

Highlights of Sustainability Activities

Here, we introduce highlights of recent sustainability activities by FamilyMart.

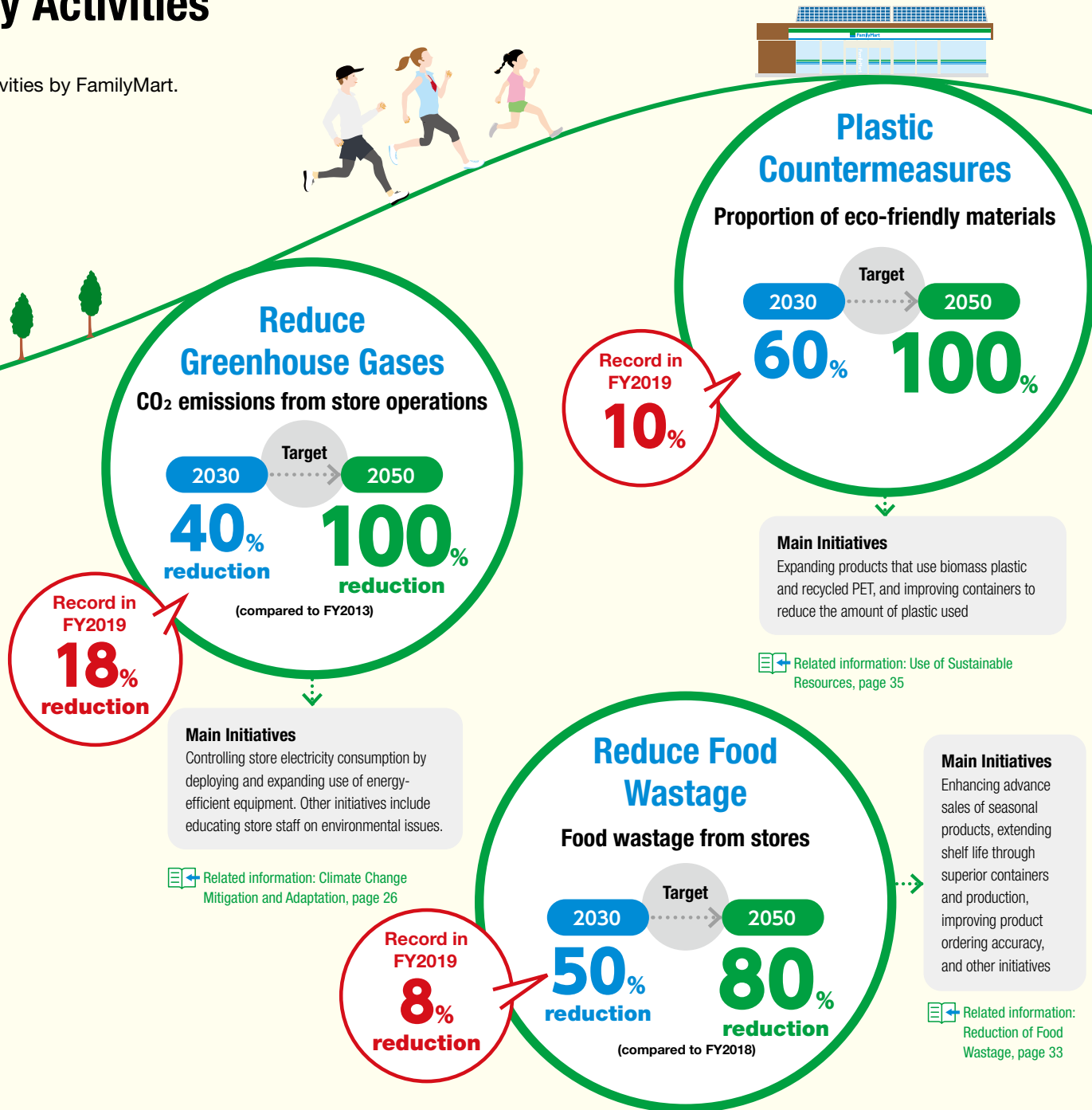
Mid- to long-term environmental targets set in FamilyMart Environmental Vision 2050

Our first mid- to long-term environmental targets were released in February 2020 in FamilyMart Environmental Vision 2050.

The need to respond to a variety of environmental issues concomitant with economic development has led to a shift in thinking, internationally. Many view environmental and social sustainability as essential for future economic growth, and Sustainable Development Goals (SDGs) are one example of this trend.

Our mid- to long-term environmental targets address this trend and stakeholder needs. We are working to meet the targets by 2030 and 2050. In particular, the targets reflect the importance of prioritizing action for the three issues of greenhouse gas reduction, plastic countermeasures, and food wastage reduction, which are affected by our business activities.

Working company-wide with our customers, franchised stores, and business partners including suppliers, we seek sustainable development through initiatives to meet the targets of FamilyMart Environmental Vision 2050.



Highlights of sustainability activities

TCFD supported, climate scenario analysis implemented



SBT certified – first in the convenience store industry

Material issue targets and KPIs set

“FamilyMart’s Human Rights Policy” established



In February 2020, FamilyMart announced support of the final report of the TCFD.*

With more frequent and severe cases of extreme weather, effects of climate change are becoming apparent. The impact is expected to continue and expand in the future, which makes this a pressing matter for companies to study.

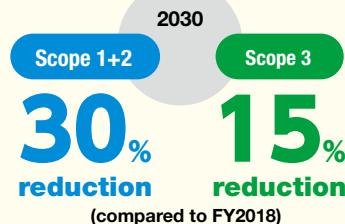
After announcing our support of the TCFD, we have also been conducting climate scenario analysis in fiscal 2020. Identifying mid- to long-term risks and opportunities they would bring to FamilyMart and assessing the business impact has enabled us to study countermeasures.

* TCFD: Task Force on Climate-related Financial Disclosures

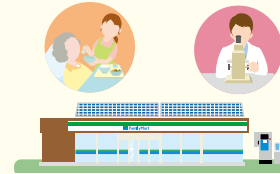


In March 2020, FamilyMart greenhouse gas reduction targets received SBT certification. The Science-Based Targets (SBT) initiative recognizes science-based targets aimed at well below 2°C, in comparison to limiting global temperature rise to 2°C as targeted by the Paris Agreement.

We are the first company in the convenience store industry to receive this certification.



In fiscal 2020, we set targets and KPIs for the material issues (materialities) revised in fiscal 2019. Under the supervision of the Sustainability Committee, we will continue to make our sustainability activities more effective through PDCA cycles.



[Related information: Material Issues \(Materialities\) Related to Sustainability, page 10](#)

October 2020 saw the establishment of FamilyMart’s Human Rights Policy, positioned as guidelines for accurate understanding and action on human rights with an earnest wish to connect with our stakeholders like a family and walk alongside them all the way. We will make the policy known internally and externally as we put it into practice.

[Related information: Respect for Human Rights, page 20](#)



Kazuo Tase
President & CEO
SDG Partners, Inc.

Expert’s comment: On formulating human rights policy

Convenience stores inevitably call to mind concepts of human rights, when we think of the spectrum of products they offer and the working environment. The fact that FamilyMart has established and disclosed a robust human rights policy puts the company on even firmer footing in business. It shows an intent to improve not only consumer-facing things such as stores and products but also the value chains that are normally behind the scenes. This clear demonstration of corporate intentions is quite commendable. Now it will be important to ensure continued due diligence for human rights, improve areas where there may be risk, and keep disclosing this information earnestly and engaging in stakeholder dialogue. I am confident that through this process, FamilyMart will remain a trusted company not only for local customers but around the world.

[Related information: Compliance with TCFD Recommendations, page 30](#)

[Related information: Topics: SBT certified – first in the convenience store industry, page 26](#)

Responding to the Spread of COVID-19

In response to the spread of COVID-19, FamilyMart is ensuring a stable supply of products and services with suppliers, arranging stores where customers can shop more conveniently and comfortably, and creating safe working environments for store staff and employees, to meet the expectations of local communities.



1 Stable supply of products and services in cooperation with suppliers

For our ready-to-eat products, we have established a quality control system covering all supply chain processes from ingredient procurement to manufacturing, delivery, and sales. At plants and logistic centers entrusted with production, employee health and plant hygiene are carefully managed, as we take preventive measures against COVID-19 infection.

Supplier Initiatives

- Plant staff temperature check and health screening
- Hand washing/finger sanitizing before entry
- Wearing masks and gloves in production
- Regular sanitization of plant doorknobs/stair handrails

Logistic Center Initiatives

- Before work: driver/shipping worker temperature checks
- During work: sanitizing, wearing gloves/masks
- Avoiding the Three Cs,* ensuring space between people in break rooms
- Regular sanitization of doorknobs
- Posting warnings on bulletin boards

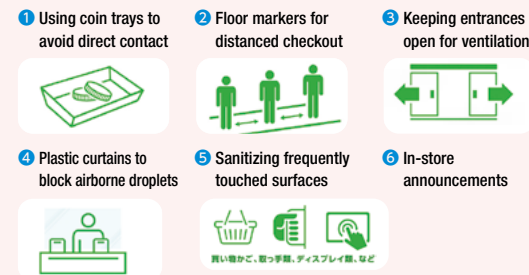
* Three Cs: Closed spaces, crowded places, and close-contact settings. A Ministry of Health, Labour and Welfare catchphrase to prevent the spread of COVID-19.

2 Arranging stores where customers can shop more conveniently and comfortably

At stores, shopping with peace of mind is ensured by store staff carefully washing and sanitizing their hands and wearing masks, setting up plastic curtains to block airborne droplets, sanitizing frequently touched surfaces, and keeping stores well ventilated, among other measures.

Customers are encouraged to wear a mask before visiting and keep a distance from others.

In some areas, stores carry a larger product lineup of personal hygiene goods and products for people staying home to avoid being outside. In these ways, we are taking preventive measures and responding to changes in consumption.



FamilyMart's Safety Measures during the COVID-19 Outbreak

https://www.family.co.jp/english/information/info_2004.html



3 Creating environments where store staff and employees can work with peace of mind

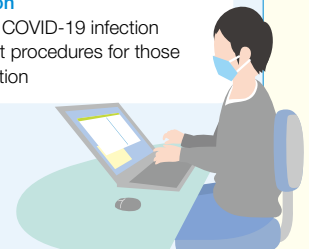
To keep employees healthy and avoid the impact of widespread infection on business continuity, we have taken a variety of steps at headquarters and regional offices. Company-wide measures under stricter standards help prevent infection, and a health newsletter is distributed to relieve employee stress and encourage exercise.

Efforts to prevent infection

- Workplace patrols by industrial physicians/public health nurses, Three Cs patrols
- Setting up sanitizer and distributing masks at headquarters and regional offices, installing protective panels in meeting areas
- Raising awareness via posters and digital signage

Response in case of infection

- Establishing call centers for COVID-19 infection
- Planning/implementing strict procedures for those returning to work after infection



Related information: Report: COVID-19 Measures, page 71



Hygiene Management at Ready-To-Eat Plants and Logistics Centers

https://www.family.co.jp/info/info_2020/info_factory_haiso-center.html (in Japanese)