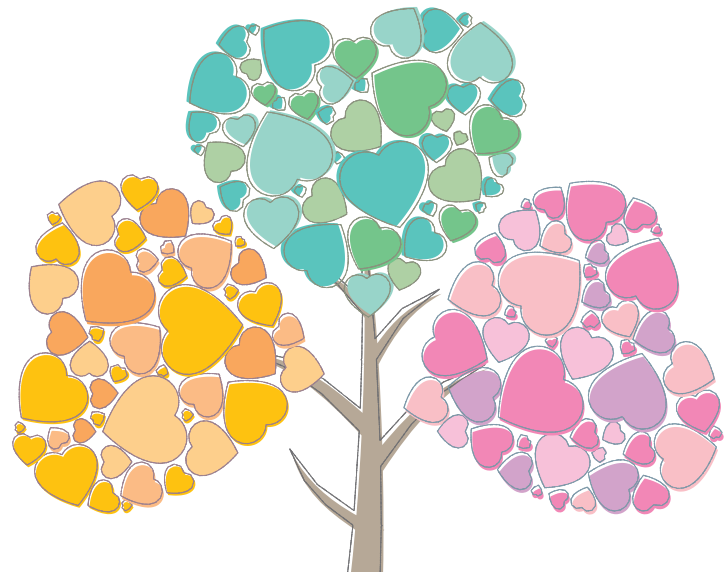


We keep our “Three Promises” to become a  
**Hot Station (Best Relief Hub)**  
**in Our Communities**  
 that creates happiness and  
 harmony in our communities.

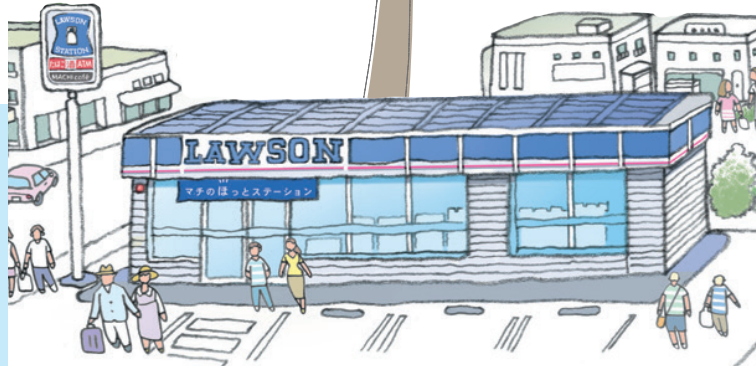


## SDGs Handbook

ほっ



The Sustainable Development Goals (SDGs) were adapted at the United Nations Sustainable Development Summit in 2015. The 17 goals set include No Poverty, Good Health and Well-Being, Quality Education, and Climate Action, and there are 169 targets made to achieve the SDGs on a global scale by 2030. Through the pledge to “Leave No One Behind,” each nation is working toward solving the issues. At Lawson, by setting material issues and KPIs, we are proactively promoting the initiatives toward the fulfillment of SDGs as part of our aim to achieve our corporate philosophy of “Creating Happiness and Harmony in Our Communities.”



### Lawson, Inc.

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 Franchisee Business Support Division  
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<http://lawson.jp/en/>

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# Lawson's Material Issues

- Based on our business policy the “Three Promises,” our initiatives are divided into six categories taking into account social issues and conditions.
- We decided our material issues from customers’ standpoints emphasizing our initiatives as an organization responsible for safe and secure social infrastructures, which is the most important role for a retailer.

## Business Policy



## Applicable SDGs

## Material Issues (Materiality)



Surprise “Whew!” discoveries



Providing Safety/Security-Oriented Overwhelmingly High Value-Added Products and Services Friendly to Society and the Environment



Surprise “Whew!” happiness



Supporting Health Promotion for All People Through Products and Stores



Providing Comfortable Work Environment Leading to Job Satisfaction

Supporting Women, Senior People as well as Children’s Growth



Surprise “Whew!” kindness



Coexisting Synergistically with Communities by Serving as Part of Social Infrastructure



Sustainable Environment Preservation Activities Toward Carbon-Free Society



[Note: ほっ = Whew!]

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

See back for specific initiatives

## Lawson's SDGs Goals for 2030 (KPI)

Setting KPIs for social environment taking into consideration social issues and conditions

### ● Reducing food waste

Reduce by **50%**  
v. 2018 levels

### ● Reducing plastic

Plastic for containers and packaging

Reduce by **30%**  
v. 2017 levels

( Lawson's original products  
Eco-friendly materials )

**50%** used

Plastic shopping bags

Reduce by **100%**

### ● Reducing CO<sub>2</sub> emissions

CO<sub>2</sub> emissions per store

Reduce by **30%**  
v. 2013 levels

## Lawson's Vision 2050

Take on more difficult challenges!!

## Lawson Blue Challenge 2050!

Save our blue planet!

We take on difficult challenges to achieve higher goals so that we can create a carbon-free society and contribute to the ideal world that the SDGs aim to realize.

### ● Reducing food waste

Reduce by **100%**

### ● Reducing plastic (for containers and packaging)

Lawson's original products  
Eco-friendly materials

**100%** used

### ● Reducing CO<sub>2</sub> emissions

CO<sub>2</sub> emissions per store

Reduce by **100%**

We examine and discuss what we should do now by focusing on "Lawson's Vision 2050," and looking back on what we have done so far to steadily proceed with our material issues and KPIs for the SDGs (Sustainable Development Goals to be achieved by 2030).

# Creating Happiness and Harmony in Our Communities

This is the Lawson Group's Corporate Philosophy. We strive to become a "Hot Station (Best Relief Hub)" for everyone living in our communities by keeping our "Three Promises" at the store and responding to various customer needs.

## Superior taste

### Providing safety/security-oriented overwhelmingly high value-added products

We focus on developing original products in such categories as rice balls, boxed meals, and bakery items so our customers can buy safe foods from a nearby LAWSON store every day. We pursue "the most delicious taste" by using carefully selected, quality ingredients and the best method for each product.

### Creating smiles through products made with local ingredients

We actively work on the development and sales of the products made with local ingredients as well as those reflecting local specialties, cooperating with local governments, high school students, and manufacturers.



### Machikado Chubo In-store Kitchens

Approximately 6,000 LAWSON stores across Japan have "Machikado Chubo In-store Kitchens" to prepare dishes on site. Freshly made dishes, such as cooked rice and thick pork cutlets deep-fried, are prepared and cooked in the store and have a taste that can only be achieved by preparing them in the in-store kitchen.

### LAWSON Farms

We operate 21 "LAWSON Farms" (as of May 31, 2019) nationwide to ensure the stable supply of safe, secure and high-quality fresh produce that supports our communities' healthy diet to the Lawson Group's stores.



## Human kindness

### Care LAWSON

"Care LAWSON" stores provide support for elderly people and their families to meet the needs of the aging population. Each store offers nursing-care consultation services or a community space inside the store. The stores also offer nursing-care foods and products.

### Promoting community health in partnership with local governments

We cooperate with local governments, offering our store parking spaces as venues for residents' health checkups and consultations.

## Developing healthy food products

We work on the development of products that are both "delicious and healthy" to meet the growing health consciousness.



## Management Owner System

Lawson's "Management Owner (MO) System" supports FC owners to further expand their multiple-store operations through a strong partnership with the headquarters. The program provides them with multiple-store management know-how as well as training opportunities to develop skills necessary to become an excellent management owner.



## Introducing easy-to-use store equipment

We have introduced tablets that tell store staff what, when, and how tasks should be done so that new employees and inexperienced crews\* can quickly adapt to their tasks. We have also introduced POS cash registers with automatic change dispensers to improve the efficiency of cash register operations.

\* crew: part-time workers

## Mobile sales services

We provide mobile sales services to care facilities, companies, and factories that are located far from our stores by visiting them and selling food products and daily essentials. We also offer "eye-on-the-elderly" service, in which we confirm the safety of the elderly residents in cooperation with local governments.



## Safety Station activities

We proactively participate in the Safety Station Activities of the Japan Franchise Association (JFA). Every store is committed to providing aid for sudden illnesses and injuries, protection from stalkers, and help for women, children, and the elderly in trouble as well as preventing emergency scams.



### Aid for sudden illnesses & injuries:

**674** stores

### Responding to women's, children's and elderly's evacuation:

**3,663** stores

### Protection from stalkers:

**446** stores

### Prevention of emergency scams:

**1,857** stores

Source: FY2018 (JFA) questionnaires for franchise owners and store managers.  
Extracted answers only applicable to Lawson.

## "Happiness in Communities" Fundraising



### Support Dreams Fund

#### (Scholarship program for children from single-parent families)

The scholarship program helps children in single-parent families make their dream of continuing their studies come true through the National Federation of Single Parents and Children's Welfare Associations in Japan. A total of 400 3rd-year junior high school students and high school students are receiving 30,000 yen per month (no repayment required).

### Lawson Green Fund

We provide support for elementary, junior high, and special needs school greening activities across the country as well as for forest maintenance activities conducted by volunteer groups through the National Land Afforestation Promotion Organization. The number of projects that Lawson franchise owners etc. had participated in has reached 1,467 (as of February 28, 2019).

### "Dream Classes" Fund

We support the Japan Football Association's JFA KOKORO (HEART) PROJECT "Dream Classes" to deliver the importance of having a dream and making efforts toward the dream to children.

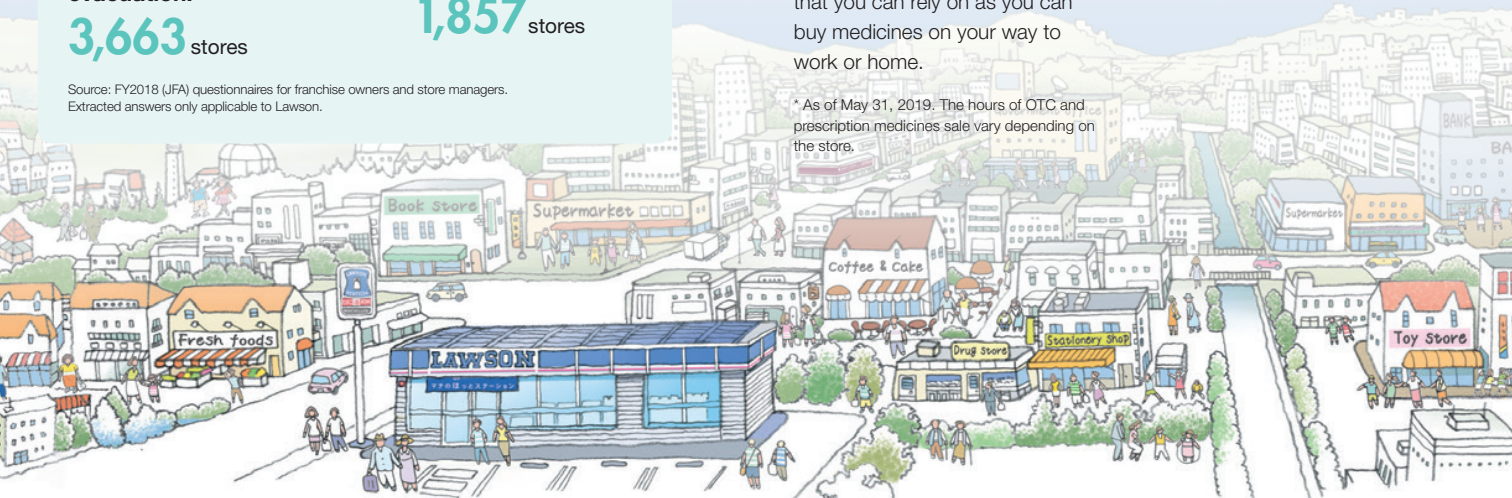
## Expanding our services for medicines

At our 214 stores\* that offer OTC medicines, including the "Health care LAWSON" stores, registered sellers recommend appropriate medicines for customers after a consultation. Of these stores, 48 stores\* also offer prescription medicines. They are the stores that you can rely on as you can buy medicines on your way to work or home.

\* As of May 31, 2019. The hours of OTC and prescription medicines sale vary depending on the store.

## Nutrition labels

Our original products show nutritional information in an easy-to-understand manner. Our original logo is on the front of the packaging; the nutritional information on the back.



## Environmental (Machi) friendliness

### Minimizing and recycling food waste

The cooking oil used for deep-frying (waste oil) is recycled into a feed additive (livestock feed ingredient), and biodiesel fuel while unsold food is turned into pig and chicken feed and fertilizer at recycling plants. Our food waste recycling rate achieved 47.9% in FY2018.

### Experiment to reduce food waste

In an effort to reduce food waste, we experimented a food waste reduction program in Okinawa and Ehime prefectures from June to August 2019. In this program, customers earned extra points when they purchased a boxed meal or rice ball that was about to reach its limit of recommended time of consumption, after 4 p.m. Furthermore, 5% of the total sales of these items was donated to child support organizations.



### Reduce plastic shopping bags

NATURAL LAWSON's plastic shopping bags partially use polyethylene made from sugar cane. In addition, in order to reduce plastic shopping bags, we created a "Convenience Store Eco Bag" and have been running some campaigns to promote the use of reusable bags since March 2007. The total number of eco bags distributed has reached approximately 4.44 million\* as of February 28, 2019.

\* Includes eco bags other than the Convenience Store Eco Bags.

### Reduce plastic for containers and packaging

In 2019, we started replacing cups for "MACHI café"'s iced coffee with paper cups. The lid for an iced coffee cup has a drinking hole and does not require a straw.



### Efficient logistics

We strive to improve fuel efficiency by introducing hybrid delivery vehicles in addition to promoting joint deliveries and optimizing delivery frequency. We provide our drivers with guidance on safe driving supported by delivery management systems and drive recorder, and we encourage them to stop idling.

### Supporting areas affected by disasters

When a large-scale disaster occurs, we immediately set up disaster relief headquarters as a lifeline for the community and provide support to stores, factories, and delivery centers to keep the stores open. In addition, we deliver emergency supplies, such as food and daily essentials, to evacuation centers, working together with the local governments.

### Introducing energy-efficient equipment

We began installing highly energy-efficient CO<sub>2</sub> refrigeration systems in 2010. As of February 28, 2019, approximately 3,400 stores have implemented the systems.



### The Ten Energy-saving Rules at stores

In order to stop wasting power and reduce energy consumption at stores by improving the efficiency of refrigeration and air-conditioning systems, we have formulated the "Ten Energy-saving Rules," and every store is committed to practicing these rules.

## Corporate profile

As of February 28, 2019/Consolidated

<b>Company name</b>	Lawson, Inc
<b>Headquarters</b>	East Tower, Gate City Ohsaki, 11-2, Osaki 1-chome, Shinagawa-ku, Tokyo 141-8643, Japan
<b>President and CEO, Representative Director, Chairman of the Board</b>	Sadanobu Takemasu
<b>Established</b>	April 15, 1975
<b>Capital</b>	58,506.644 million yen
<b>Number of employees</b>	10,395 (consolidated)
<b>Business activities</b>	Franchise chain development of LAWSON, NATURAL LAWSON and LAWSON STORE100.
<b>Net sales for all stores</b>	2,424.5 billion yen (consolidated)
<b>Number of stores</b>	17,015 stores (worldwide)
<b>Operating areas</b>	All 47 prefectures in Japan, China (Shanghai, Chongqing, Dalian, Beijing, Wuhan, Hefei), Indonesia, Hawaii, Thailand, Philippines

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 is the total of LAWSON, NATURAL LAWSON, and LAWSON STORE 100 stores operated by Lawson, Inc.; LAWSON stores operated by Lawson Sanin, Inc., Lawson Okinawa, Inc., Lawson Minami-Kyushu, Inc., and Lawson Kochi, Inc.; Seijo Ishii stores directly operated by SEIJO ISHII CO., LTD.; and overseas LAWSON brand stores managed by regional operating companies.