activities, and other assumptions. (From September 1992 through February 2017)

Number of stores selling over-the-counter (OTC) medicines

158 stores

Number of stores with a dispensing pharmacy on the premise

42 stores

(As of end of May 2017)

Bodies concluding disaster goods supply agreements

Local governments: **47** prefectures; **17** cities and wards

Others: **Tokyo Fire Department and Japan Ground Self-Defense Force**

8 mass transit systems **2** electric power companies

Conclusion of agreements to help stranded commuters

Local governments: **41** prefectures; **10** government-designated cities

(As of March 1, 2017)

Corporate profile

As of end of February 2017 (Consolidated) (As of end of May 2017 for representative)

Company name	Lawson, Inc.	Business activities	Franchise chain development of LAWSON, NATURAL LAWSON and LAWSON STORE100.
Headquarters	East Tower, Gate City Ohsaki, 11-2, Osaki 1-chome, Shinagawa-ku, Tokyo 141-8643, Japan	Net sales for all stores	2,157.9 billion yen (consolidated)
President and CEO, Representative Director, Chairman of the Board	Sadanobu Takemasa	Number of domestic stores	13,111 stores
Established	April 15, 1975	Operating areas	All 47 prefectures in Japan China (Shanghai, Chongqing, Dalian, Beijing, Wuhan), Indonesia, U.S.A (Hawaii), Thailand, and Philippines
Capital	58,506.644 million yen		
Number of employees	9,403		

Note 1: Net sales for all stores is the sum of total sales by the domestic convenience store business, overseas business and Seijo Ishii stores (consolidated subsidiaries only). For the SEIJO ISHII business, only the total for its company-operated stores is included.

2: The total number of stores in Japan is the total of LAWSON, NATURAL LAWSON and LAWSON STORE100 stores operated by Lawson, Inc., Lawson Sanin, Inc., Lawson Okinawa, Inc., Lawson Minami-Kyushu, Inc., LAWSON stores operated by Lawson Kochi, Inc., and Seijo Ishii stores operated directly by SEIJO ISHII, CO., LTD.

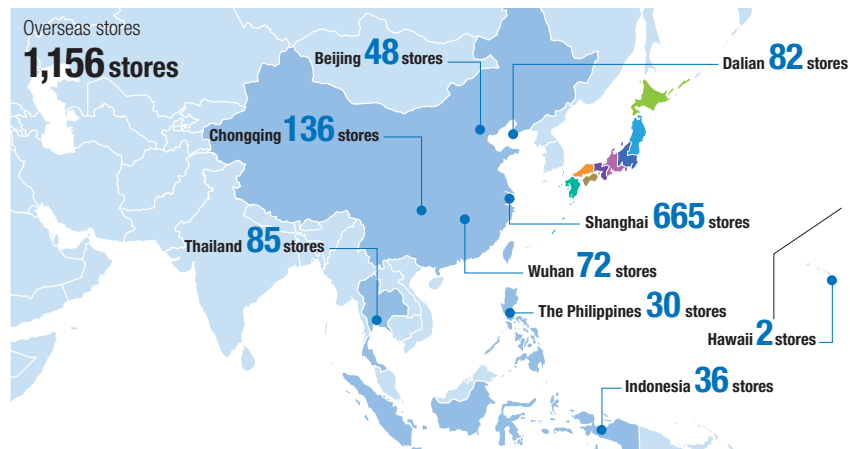
Areas in which stores are operated **14,267 stores** As of end of February 2017

Total number of stores (in Japan and overseas)*

Number of stores in Japan* **13,111 stores**

Hokkaido region	Kanto/Koshinetsu region	Chubu region	Kinki region	Chugoku region	Kyushu/Okinawa region
637 stores	4,517 stores	1,580 stores	2,458 stores	779 stores	1,473 stores
Tohoku region	Ibaraki 193	Toyama 186	Shiga 154	Tottori 137	Fukuoka 473
1,053 stores	Tochigi 157	Ishikawa 104	Kyoto 328	Shimane 149	Saga 68
	Gunma 115	Fukui 110	Osaka 1,048	Okayama 172	Nagasaki 106
Aomori 234	Saitama 599	Shizuoka 256	Hyogo 663	Hiroshima 199	Kumamoto 145
Iwate 169	Chiba 550	Aichi 629	Nara 128	Yamaguchi 122	Oita 176
Miyagi 227	Tokyo 1,588	Gifu 164	Wakayama 137		Miyazaki 104
Akita 188	Kanagawa 872	Mie 131			Kagoshima 191
Yamagata 105	Niigata 148				Okinawa 210
Fukushima 130	Yamanashi 122				
	Nagano 173				
		Shikoku region 614 stores			
		Tokushima 134	Ehime 214		
		Kagawa 131	Kouchi 135		

* The number of stores above includes stores operated by Lawson Sanin, Inc., Lawson Kochi, Inc., Lawson Minami Kyushu, Inc., and Lawson Okinawa, Inc. The number of overseas stores is the number of LAWSON brand stores run by the operating company in each region.



Main Lawson Group Companies

As of end of February 2017

Field	Company name	Field	Company name	
Domestic convenience store business	Lawson, Inc.	Consulting business	BestPractice, Inc.	
	Lawson Store100, Inc.		Overseas business	Lawson (China) Holdings, Inc.
	SCI, Inc.			Shanghai Hualian Lawson, Inc.
	Lawson Okinawa, Inc.			Chongqing Lawson, Inc.
	Lawson Minami-Kyushu, Inc.			Dalian Lawson, Inc.
Lawson Kochi, Inc.	Beijing Lawson, Inc.	SEIJO ISHII business	Saha Lawson Co., Ltd.	
Lawson Sanin, Inc.	SEIJO ISHII, CO., LTD.			
Entertainment business	Lawson HMV Entertainment, Inc.			
	United Cinemas Co., Ltd.			
Financial services business	Lawson ATM Networks, Inc.			

Main businesses and services

As of end of February 2017

<p>LAWSON</p> <p>A nearby "neighborhood store" that seeks to realize its Corporate Philosophy of "Creating Happiness and Harmony in Our Communities" by conducting business as a manufacturing retailer based on a small commercial area model.</p> <p>Operating companies</p> <p>Lawson, Inc. Lawson Kochi, Inc. Lawson Okinawa, Inc. Lawson Sanin, Inc. Lawson Minami-Kyushu, Inc.</p>	<p>NATURAL LAWSON</p> <p>A nearby store, observing a "daily and reliably" concept that supports customer lifestyles embracing "beauty, health, and comfort".</p> <p>Operating company</p> <p>Lawson, Inc.</p>
<p>LAWSON STORE 100</p> <p>A store that contributes to savings and an easy, convenient daily life by selling a range of products such as perishable foods, prepared foods, and daily necessities at a uniform price of 100 yen (108 yen, including tax).</p> <p>Operating company</p> <p>Lawson Store100, Inc.</p>	<p>SUPERMARKET 成城石井</p> <p>A food-lifestyle supermarket for people who care about food, providing food from around the world at affordable prices.</p> <p>Operating company</p> <p>SEIJO ISHII CO., LTD.</p>
<p>LAWSON FRESH</p> <p>A home-delivery service providing healthful and delicious food. An all-round home delivery site on which customers can purchase not only Lawson Fresh products but also food, daily necessities, and other items handled by the Lawson Group.</p> <p>Operating company</p> <p>Lawson, Inc.</p>	<p>LAWSON Farm</p> <p>Twenty-three farms nationwide producing fresh fruit and vegetables for Lawson Group stores.</p> <p>Operating company</p> <p>Individual LAWSON farms</p>
<p>HMV</p> <p>55 stores nationwide specializing in CDs, DVDs, and books.</p> <p>Operating company</p> <p>Lawson HMV Entertainment, Inc.</p>	<p>ローソンチケット</p> <p>Sales of the full range of entertainment tickets, including tickets to concerts, sports events, plays and movies.</p> <p>Operating company</p> <p>Lawson HMV Entertainment, Inc.</p>
<p>ロケケ HMV</p> <p>A comprehensive entertainment e-commerce website selling CDs, DVDs, and books as well as concert, sport, and theatre tickets.</p> <p>Operating company</p> <p>Lawson HMV Entertainment, Inc.</p>	<p>UNITED CINEMAS</p> <p>Operation of multiplex movie theaters offering not only film entertainment but also such enriching experiences as 4DX* (experiential viewing) and various contents other than movies.</p> <p>Operating company</p> <p>United Cinemas Co., Ltd.</p>
<p>LAWSON EXPRESS ATM</p> <p>A business that provides installation, management and operation of ATMs installed at LAWSON stores in cooperation with banks.</p> <p>Operating company</p> <p>Lawson ATM Networks, Inc.</p>	<p>マツコの部屋しずぽろ</p> <p>Delivery of products handled by the Lawson Group and home-delivery items handled by Sagawa Express Co., Ltd. and other services related to shopping and housing/living with LAWSON stores as the starting point.</p> <p>Operating company</p> <p>SG Lawson Co., Ltd.</p>