

Contributing to the SDGs

– Determining Material Issues / goals (KPIs) and implementing sustainable initiatives –

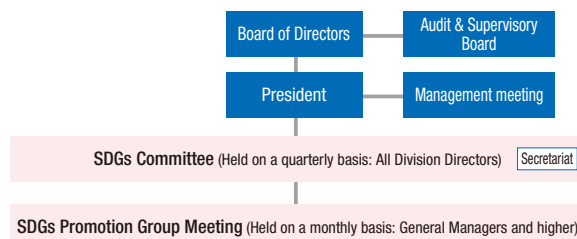
Based on our Group philosophy, “Creating Happiness and Harmony in Our Communities,” we promote customer-oriented business activities aiming to become the hub of refreshment in every community. Believing that striving to realize the “Three Promises” eventually promotes the Sustainable Development Goals (SDGs), we aggressively address our challenges.

Sharing issues faced and progress made toward their solution at the SDGs Committee

In March 2019, we established the “SDGs Committee” aiming to realize a sustainable society through Lawson’s business activities, and have conducted initiatives leading to solutions for social issues one by one through a step by step approach. While each division spontaneously works to realize the “Three Promises” through their business activities, we promote initiatives linked to SDGs, and periodically come up with solutions for challenges and report on progress through the SDGs Committee. While the committee takes the initiative in fulfilling our social responsibility by taking steps to solve social issues, we continue striving to enhance our corporate value and achieve sustainable growth.



● SDGs Committee Organization



● Steps toward realizing the SDGs

Lawson has been working to realize the SDG vision since 2019. We are advancing these efforts step by step, from STEP 1: promoting understanding of the SDGs to STEP 5: reporting and communicating our initiatives, and continually taking up challenges to achieve the KPIs (key performance indicators).

STEP 1 Promoting understanding the SDGs

- Companywide employee e-learning
- New employee training
- Awareness-raising activities such as Lawson seminars / exhibitions for franchise owners
- Information dissemination through company newsletters
- Study sessions at the various headquarters

STEP 2 Prioritizing the issues

- Position our business in the value chain, and identify the social issues facing it.
- Link the positive and negative impacts of our operations-related social issues with the SDG goals.
- Score the magnitude of the impacts exerted on our company and society.
- Place high-impact issues in a matrix.
- Determine Material Issues.

STEP 3 Setting performance goals

- Select the Material Issues for which you can set targets for 2030.
- Consider the contents of the target candidates selected by the supervising department.
- Obtain approval of the target contents (target year, numerical values, etc.) by the Board of Directors.
- Determine the KPIs.

STEP 4 Integrating the program into management

- Addition of “SDGs Initiatives” to the positive items for organizational performance evaluation
- Managing progress forward goals (KPIs) / pursuit of Material Issues management items
- Addition of SDG items to the employee award system
- Call for opinions and suggestions from employees

STEP 5 Reporting and communicating

- Issuance of the “Integrated Report” and “SDGs Handbook” / dissemination on websites, etc.
- Participation in initiatives such as TCFD (See box at right.)
- Promotion of dialogue with stakeholders



Goals for 2030 (KPI)

We are pursuing steady efforts to achieve the KPIs we determined in fiscal 2019 with respect to the issues and conditions faced in the social environment.

● 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 CO₂ emissions

CO₂ 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 CO₂ emissions

CO₂ 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).



Lawson endorsed the Task Force on Climate-related Financial Disclosures (TCFD) in April 2020. We will respond to the intensifying challenges posed by climate change by analyzing climate-related risks and opportunities, grasping the impact on our business strategies, considering countermeasures and actively disclosing information.

Lawson's Material Issues

We classify our activities with respect to the value chain into six categories based on the "Three Promises" to customers enumerated in our business policy, and in consideration of pertinent social issues and circumstances. We make decisions from the customer's point of view, with the primary emphasis on the safety and security of retailers and on social infrastructure initiatives for the retail industry. We will not change our Material Issues before 2030, but will continue to increase our contribution to realizing the SDGs by improving and eliminating major initiatives and services through such means as discarding some that have already been completed and adding new ones.

Business Policy	Applicable SDGs	Material Issues (Materiality)	Major Initiatives and Services
<p>Superior taste</p> <p>Surprise "Whew!" discoveries</p>		<p>Providing Safety/Security-oriented Overwhelmingly High Value-Added Products and Services Friendly to Society and the Environment</p>	<ul style="list-style-type: none"> ● Providing high value-added private brand products (rice, frozen foods, and fast foods) ● Deployment of Machikado Chubo in-store kitchens ● Planning and developing locally-produced products for local consumption, and spontaneously utilizing domestic ingredients ● Developing and selling products under consideration of the society and the environment (MACHI café, NATURAL LAWSON brand, etc.) ● Deployment of LAWSON Farm agricultural products (Nakashima-method/ GAP certification) ● Developing and operating a stable supply chain including manufacturing and distribution ● Conducting fair trade with suppliers (raw materials procurement, purchasing management optimization)
<p>Human kindness</p> <p>Surprise "Whew!" happiness</p>		<p>Supporting Health Promotion for All People Through Products and Stores</p> <p>Providing Comfortable Work Environments Leading to Job Satisfaction</p>	<ul style="list-style-type: none"> ● Developing low-salt, low-carb, and additive-reduced products ● No use of preservatives and artificial colors ● Changeover to easily understandable nutrition facts ● Creation of a pharmaceutical product sales system ● Expansion of NATURAL LAWSON and HealthCare LAWSON ● Executing health promotion agreements with local governments ● Supporting and subsidizing health initiatives for store owners and crews ● Promoting health and productivity management (promoting employees' challenge for health) ● Creating a comfortable work environment for store crew (Introducing new facilities, changing the work process, etc.) ● Training and retention of store crews (Fantasista qualification system, use of early-stage educational materials) ● Introduction of an owner support system (support for franchise owners to allow vacations) ● Promoting the MO system for multiple-store management ● Enhancing communication with franchise stores (establishment of the Franchise Store Advisory Committee and owner hotline) ● Promotion of work-style diversification (examination of remote work systemization) ● Development and expanded use of leaves for maternity, childcare, nursing, long-term care, etc. (operation of nursery school)
<p>Environmental (Machi) friendliness</p> <p>Surprise "Whew!" kindness</p>		<p>Supporting Women and Seniors as well as Children's Growth</p> <p>Coexisting Synergistically with Communities by Serving as Part of the Social Infrastructure</p> <p>Sustainable Environment Preservation Activities Toward a Carbon-Free Society</p>	<ul style="list-style-type: none"> ● Maintaining Scholarship program for children from single-parent families ● Promoting fund-raising programs for children's futures (school afforestation activities, "Dream Classes", etc.) ● Children's learning support (Kyoto Student City, acceptance of work experience, on-site lessons, etc.) ● Donation of products to facilities that require food support ● Promoting mobile sales and delivery services including home delivery. ● ATM services of Lawson Bank ● Government certificate issuance services ● Executing comprehensive regional agreements with the local governments ● Reviewing of the Business Continuity Plan (BCP) ● Collaboration with national and local governments to support stricken areas in the event of disaster ● Promoting energy efficient stores (CO₂ reduction) (Introducing and operating energy efficient equipment) ● Utilizing and spreading renewable energy (solar power, etc.) ● Efficiency enhancement of distribution and promotion of changeover to environment-friendly trucks (CO₂ reduction) ● Promoting food waste reduction (food recycling, etc.) ● Reducing plastic used for plastic shopping bags and containers and packaging