

Corporate Philosophy

Creating Happiness and Harmony in Our Communities

Vision

To be a leading company in execution.

Think through customers' needs and changes, execute with speed and become an essential part of our communities.

Code of Conduct

1. Think as customers, communities and stores.
2. Master the basics and strive to innovate.
3. Improve the quality and speed of the Plan-Do-Check-Act cycle.
4. Act with discipline, take initiative and succeed as a team.
5. Grow as individuals and support the growth of our team members.

Living in Harmony with Communities: Initiatives Report 2018

Creating Happiness and Harmony in Our Communities

Lawson communication media

Integrated Report

An overview of the Lawson Group's business activities in local communities and the outlook for sustainable growth



Living in Harmony with Communities: Initiatives Report

A simple, clearly written report on our responses to social and environmental challenges



Financial Section

Report on industry trends and the Group's business initiatives and financial position in relevant years, as well as projected earnings assessment/analysis and outlook for next fiscal year

[Lawson website](http://www.lawson.co.jp) Presents information and data not covered by Lawson publications

Lawson, Inc.

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LAWSON

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Creating Happiness and Harmony in Our Communities

This is the Corporate Philosophy of the Lawson Group.

We aim to spread energy across communities and create communities full of smiles 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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Trying various initiatives toward overcoming challenges of communities toward creating happiness and harmony in our communities

The Sustainable Development Goals (SDGs) were adopted by 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. Ventures toward overcoming challenges of communities one by one are what the Lawson Group aims to create happiness and harmony in our communities. These will also contribute to achievement of SDGs.

Challenges of communities


Global warming	Rise in health consciousness
Low birthrate and aging population	Revitalization of local communities
Decreasing number of nearby stores	Occurrence of large-scale disasters

Social contribution and environmental activities toward overcoming challenges

* Representative numbers of SDGs are indicated

13 Climate Action


Promotion of energy-saving and energy-creating measures



Lawson reduces electricity consumption by installing energy-efficient equipment and the latest technologies in stores.

3 Good Health and Well-being


Health support



Lawson provides services that help community residents maintain healthy lives. These services include selling delicious, health-conscious products and medicines and providing health check-ups at LAWSON stores.

4 Quality Education


Childcare support



Lawson provides children with scholarships (no repayment required) and supports children so that they can continue on to higher education.

12 Responsible Consumption and Production


Product development using locally-sourced food ingredients



Lawson develops and sells products using locally-sourced food ingredients. This contributes to the revitalization of local communities across Japan.

11 Sustainable Communities and Local Resilience


Promotion of home delivery services and mobile sales



Lawson offers mobile sales services for food, daily necessities and other products in hilly and mountainous areas where people have difficulty in shopping.

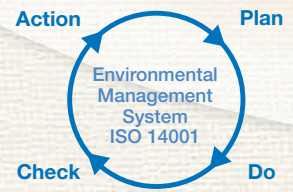
11 Sustainable Communities and Local Resilience

Lifeline in times of disaster



Lawson prepares for large-scale disasters. In case of a disaster, we strive to keep the stores open to support disaster areas.

We employ the ISO 14001 Environmental Management System to promote business activities that are considerate of society and the environment.



[Applications for ISO14001 certification]
 (As of March 1, 2018)
 24 divisions, 8 areas,
 5 Group companies and
 13,992 stores*
 *As of the end of February 2018

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



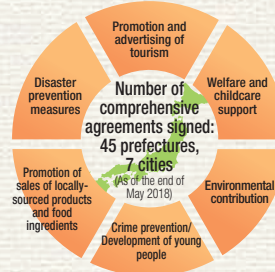
SUSTAINABLE DEVELOPMENT GOALS

17 GOALS TO TRANSFORM OUR WORLD

1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS	SUSTAINABLE DEVELOPMENT GOALS

Creating better living environments Cooperating with local governments to contribute to communities through stores nationwide

Lawson closely cooperates with local governments and organizations and conducts various activities through LAWSON stores nationwide. These include developing products with locally-sourced food ingredients, providing welfare and childcare support, responding to disasters, and contributing to the environment. Lawson conducts various projects to revitalize communities and to create better living environments for every community member.



Aid for sudden illnesses & injuries:
492 stores

Responding to women's and children's evacuation:

1,663 stores

Protection from stalkers:
478 stores

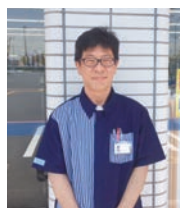
Prevention of emergency scams:
1,458 stores

Source:
FY2017 (JFA) questionnaires for franchise owners and store managers. Extracted answers only applicable to Lawson.

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.



Providing Convenience Store Health Check-Ups for helping local community residents maintain healthy lives

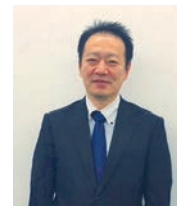


Hyogo Higashi Branch
Harmony Limited
Mr. Tomoyasu Fukui

Since 2014, we have used parking lots of our three stores in Amagasaki City to provide Convenience Store Health Check-Ups. The health check-ups are held twice a year. 20-50 people receive the service per health check-up. The number of persons receiving the service has increased year after year. Also, based on the request from residents nearby the stores, we provide lectures at health seminars. I have owed my community residents many obligations. Therefore, I feel pleasure in repaying them through LAWSON stores. To keep every community member healthy, we will work on these initiatives.

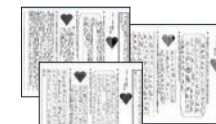


Visiting an elementary school for moral education classes



Saga & Kurume Branch
S.P Co., Ltd.
Management Owner
Mr. Hidenori Takayanagi

Based on the request from an elementary school nearby our store, I communicate the importance and value of observing rules during moral education classes from the position of management. With interactive communication in mind, I have the classes about shoplifting and tell children why shoplifting is bad and what shoplifters and their related people will face as a result of shoplifting. Now, our Store Manager takes the lead in participating in the classes, resulting in developing our employees at the place for contributing to local communities. I am very thankful. I think that our lectures would make LAWSON stores closer to children.



Testimonials from children



Mobile sales services that allow community residents to go shopping conveniently

Tama Branch, Ome Higashiome 4-chome Store, Owner **Mr. Hitoshi Saito**

Lawson signed an agreement with Ome City, Tokyo for improvements in shopping environment. Based on the agreement, we carry and sell about 300 kinds of products such as food products and daily necessities on a mobile sales service truck. On Wednesday and Friday each week, we drive the truck to visit 10 places in Nariki District where it is located in a hilly and mountainous area. We are happy to provide these services because we had considered what we would be able to do for the customers who felt inconvenient for shopping. We had an impressive thing on a snowy day when we cancelled the mobile sales services firstly because of snow. We checked the sales locations and found that snow was removed politely at all the locations. We will continue to take on the challenges that make people including customers and persons involved in local governments and neighborhood associations happy, with keeping in mind that the origin of business is peddling.



Owner Mr. Saito (center) and store staff



Making communities and customers happy through monthly cleanup and product delivery

Aomori Nishi Branch, Hirosaki Kuniyoshi Store, Store Manager **Ms. Naoko Funamizu**

Since opening of our store, we have cleaned the area within 2 kms of the store once in a month and picked up all trash off from roadsides to fields. We carry out the cleanup without wearing uniforms, but some customers are aware of us and talk to us. We are very happy. There are no supermarkets within 10 kms of our store. Our store is the shopping place closest to local residents. We drive a delivery car to deliver products to day service centers three times in a month. Many people look forward to our visit, so we find it rewarding and want to concentrate more on the delivery. To realize our store philosophy "We appreciate and thank everything," all of us will always do our best.



Ms. Funamizu (left), the Store Manager, and Ms. Kawasaki, a crew, in front of a delivery vehicle

Toward realizing “community health hubs” Supporting health of local community residents



Lawson has ventured into providing an extensive range of support services to help community residents maintain healthy lives. These services include providing health-conscious products such as low-calorie, low-carbohydrate, and low-salt products, selling medicines and implementing health check-ups.

Relevant data

- Number of stores with an in-store dispensing pharmacy on the premise: 45
 - Number of stores selling over-the-counter (OTC) medicines: 180
 - Number of “Care LAWSON” stores: 16
 - Number of areas offering Convenience Store Health Check-Ups and other services: 9
- (As of the end of May 2018)



Cooperating with local governments to improve community residents' health

Lawson cooperates with local governments and provides the health check-ups and consultation for residents at the LAWSON stores which are closer to customers. These check-ups and consultation have been offered at governmental offices and community centers conventionally. This initiative started in Amagasaki City, Hyogo in October 2013 and has been implemented in nine areas until now. In fiscal 2017, we worked with the Kyoto Prefectural Government to provide lung cancer screenings on parking lots of the stores in Fukuchiyama City in September 2017 and in Kyotanabe City in January 2018, respectively.



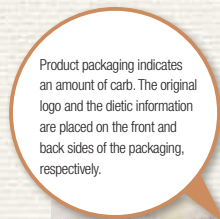
Promoting the health of employees, as well as owners and crews

We support healthy life of customers, as well as promote the health of our employees. To be specific, we encourage all employees to take physical check-ups. In addition, we implement health promotion campaigns, organize large-scale sports festivals and give the employees who increase exercise opportunities Lawson Healthcare Points in order to raise health awareness among employees. We also think it important to promote the health of franchise owners and crews. Therefore, we subsidize full physical examinations and other medical check-ups and prepare health support menus.



Developing and selling low-carb products

As community health hubs, Lawson is positively developing and selling the low-carb products which are under the concept of deliciousness and health and health-conscious products as the society is aging and people become increasingly health conscious. “Low-carb” refers to a moderate restriction on glucide content recommended by the Association for Healthy and Palatable Eating. The association recommends a low-carb diet in which you limit your carb intake to 20-40g per meal, less than 10g per refreshment between meals or up to 70-130g per day, allowing you to eat proper carb intake in a delicious and enjoyable way. Bran bread series are our representative low-carb products. Our unique formulation reduces specific aroma of brans (outer husks of grains), allowing customers to continue eating the bread deliciously. Part of packaging for original products shows a low-carb mark and an amount of carb, enabling customers to use the information for their healthy diet.



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 180 stores as of the end of May 2018.

Opening stores with a dispensing pharmacy on the premise



In order to open stores with an in-store dispensing pharmacy, Lawson is working with Qol Co., Ltd., a major dispensing pharmacy chain, and MIZ-Pharmacy Co., Ltd., a dispensing pharmacy and drugstore operator in Saga and Fukuoka Prefectures. 45 stores have been opened as of the end of May 2018.

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.

Revitalizing communities through products using local food ingredients Developing and selling products in collaboration with high school students and local members*

We are proactively developing and selling the products which use local food ingredients or utilize local dietary culture and are cooperating in revitalization of communities, in close collaboration mainly with local governments, local high school students and local manufacturers. We also work with local governments to operate local specialty shops, sell recommended products of each local area and offer tourist information.



*The listed products are an example. They might have been discontinued.



Kanano Pancake and Kanano Danish Doughnut

These products use rice powder made from Akitakomachi Rice and eggs, both of which are grown in Akita, and are co-developed with students of Akita Prefectural Kanaashi Agricultural High School. The pancake is seasoned with Japanese soy sauce and honeyed apples to create a sweet and salty taste. The Danish doughnut contains the caramel cream to which salt of Oga Peninsula is added.



Kesenuma bababa! boxed meal Launched by Kesenumanishi High School!

This boxed meal is developed based on the recipe of students of Miyagi Prefectural Kesenumanishi High School. The recipe was awarded for excellence at the FY2017 boxed meal contest held by Miyagi Prefectural Government. In the contest, high school students in Miyagi compete on boxed meals based on the concept of local production for local consumption. The product mainly contains the rice seasoned and cooked with Kinka mackerel of Miyagi, the pork grown in Miyagi and Japanese mustard spinach fried with oyster sauce, and the crab sticks and sliced wakame (seaweed) stem of Sanriku dressed with tuna.



12 RESPONSIBLE CONSUMERISM AND PROMOTION



Airy strawberry mousse cake (using powder of Gifu Hatsushimo rice)

This product is co-developed with 12 students of the food course of Gifu Prefectural Ogaki Sakura Senior High School. The cake sponge made of rice powder of Gifu Hatsushimo rice is layered with strawberry sauce, custard cream and strawberry mousse. Named after the school name, cherry-shaped strawberry chocolates are decorated, creating a brilliant look.



Chigiri tacos bread

This product is co-developed with students of Okinawa Prefectural Naha Commercial High School based on the work which won the top prize at the product development project in 2017 in collaboration with Lawson Okinawa and commercial high school students. Tacos meat and cheese sauce wrapped with bread dough are baked softly. This bread can be broken into three pieces. Of them, one piece contains spicy sauce, allowing people to enjoy different taste.

3 SUSTAINABLE AND WELFARE Products developed by students of three high schools in Asakura City, Fukuoka Part of sales is donated to the 2017 Northern Kyusyu Heavy Rain Disaster Relief Fundraiser

From February 20 to March 19, 2018, 1,305 LAWSON stores in the Kyusyu region (as of the end of February 2018) sold three products which were intended to contribute disaster relief fundraising for the disaster caused by the heavy rain in the northern Kyushu in 2017. These products were developed by students of Fukuoka Prefectural Asakura High School, Fukuoka Prefectural Asakura Higashi High School and Fukuoka Prefectural Asakurakoyo High School by using food ingredients grown in the city. On May 14, 2018, we contributed to total of 733,329 yen of donations at Asakura City Office.



Rice ball containing niku miso (miso-flavored meat)



Éclair with two creams of Amaou strawberry and Toyomitsuishime fig



Bread created based on the image of the Triple Water Wheel



Mr. Yuji Hayashi (left), the Mayor of Asakura City, receiving a list and Mr. Takaki Mizuno (right), Executive Assistant to CEO

12 RESPONSIBLE CONSUMERISM AND PROMOTION The local specialty shop within the LAWSON store delivers attractiveness of Hakodate to many people

"Hakodate Motte Kimashita" is the local specialty shop publicizing the Hakodate brand continuously. We selected the LAWSON Kyobashi Ekimae Store because it is located well with good cost performance and some other reasons. The shop offers about 150 kinds of products made in Hakodate. It also holds a fair to sell specialties of Hakodate each month. Many consumers say that they want to go to Hakodate. I feel that the shop has been playing the role as a local specialty shop reliably. Some say that it is interesting to place the shop within a LAWSON store and it is easier to use the shop because it is located within a LAWSON store. These comments will never be received without collaboration with Lawson. We think that we can communicate the attractiveness of Hakodate to the customers who come to buy boxed meals and beverage because the shop is within the LAWSON store. We want to open the second local specialty shop in order to communicate the attractiveness of Hakodate further.



Manager, Food Industry Promotion Section, Economic Department, Hakodate City

Mr. Isao Fukuy



Hakodate City local specialty shop within the LAWSON Kyobashi Ekimae Store. There are 10 local specialty shops on a steady basis for seven local governments including Hakodate City (as of the end of July 2018)

Procuring domestically-produced agricultural products stably and industrializing agriculture Operating LAWSON Farms nationwide

Our “LAWSON Farms,” which pay special attention to soil cultivation, have expanded to 23 locations nationwide (as of the end of February 2018) to ensure a stable supply of safe, secure and domestically-produced agricultural products to LAWSON stores.



2 ZERO HUNGER



We aim to grow delicious and healthy agricultural products and develop agriculture sustainably.

The purpose of establishing LAWSON Farms is to achieve stable procurement of domestically-produced agricultural products in a long term. Currently, the agricultural products produced on LAWSON Farms nationwide are shipped as ingredients of the products sold by the LAWSON Group such as salads, deli items and fast food. LAWSON Farms work on the Nakashima Method* which intends to analyze the soil before cropping, cultivate the soil ideally for growing agricultural products and supply proper nutrition suitable for their growth status. LAWSON Farms produce delicious and healthy vegetables. In terms of production processes, Lawson is working to obtain JGAP certification*1 for the purpose of ensuring further safety and security of agricultural products produced on LAWSON Farms. The third-party certification enables us to ensure more reliable assurances. We desire that LAWSON Farms deliver safe, secure and delicious agriculture products to customers through stores, as well as taking initiatives in generating local employment through industrialization of agriculture, showing sustainable growth of agriculture in Japan.



Senior Merchandiser,
Agriculture Promotion Department,
Merchandising Division, Lawson
Mr. Takuro Harada

* Excluding LAWSON Farms adopting organic growing methods

2 ZERO HUNGER



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

The Lawson Group is working to ensure further food safety as well as to obtaining JGAP certification*1 in order to establish a proper farm management system for LAWSON Farms. Until fiscal 2017, 22 LAWSON Farms*2 nationwide earned JGAP certification. From fiscal 2017, we are working to obtain the global ASIAGAP. As a result, six LAWSON Farms earned the certification.



● Acquisition of JGAP certification As of the end of February 2018

Farm name	Application items
Chiba	Japanese mustard spinach, Radish, Carrot, Cabbage
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	Messclun greens
Niigata	Rice
Nagasaki	Leaf lettuce, Sunny lettuce, Green onion, Onion
Tottori	Radish
Kumamoto	Japanese orange
Satsuma	Cabbage
Ehime	Japanese orange
Aichi Toyohashi	Strawberry
Kagoshima	Radish, Carrot, Sweet potato
Oita	Tomato, Grape tomato
Ichiki Kushikino	Lettuce, Leaf lettuce

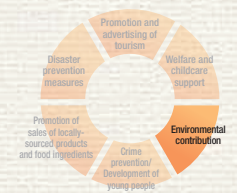
*1 JGAP (Japan Good Agricultural Practice): This is the certification for farms that work on food safety and environment conservation. It represents the good agricultural practices that are promoted by the Ministry of Agriculture, Forestry and Fisheries of Japan for introduction.

*2 All LAWSON Farms except Lawson Farm Hiroshima-Jinsekikougencho (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.

Delivering carefully brewed coffee to customers A cup of coffee from MACHI café

MACHI café is our in-store freshly brewed coffee service. We brew delicious, eco-friendly coffee based on our uncompromising pursuit of beans, bean roasting methods and milk in all phases from growing of individual coffee beans to serving the customer at a store.

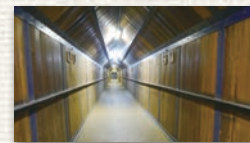


We pay attention to details such as use of high quality beans and 100% raw milk

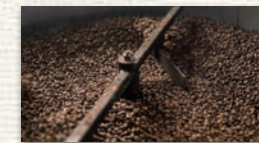
We realize high-quality hot coffee having a sweet taste and smooth finish with a hint of pleasant acidity and a fruity flavor. It comes from beans (Arabica) produced on our designated farms and production areas in four countries*1 where all processes from growing of individual beans to shipping can be strictly controlled. We use a post-mixing method that produces blends after bringing out the unique characteristics of each bean variety through different roasting processes. We use only raw milk*2 in our café latte so that customers can enjoy the original rich sweetness of milk.

*1 For hot coffee

*2 Heat sterilized raw milk



Carefully selected coffee beans, including ripening coffee beans from Ipanema Plantation in Brazil



Blended after bringing out the unique characteristics of each bean variety through different roasting processes



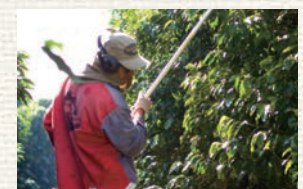
100% raw milk for the original rich sweetness of milk



Environmental and social considerations Use of coffee beans on Rainforest Alliance Certified™ farms only*

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 implementing campaigns on Twitter, for example.

* Excluding single-origin and decaffeinated coffee



Lawson Living in Harmony with Communities:
Initiatives Report 2018

Expanding support with stores serving as a core Preparing for disasters and supporting community reconstruction

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 work with local governments to provide food, daily necessities and other emergency relief supplies to evacuation centers as support for disaster victims. We also carry out disaster relief fundraisers.



Disaster preparedness and response

In the event of a large-scale disaster, our first priority is to confirm the safety of franchises and headquarter employees. In company-wide drills held three times each year, participants experience various safety confirmation methods such as phone, e-mails, the Disaster Emergency Message Dial system and our safety confirmation system in order to allow them to respond smoothly in an emergency. Stores are equipped with supplies and manuals required for a disaster.

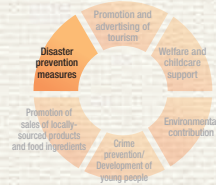
In the event of a disaster, we will quickly establish disaster relief headquarters in the headquarters, an area office and a branch in charge of a disaster area. By utilizing disaster information map systems or other methods in which we can check the disaster situation in real time, we will support stores, manufacturing factories, delivery centers and other locations to enable stores in the disaster area to reopen early.



At the time of the heavy rain in July 2018, Lawson headquarters employees worked to deliver goods and recover stores, etc., to keep the stores open. In addition, sent relief supplies to evacuation centers. In Ozu City, Ehime, we used parking lots of three stores to sell about 200 kinds of products with stores on wheels



Disaster information map system



Lawson acquires “Resilience certification”

In the spirit of building national resilience against disasters, the government’s National Resilience Promotion Office, Cabinet Secretariat established a system for “certifying groups contributing to the building of national resilience against disasters (resilience certification).” This system certifies businesses that are actively engaged on a regular basis in efforts related to business continuity in preparation for large-scale natural disasters and so on as “organizations contributing to the building of national resilience against disasters.” The February 2016 “Guidelines relating to certification of groups contributing to the building of national resilience against disasters” were enacted by this office.

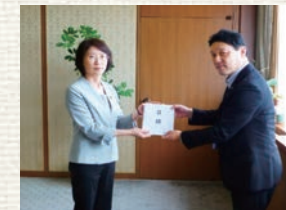
Lawson has received confirmation to the effect that it conforms to the “requirements of a certified organization” stipulated by the above guidelines. Lawson was recognized by the Association for Resilience Japan as the first convenience store to contribute to the building of national resilience against disasters.



Disaster relief fundraiser for the disaster caused by the heavy rain in the northern Kyusyu

In the event of a large-scale disaster, the Lawson Group’s in-store donations are switched to fundraising for disaster relief, through which Lawson assists in delivering the goodwill of people around the country to those impacted by the disaster. Monetary donations are distributed to areas in need through local governments in disaster areas and the Japanese Red Cross Society etc. In fiscal 2017, the Lawson Group received 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 when the heavy rain caused damage mainly in Fukuoka and Oita. The donations received from customers totaled 46,053,831 yen.

For the heavy rain disaster in July 2018, we also received donations through in-store donation boxes, donations via Loppi multimedia terminals, and donations of reward points. The donations will support the affected people through local governments in the disaster area.



Ms. Akie Omagari (left), the Vice Governor of Fukuoka Prefecture, receiving a list and Mr. Nobuo Hourii (right), the General Manager of our Kyusyu Area Support Department



Mr. Tetsuo Okamoto (left), the Director-General of Tourism/Local Bureau of Planning/Promotion Department of Oita Prefecture, receiving a list and Mr. Nobuo Hourii (right), the General Manager of our Kyusyu Area Support Department

● Disaster relief fundraisers carried out in FY2017

Name of Fundraiser	Donations collected
2017 Northern Kyusyu Heavy Rain Disaster Relief Fundraiser	46,053,831 yen*

*Excluding products with contribution

Supporting children and a future life “Happiness in Communities” fund-raising activities

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

1 NO POVERTY Scholarship program for children from single-parent families supports their going to high schools! We have received many happy testimonials.

Many single-parent families have economic problems. Especially, mothers of many mother-child families work multiple jobs and spend less time with their children. The National Federation of Single Parents and Children's Welfare Associations in Japan and local mother-child welfare organizations hold trips and events for these mothers and children to increase communication opportunities among families and community members, provide various consultation and advice and offer support for entrance of schools and employment.

Establishing a scholarship program for the purpose of supporting children who have to give up their going to or drop out from high schools because of economic problems was a dream for the National Federation for a long time. After we knew that the Lawson Group had provided scholarships under the Support Dreams Fund (scholarship program for victims of the Great East Japan Earthquake), we decided to work with Lawson to provide scholarship program for children from single-parent families. Now, 400 children go to high schools and pursue studies and sports, without giving up their dreams.

Goodwill of people over Japan supports the future of children. The National Federation of Single Parents and Children's Welfare Associations in Japan and mother-child welfare organizations are filled with gratitude. We have received thank-you messages from scholarship students, their mothers and fathers, for example, “I was happy to just take entrance exams,” “I can continue my favorite athletic sports,” “I bought textbooks and uniforms for my child due to goodwill of many people,” and “I used the scholarship for the dream of my daughter who wants to become a nurse.” This scholarship gives the future of children and their families big dreams. To allow the scholarship program for children from single-parent families to continue for many years to come, the National Federation of Single Parents and Children's Welfare Associations in Japan and local mother-child welfare organizations will do our best.



National Federation of Single Parents and Children's Welfare Associations in Japan
Chairperson
Ms. Emiko Umino



Selection committee



Thank-you notes from scholarship students and their parents



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 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 in Japan are eligible to apply. It provides each student with a scholarship amounting to 30,000 yen per month (no repayment required; holders of any other scholarship given by other institutions can apply for this scholarship).



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. In addition to providing each student with a scholarship amounting to 30,000 yen per month (no repayment required, this scholarship can be awarded in conjunction with any other scholarship) 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.



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.



Inspiring each child to dream big Supporting children's education

The Lawson Group supports children's education in various ways such as accepting elementary and junior high school students for experience-based learning at stores, virtual work experience in hands-on learning facilities and environmental education in the nature.



Holding forestry classes for mothers and children

From fiscal 2017, we have supported two-day camps for the single-parent families who have economic problems and are busy with their work, with the aim to help them make memories. This is the environmental educational program for single mothers and their children which is designed to nurture interests in the nature and develop sociability and communication skills through experience of forestry management such as planting and thinning.

The program is held under the title of the "Tree-Utilizing Festival - Parent-Child Classes" by utilizing the Lawson Green Fund. In fiscal 2017, total of 46 participants including 13 families of 27 mothers and children in Kawasaki City participated in the program, thinned trees, created wooden spoons, climbed up headwaters of the Tama River and took other activities in Kosuge Village, Yamanashi.



Participants climbing up a headstream of the Tama River



Participants creating spoons



Supporting leaning of elementary students through hands-on learning facilities

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. The Student City is an educational program. In a simulated city in a school consisting of banks, convenience stores, shops, newspaper companies, a ward office and other organizations, 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 in the city. Children work as buyers and sellers each other, and experience roles of sellers from eyes of buyers and roles of buyers from eyes of sellers at the same time. As a result, they understand that everything in the society is connected, and generate awareness and responsibilities that every member in the society lives by helping each other. At the LAWSON store in the Student City, they can work as shop attendants and learn cash register operations, customer service, sales aggregation and other work. Through the experience, they can develop their skills, including the ability to think for themselves, discuss and work together.

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



The program consists of pre-learning for 8-10 hours, one-day experience-based education and post-learning for 1-2 hours.



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 restroom 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)



Cooperating in the childcare support passport project

The Lawson Group is cooperating in the childcare support passport project led by the Cabinet Office, Government of Japan. For example, we issued Lawson Childcare Support Coupons to customers who are pregnant women and families with a child under 18 years old in the six prefectures of the Tohoku region. The coupons discount 20 yen for Kara-age Kun fried chicken nuggets, cream puffs and other products. Total of 1,075 stores in the prefectures (as of the end of September 2017) distributed each 100 coupons (total of approximately 100,000 coupons).



Introducing effective energy-saving and energy-creating measures to all stores

Experimenting and verifying eco-friendly technologies at eco-friendly model stores

Lawson opens eco-friendly model stores featuring cutting-edge technologies. We verify the effects of the technologies installed at the stores and introduce those demonstrating high energy-saving and energy-creating effects into our next new regular stores. Through these initiatives, we strive to reduce per-store electricity consumption and CO₂ emissions.

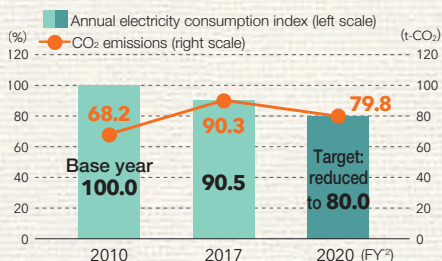
13 CLIMATE ACTION Aiming achievement of energy-saving target

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 for fiscal 2010. The figures for fiscal 2017 and 2020 are estimates based on utility supplier-specific emission coefficients for fiscal 2018.

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

● Per-store electricity consumption (index) and CO₂ emissions^{*1}



7 AFFORDABLE AND CLEAN ENERGY Opening eco-friendly model stores

In January 2018, Lawson opened the LAWSON Tatebayashi Kido-cho Store (Tatebayashi City, Gunma). This latest eco-friendly model store is the first convenience store which is built with cross laminated timber (CLT) made of Japanese cedar trees. The CLT is used as structural and interior material and increases high heat insulation capacity. In addition, the store is equipped with the latest energy-saving measures such as the Ultra Eco-Ice (thermal storage tank for refrigeration) and energy-creating measures such as solar generation systems, aiming to reduce externally-procured electricity by about 60% compared to that of standard stores in fiscal 2016.



The latest eco-friendly model store, Tatebayashi Kido-cho Store (Tatebayashi City, Gunma)

● Measures taken for the first time as a convenience store

CLT (Cross Laminated Timber)

The CLT is wooden construction material. It is made of several layers of dimension lumber oriented at right angles to each other and glued to create structural panels with exceptional strength and good thermal insulation properties. Using the CLT for store structure and interior to improve heat insulation capacity reduces burden of air conditioning equipment.



Ultra Eco-Ice (thermal storage tank for refrigeration)

The store is equipped with the Ultra Eco-Ice system which drives coolers to generate ice and store thermal energy during nighttime in lower ambient temperatures and cools refrigeration display cases during daytime by using the energy in higher ambient temperatures, aiming effective driving to save energy.

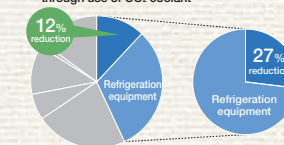


9 INDUSTRIAL INNOVATION AND INFRASTRUCTURE Active introduction of freezing and refrigeration systems using CO₂ coolant

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 2,700 as of the end of February 28, 2018. 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



Electricity consumption at all stores Electricity consumption by cooling systems

9 INDUSTRIAL INNOVATION AND INFRASTRUCTURE 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.



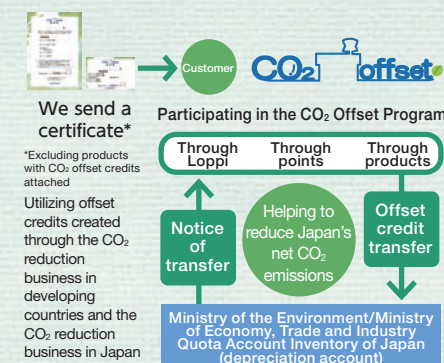
11 INDUSTRIAL INNOVATION AND INFRASTRUCTURE Ten Energy-saving Rules

We have established the Ten Energy-saving Rules to improve the operating efficiency of our stores' refrigeration and air-conditioning systems and reduce unnecessary energy consumption. The stores are implementing such measures as cleaning air-conditioner filters and adjusting air-conditioner temperature settings.

- 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

13 CLIMATE ACTION Idea behind CO₂ offsets

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. 29,300 tons, achieved by 38.74 million participating customers.



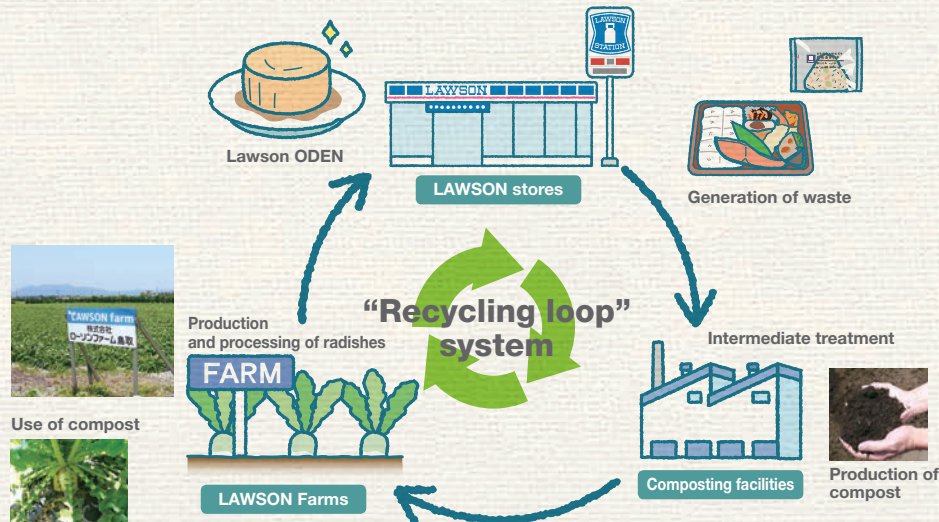
Effectively utilizing surplus food Realizing a food recycling loop

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 “recycling 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 -



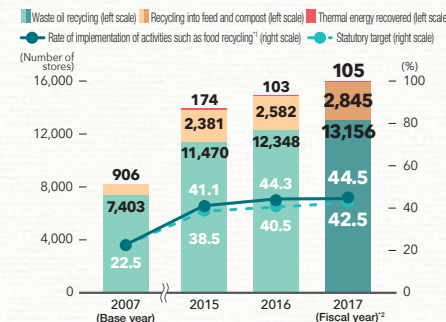
Use of compost



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 44.5% in fiscal 2017, above the statutory target of 42.5%.

Lawson Group 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.

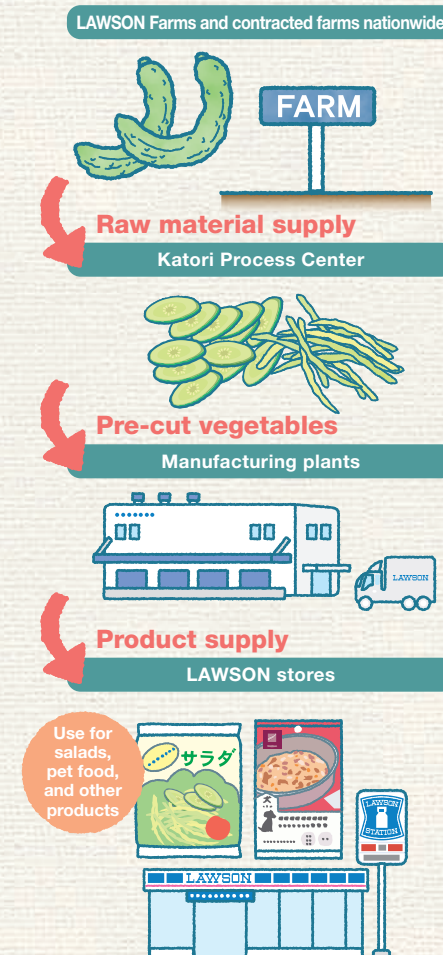
Toward sustainable agriculture production Making effective use of imperfect vegetables

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. We aim to promote sustainable agriculture by utilizing these imperfect vegetables.



Utilizing imperfect vegetables for prepared food or other deli items and selling them

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.



Product lineup using imperfect vegetables*



Crunchyl corn salad



Mix seaweed salad



Dog refreshments
Shredded white meat soft
Carrot and gizzard added



Dog food
White meat and three colorful
vegetables

*The listed products are an example. They might have been discontinued.



LAWSON Farms won the grand prize of the Green Purchasing Award and the Minister of Agriculture, Forestry and Fisheries Prize for their initiatives!

To produce agricultural products sustainably, LAWSON Farms have promoted various initiatives such as promoting environmentally-friendly agriculture, reducing food mileage by the distribution reforms which build vegetable processing factories within the farms, and efficiently utilizing imperfect vegetables which were disposed of previously. As these initiatives are evaluated, LAWSON Farms received the grand prize of the (18th) Green Purchasing Award to honor organizations active in promoting and expanding green purchasing and the Minister of Agriculture, Forestry and Fisheries Prize on December 7, 2017.



Reducing resource consumption

Promoting reduced use of plastic shopping bags and reuse of equipment

We strive to reduce plastic consumption by various initiatives such as creating and distributing Convenience Store Eco Bags for reduced use of plastic shopping bags and reusing fixtures and equipment. These initiatives also enable us to reduce CO₂ emissions.

9 RESPONSIBLE CONSUMPTION AND PRODUCTION

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 free 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 4.43 million reusable shopping bags* in the 10 years since we introduced the initiative.



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

Total number of distributed reusable shopping bags



12 RESPONSIBLE CONSUMPTION AND PRODUCTION

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 2017, the per-store use of plastic shopping bags decreased by 25.6% compared with fiscal 2000, and the plastic shopping bag handout rate was 78.1%.



A plastic shopping bag reduction campaign poster posted in the stores

Municipalities conducting campaigns to reduce the use of plastic shopping bags

Prefectures : Akita, Fukushima, Gunma, Okayama, Fukuoka, Oita, and Nagasaki.
Cities : Asahikawa (Hokkaido), Sendai (Miyagi), Musashino (Tokyo), Nagoya (Aichi), Kyoto (Kyoto), Nara (Nara), and Izumiotsu (Osaka).

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Environmentally-friendly containers and packaging

We use formed material in containers and packaging for boxed meals and other products, make the containers and packaging thinner and change their shapes. Through these efforts, we have cut CO₂ emissions by 9.9% in fiscal 2017 (compared to fiscal 2006), based on calculations of emissions when containers are incinerated. We have reduced film resin and CO₂ emissions by 40% just by limiting the use of wrapping films around the lids of boxed meals. Moreover, containers are made from bio-PET plastic, part of which is derived from a plant (sugarcane). From October 2017, plastic shopping bags used by Natural Lawson are made from polyethylene, part of which is derived from sugarcane.



12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Using biological ink for packing materials

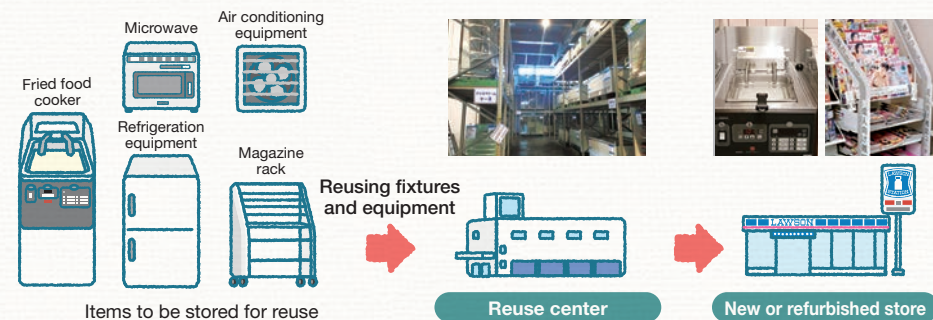
As part of our green actions for products and services, we are using biological ink for printing on packing materials for original products. Biomass ink is used for packing films for rice balls wrapped or self-hand-rolled with nori (dried seaweed), while plant oil ink is used for their product labels. Biomass ink is also used for packing films for Niigata Koshihikari rice balls. We expect that these actions will reduce CO₂ emissions by about 42 tons in a year.



9 RESPONSIBLE CONSUMPTION AND PRODUCTION

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. After cleaning and maintenance, we 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.



From raw materials procurement to sales activities at stores

Reducing the environmental burden in our supply chain

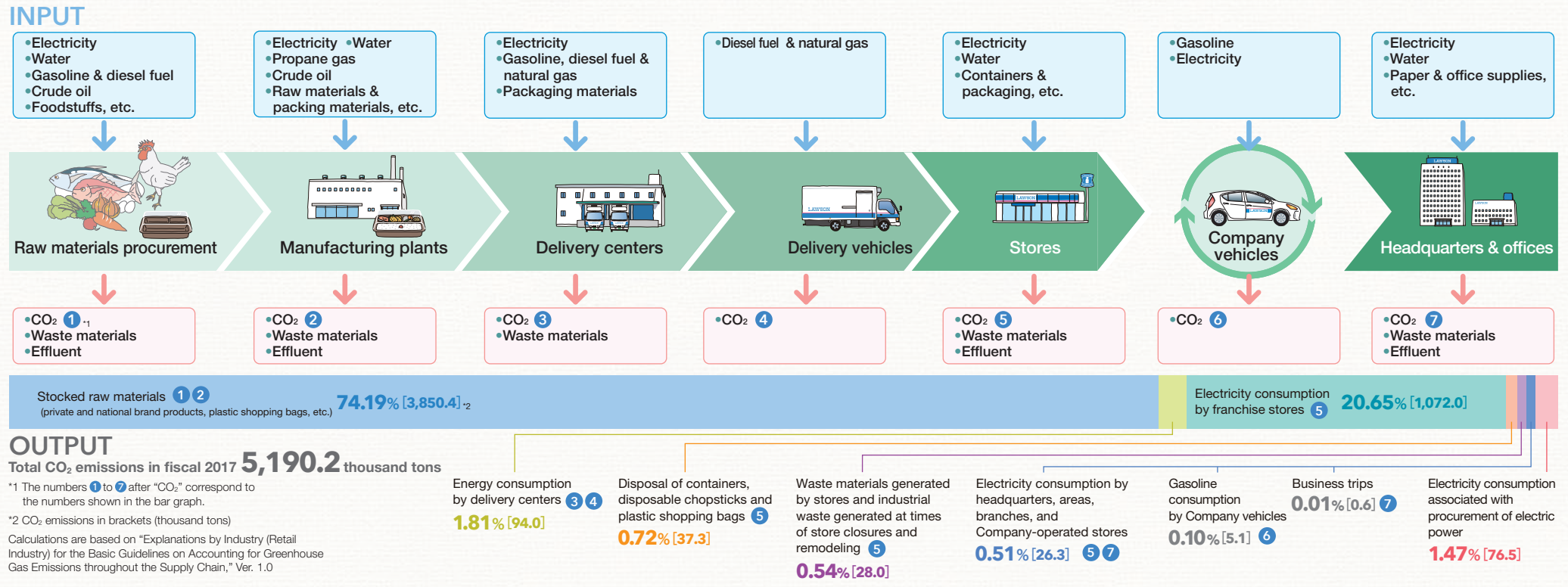
The Lawson Group operates as a manufacturing retailer based on a small commercial area model, producing high value-added products and selling them in customers' neighborhoods. To support these operations, Lawson is enhancing efficiency by expanding its involvement in every stage of the supply chain. In all these efforts, we are working to reduce the environmental burden.

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.

Materials flow and CO₂ emissions in our supply chain



OUTPUT

Total CO₂ emissions in fiscal 2017 **5,190.2** 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

13 CLIMATE ACTION

In raw materials procurement process:

Lawson produces boxed meals, rice balls, desserts and other products using as many domestically sourced, seasonal ingredients as possible. We also use radishes and potatoes produced in LAWSON Farms for ODEN and croquettes. 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.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

In manufacturing process:

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

7 AFFORDABLE AND CLEAN ENERGY

In delivery process:

Lawson promotes multi-drop deliveries and optimizes delivery frequency. In addition, hybrid delivery vehicles are used to improve fuel economy. Lawson also uses a traffic control system and drive recorders for safety driving and educates drivers on how to prevent unnecessary vehicle idling.

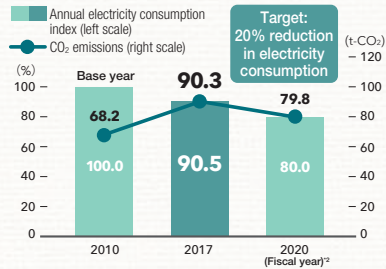
12 RESPONSIBLE CONSUMPTION AND PRODUCTION

At stores:

A Semi-automatic Ordering System has been introduced for products such as boxed meals and rice balls. 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. Any surplus food that remains is recycled.

Data sheet (As of the end of February 2018, except items with a specific date)

Per-store electricity consumption (index) and CO₂ missions*1



*1 CO₂ emissions derived using adjusted coefficients for receiving-end terminals published by the Federation of Electric Power Companies of Japan for fiscal 2010. The figures for fiscal 2017 and 2020 are estimates based on utility supplier-specific emission coefficients for fiscal 2018.

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

CO₂ Offset Program

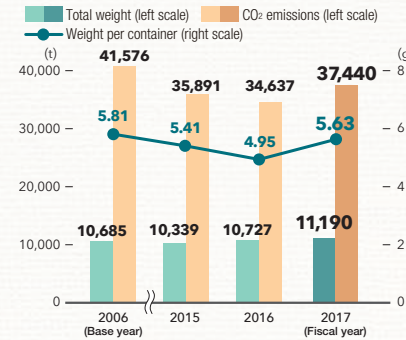
Total number of participating customers

38.74 million

Total CO₂ offset
Approx.

29,300 tons

Container/packaging weight and CO₂ emissions



Total number of distributed reusable shopping bags

Fiscal 2015: **4.34 million** | Fiscal 2016: **4.38 million** | Fiscal 2017: **4.43 million**

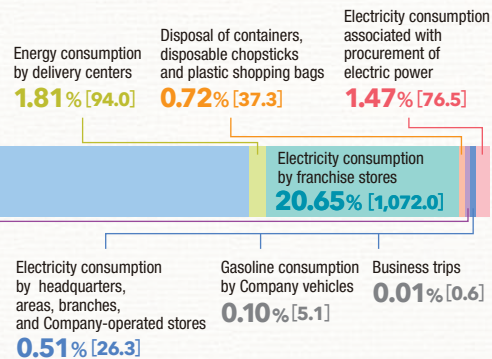
Plastic shopping bags used per store



CO₂ emissions from our supply chain in fiscal 2017

Total CO₂ emissions

5,190.2 thousand tons

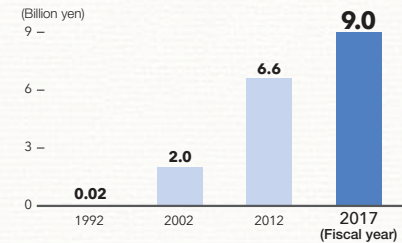


* CO₂ emissions in brackets (thousand tons)

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

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

Approx. **9.0 billion yen**

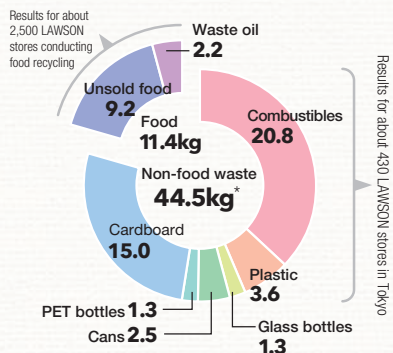


Achievements of Lawson Green Fund activities

Cumulative donations: **4.1 billion yen**
 Size of the area planted for greening: **7,443 ha**
 Number of trees planted for greening: **18.61 million**
 Participating businesses of the Lawson Group as a whole: **1,378 businesses**

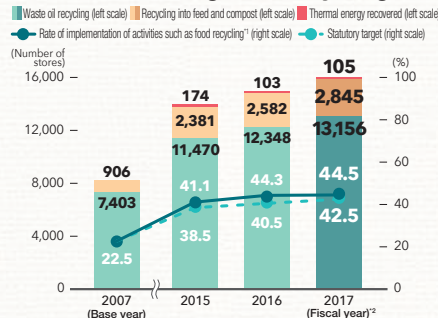
The size of the area and the number of trees planted for greening have been calculated on the basis of the total amount of donations raised through Lawson Green Fund activities, the overall achievements of the Green Fund activities, and other assumptions. (From September 1992 through February 2018)

Average daily waste per store



*The sum of food and other waste is 55.9 kg.
*April 1, 2017 to March 31, 2018.

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.

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

180 stores

Number of stores with a dispensing pharmacy on the premise

45 stores

(As of the end of May 2018)

Bodies concluding disaster goods supply agreements

Local governments: **47 prefectures;**
 Others: **19 cities and wards;**
10 mass transit systems;
3 electric power companies;
Tokyo Fire Department and Japan Ground Self-Defense Force

Conclusion of agreements to help stranded commuters

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

(As of July 1, 2018)

About us

Corporate profile

As of the end of February 2018 (Consolidated)

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	2,283.6 billion yen (consolidated)
President and CEO, Representative Director, Chairman of the Board	Sadanobu Takemasu	Number of domestic stores	13,992 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	10,028		

Note1: 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 Kochi, Inc., and Seijo Ishii stores operated directly by SEIJO ISHII, CO., LTD.

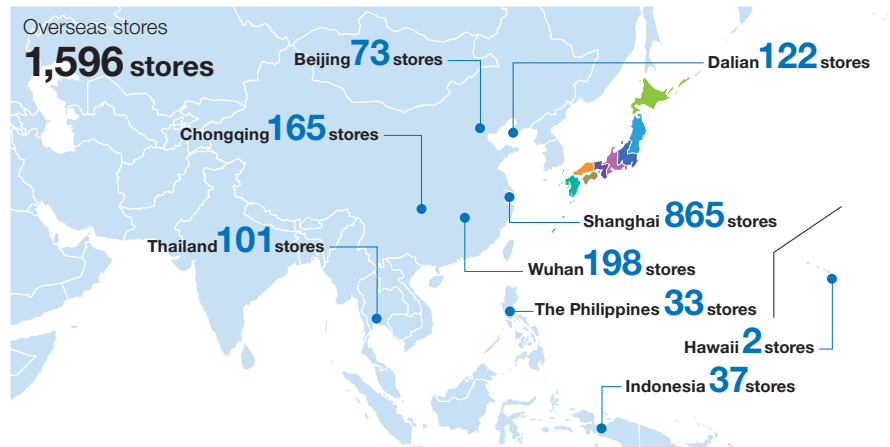
Total number of stores (in Japan and overseas)*

Areas in which stores are operated **15,588 stores** As of the end of February 2018

Number of stores in Japan* **13,992 stores**

Hokkaido region	Kanto/Koshinetsu region	Chubu region	Kinki region	Chugoku region	Kyushu/Okinawa region
654 stores	5,023 stores	1,673 stores	2,583 stores	806 stores	1,529 stores
Tohoku region 1,098 stores	Ibaraki 210 Tochigi 196 Gunma 122	Toyama 190 Ishikawa 103 Fukui 114	Shiga 157 Kyoto 338 Osaka 1,128	Tottori 143 Shimane 146 Okayama 188	Fukuoka 493 Saga 72 Nagasaki 105
Aomori 246	Saitama 674 Chiba 610 Tokyo 1,687	Shizuoka 268 Aichi 683 Gifu 176	Hyogo 677 Nara 138 Wakayama 145	Hiroshima 211 Yamaguchi 118	Kumamoto 153 Oita 182 Miyazaki 106
Iwate 172	Kanagawa 1,061 Niigata 159	Mie 139	Shikoku region 626 stores		
Miyagi 240	Yamanashi 128 Nagano 176		Tokushima 134	Ehime 219	Okinawa 224
Akita 190			Kagawa 134	Kouchi 139	
Yamagata 108					
Fukushima 142					

* 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 the end of February 2018

Field	Company name	Field	Company name
Domestic convenience store business	Lawson, Inc.	Consulting business	BestPractice, Inc.
	Lawson Store100, Inc.		Overseas business
	SCI, Inc.	Shanghai Hualian Lawson, Inc.	
	Lawson Sanin, Inc.	Chongqing Lawson, Inc.	
Lawson Okinawa, Inc.	Dalian Lawson, Inc.		
Lawson Minami-Kyushu, Inc.	Beijing Lawson, Inc.		
Lawson Kochi, Inc.	Saha Lawson Co., Ltd.		
Entertainment business	Lawson HMV Entertainment, Inc.*1	SEIJO ISHII business	SEIJO ISHII, CO., LTD.
	United Cinemas Co., Ltd.		
Financial services business	Lawson ATM Networks, Inc.*2		
	Lawson Bank Preparatory Company Inc.*3		

*1 Lawson HMV Entertainment, Inc. was renamed Lawson Entertainment, Inc. on June 1, 2018.

*2 Lawson ATM Networks, Inc. was integrated into Lawson Bank Preparatory Company Inc. on June 1, 2018.

*3 Lawson Bank Preparatory Company Inc. was renamed Lawson Bank, Inc. on July 2, 2018.

Main businesses and services

As of the end of February 2018

<p>A neighborhood store "Creating Happiness and Harmony in Our Communities" through its manufacturing retailer based on a small commercial area model</p> <p>LAWSON</p> <p>Operating companies</p> <p>Lawson, Inc. Lawson Sanin, Inc. Lawson Okinawa, Inc. Lawson Minami-Kyushu, Inc. Lawson Kochi, Inc.</p>	<p>A nearby store, observing a "daily and reliably" concept that supports customer lifestyles embracing "beauty, health, and comfort".</p> <p>NATURAL LAWSON</p> <p>Operating company</p> <p>Lawson, Inc.</p>
<p>A store that contributes to savings and an easy, convenient daily life by selling a range of products such as fresh foods, prepared foods and daily necessities at a uniform price of 100 yen (108 yen, including tax)</p> <p>LAWSON STORE 100</p> <p>Operating company</p> <p>Lawson Store100, Inc.</p>	<p>A lifestyle supermarket for people who are particular about food, providing food from around the world at reasonable world street corner prices</p> <p>SUPERMARKET 成城石井</p> <p>Operating company</p> <p>SEIJO ISHII CO., LTD.</p>
<p>23 farms nationwide producing fresh fruit and vegetables for Lawson Group stores</p> <p>LAWSON farm ローソン農場</p> <p>Operating company</p> <p>Individual LAWSON farms</p>	<p>Provision of ticket sales services for a full range of entertainment, including musical & sports events, theaters, leisure facilities and cinemas, as well as planning and agency services for fan clubs, event planning & production (sponsorship promotions, investment promotions) and others</p> <p>O-チケ</p> <p>Operating company</p> <p>Lawson HMV Entertainment, Inc.*1</p>
<p>A company selling music and movie CDs & DVDs, books and related goods (through stores & e-commerce) as well as planning and producing events and museum exhibitions in stores</p> <p>HMV & BOOKS</p> <p>Operating company</p> <p>Lawson HMV Entertainment, Inc.*1</p>	<p>Operation of cinema complexes (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>UNITED CINEMAS</p> <p>Operating company</p> <p>United Cinemas Co., Ltd.</p>
<p>A business that provides installation, management and operation of ATMs installed at LAWSON stores in cooperation with banks</p> <p>LAWSON ATM</p> <p>Operating company</p> <p>Lawson ATM Networks, Inc.*2</p>	<p>A service based in LAWSON stores, that delivers products handled by the Lawson Group and home-delivery items handled by Sagawa Express Co., Ltd. and provides other services related to shopping and housing/living.</p> <p>マ子の暮らしサポート</p> <p>Operating company</p> <p>SG Lawson, Inc.</p>

*1 Corporate name changed to Lawson Entertainment, Inc., as of June 1, 2018.

*2 Lawson ATM Networks, Inc. was integrated into Lawson Bank Preparatory Company Inc. (currently Lawson Bank, Inc.) on June 1, 2018.