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A Good Neighbor Who is Involved with the Local Community



Not just a good neighbor offering plenty of convenience, but a guardian of health as well. 7-ELEVEN Millennium Health Stations are used on average **4.3 million** times annually



To connect the community, the "Good Neighbor Funfest" community events were held cumulatively more than **3,700 times** as of 2014

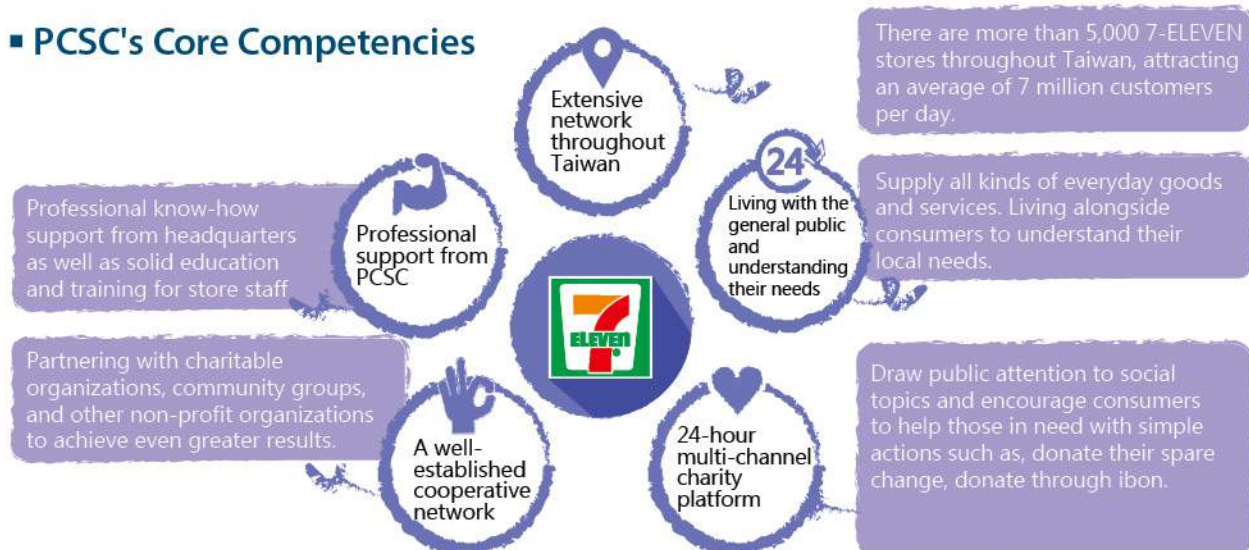


More than NT**\$279 million** was raised from charity events in 2014

4.1 Building a Happy Community

PCSC stores can be found on big streets and small alleys, where we play a vital role in people's everyday lives; this emotional connection brings us closer with the community, and it is our mission and responsibility as a member of the big family. The hectic pace of life in the 21st century has filled our society with a sense of apathy and uncertainty, so PCSC has always strived to create a happy community. Apart from meeting people's daily needs through our quality merchandise and diverse services, we also hope that the PCSC platform can fill the community with love. A happy enterprise can only be achieved by building a happy society. To achieve this goal, we leverage the core competencies of PCSC in order to use our corporate resources in every corner of society. When developing relationships with the community, we listen to people's needs and see them as the foundation to develop new products and services. The accumulation of public trust and support makes PCSC the irreplaceable neighbor, delivering happiness within the community.

■ PCSC's Core Competencies



Special Report - Rural Outreach to Narrow the Rural-Urban Divide

On July 11, 2014, 7-ELEVEN opened its 5,000th store in Neimen, a town located in Kaohsiung City famed for its folk culture. To commemorate this milestone, the store was named the "Good Neighbor Store." We have always believed that 7-ELEVEN is not just a convenience store; it has become an indispensable good neighbor for Taiwan's citizens. The opening of the "Good Neighbor Store" represented PCSC's bid to reach out to rural communities, support local community development, and bridge rural-urban divide in terms of service provided.

The incorporation of local folk motifs by the store has created a welcoming and homely touch. Elements of the traditional courtyard house, temple-style windows, and decorative eaves all help to harmonize the store with the local environment.

Neimen has a population of just 15,000, with 16.7% being elderly farmers. Due to the high population of seniors in the local area, the "Good Neighbor Store" has 39 seats and a Health Station where local residents can take their blood pressure measurements any time. A health and vitality section featuring soy milk, malt beverages, and products of Uni-President Organics Corp. was also introduced to the product assortment to benefit the health of local residents. The store was also designed based on the 2nd generation green energy house concept. Apart from making extensive use of energy-saving devices, a garden made out of red brick walls and pebble pavement was created to showcase the green environment. Because motorcyclists touring the island of Taiwan must travel through Neimen, there are a total of 17 motorcycle parking spaces provided for tourists.

Looking beyond the 5,000 store mark, 7-ELEVEN will continue to open new stores in response to the demands from local communities, and even from residents of offshore islands, to fulfill our promise to bridge the rural-urban divide.



52

Opened the 52nd offshore store in "Lanyu"



The 7-ELEVEN Lanyu Store opened its doors on September 19, 2014. This is also the easternmost 7-ELEVEN store. To fulfill our promise to bridge the urban-rural divide, many of the longstanding community welfare practices on the main island of Taiwan were also replicated in these regions. For example, we noticed the local residents only had one family doctor and a dentist in the area; therefore a Health Station was established in the store to provide blood pressure measurements. On the store's opening day, we partnered with the Liver Disease Prevention & Treatment Research Foundation to send a team of professional physicians from Taiwan and organized the largest free liver disease screening event ever held in the area.

We also took note of how inconvenient it was for the local people to purchase everyday items. Accordingly, we increased our store inventory level. To help local residents keep up with the latest news, daily newspapers are flown in by a small aircraft from Taitung. Store services such as ibon, e-commerce in-store pickup, and payment collection are all provided as well. Instead of dealing with the hassle of traveling all the way to Taitung for the purchase of public transportation tickets, concert tickets, and exhibition tickets, the 4,000 local residents can now purchase the latest products online. Since the franchisee and store staff are all locals, they have no trouble communicating in their own tribal language with seniors visiting the store to make purchases. 7-ELEVEN has become a good neighbor for the people of Lanyu, and is also helping to stimulate development for the local economy.



4.2 Good Neighbor Foundation

The "Good Neighbor Foundation" was established by PCSC in 1999 to fulfill our corporate social responsibility and bring our corporate resources to every corner of the society. 2014 was the Foundation's 15th year in operation. The Foundation has actively invested in establishing community relationships, improving life quality, and supporting local culture. Since 2009, staff from 7-ELEVEN stores throughout Taiwan have been encouraged to connect with the local community, look after disadvantaged groups, and support rural education. The goals are to enrich the local spiritual life, to improve their quality of life, and "to become the community service center."



2014 Good Neighbor events

January to March

- Continuing the call to support rural development in the movie "Bridge over Troubled Water", we continued to help Jiaxian Elementary School convert its reading room into the "Good Neighbor Library" and a local community center
- To develop new ways of supporting rural education, we teamed up with Teach for Taiwan and visited Chia Chung Elementary School in Tainan
- Accompanied the judging panel from the Duskin Ainowa Foundation in hosting the final selection for the 16th Duskin Disability Leadership Program that will be trained in Japan

April to June

- Launched the OPEN! Cares rural hospital charity road tour in partnership with 12 rural hospitals including Pingtung Christian Hospital, Chiayi Chang Gung Hospital and Taitung Christian Hospital
- The first Teach for Taiwan teacher interviews were held to recruit young teachers for remote rural areas

July to September

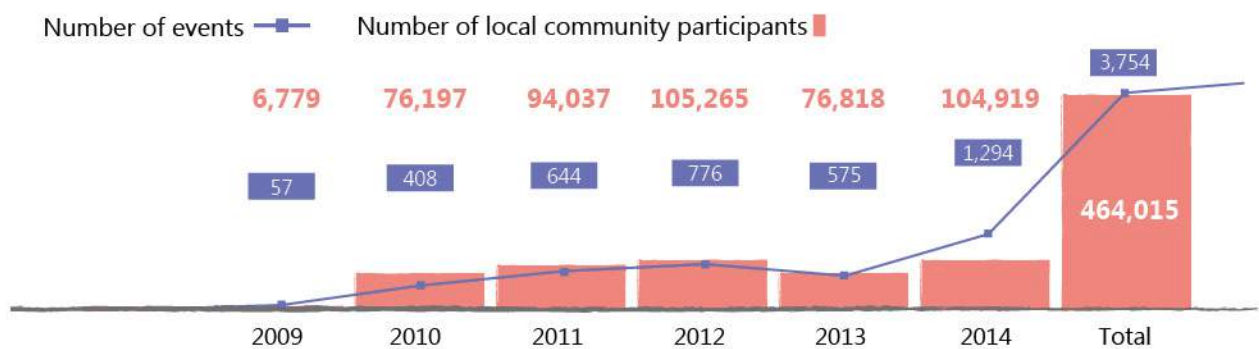
- On 7-ELEVEN DAY, nearly 200 stores around Taiwan joined in hosting Good Neighbor Funfest events such as one-day store managers, health checkups, and senior challenges as part of our community building effort and to give back to the society
- The "89 Waist-Measurement Day" and National Health Exam Month were held in partnership with the Taiwan Millennium Health Foundation to promote the prevention of metabolic syndrome. For the first time, residents were encouraged to pay attention to their health by having their blood pressure and waist measurements taken at selected Millennium Health Stations during the months of September and October at selected 7-ELEVEN stores in return for a special gift
- Representatives from Taiwan who participated in the 16th Duskin Disability Leadership Program departed for Japan to start their training
- The first batch of teachers recruited through Teach for Taiwan began teaching at remote rural elementary schools located in Tainan and Taitung

October to December

- More than 1,000 Good Neighbor Funfest activities were held in December

■ Good Neighbor Funfest

The "Good Neighbor Funfest" is a key initiative of the PCSC Good Neighbor Foundation. There are 365 villages and townships in Taiwan, each with their own rich culture and stories. To connect with the local community better, the Good Neighbor Foundation began organizing the "Good Neighbor Funfest" in fall of 2009 to promote community events that bring society and people closer together and bring out the simplest and most adorable side of human nature. As of 2014, we have organized more than 3,700 neighborhood funfests to celebrate various holidays, perform community environmental protection, and help disadvantaged children. The Good Neighbor Foundation will continue to work toward a more harmonious community, so that everyone becomes a good neighbor.



In 2014, there were a total of 193 Good Neighbor Funfest events including one-day store manager camps (for children and seniors) on 7-ELEVEN Day, senior challenges, and health exams. More than 10,000 people participated.



+ Festivals 22.80%

Invite local residents to participate in the holiday festivities at the store to get in the holiday mood.

+ DIY Cooking 12.44%

Promote happiness between parents and their children through creative cooking where they eat and play as they cook.

+ Healthy living 9.08%

Organize health exams or lectures on lifestyle topics such as everyday healthcare, food safety, and body-care to a better lifestyle.

+ Caring for the disadvantaged and the community 51.23%

Build up consensus within the community by appealing to their love for the land, caring for disadvantaged individuals, and taking an interest in local events.



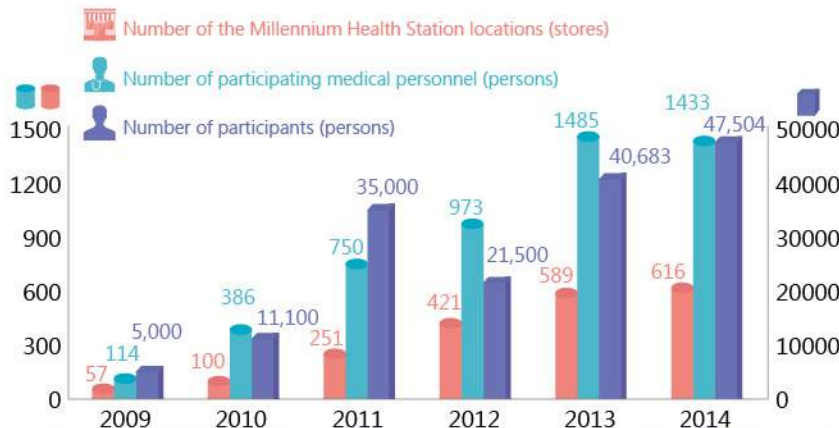
+ Community environmental protection 4.45%

Encourage stores and residents to value their surrounding environment, as well as cultivate eco-friendly behaviors and habits in their daily lives.



7-ELEVEN Millennium Health Station

The Good Neighbor Foundation began partnering with the Millennium Health Foundation in 2009 and established Millennium Health Stations at selected 7-ELEVEN stores to provide the general public with the services of blood pressure and waist measurement. Free community health exams were also organized in conjunction with medical groups or health clinics to lead people in "practicing a 3D Healthy Lifestyle" (Do Control, Do Health Diet, Do Exercise) for preventing high blood pressure, high blood sugar, and high cholesterol, as well as fighting against metabolic syndrome. The number of participants have grown 12 times over the last five years since established. Around 4.3 million people have had their blood pressures measured at the health station each year.



■ Supporting education in rural areas: Teach for Taiwan (TFT)

Carrying over the spirit of caring for rural education and the disadvantaged from 2013 New Jiaxian Store's endeavor to encourage reading and the mini-documentary "Bridge over Troubled Water," PCSC and Teach for Taiwan continued to support the cause by recruiting and training young outstanding teachers for remote rural regions. By providing rural children with quality education, we will create an opportunity to make a change for the next-generation. The program also provided an opportunity for cultivating future leaders in various fields, and helped bring forth a rural transformation. Such a positive influence will help narrow the gap in terms of educational resources within Taiwan.

📌 Action Plan of the Program

We teamed up with Teach for Taiwan (TFT), a new non-profit organization, to negotiate with elementary schools located in remote areas on openings for replacement and substitute teachers. Idealistic young people from different backgrounds and fields were recruited to teach for two years in rural regions with limited resources. For the first group of volunteers, TFT focused their efforts on training new teachers, while the Good Neighbor Foundation provided the funds for the teachers' salaries and the corresponding training and support costs.



Teach for Taiwan

📌 2014 Accomplishments



📌 2015 Follow-up Program

1. Supporting the frontlines of education

- a) Additional funding for teachers to help transform rural education
- b) Leveraging corporate core advantages to supplement rural resources
 - Expanding the read-for-treats program from Jiaxian to other schools.
 - Launching the "Good Neighborhood Classroom" outdoor curriculum (using nearby 7-ELEVEN stores as classrooms)
 - Connecting TFT teachers with Uni-President's demands for talent to increase the diversity of our corporate human resources

2. Promotion to increase public awareness

Nation-wide promotion through our stores to raise awareness on rural education



Environmental Protection Pioneer - Guanxi Store, Luzhu District, North III Zone

The Environmental Protection Pioneer Camp held by Guanxi Store invited local children to wear soccer jerseys made from recycled materials. Then they inspected all the products in the store to learn about their materials. The children also learned about the recycling of waste materials (e.g. batteries, PET bottles). The fun and interactive lesson on the importance of recycling and environmental protection was attended by 100 children.

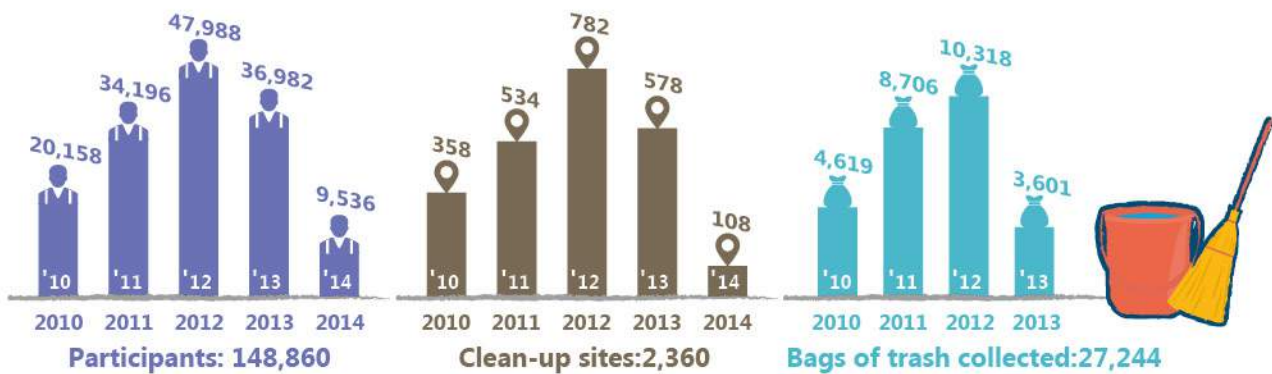


▪ Clean Up the World - Connect with the world to love our Earth

The Clean Up the World movement originated in Australia; since its launch in 1993, it has become one of the most important global environmental protection initiatives. Since 2001, the Good Neighbor Foundation has partnered with Clean Up the World in Australia to launch the event of "Clean Up the World - Environmental Protection in Taiwan." By recruiting volunteers for clean-up efforts as well as promoting recycling and garbage reduction, this will hopefully make environmental protection a part of everyone's everyday attitude and habit. The event has become the largest national environmental volunteering event in Taiwan since launched in 2001; it has also attracted the attention of over 2,000 businesses and organizations including the Environmental Protection Administration, Taipei City Government, Chunghwa Telecom, E.Sun Bank, and the International Rotary Club, with over NT\$40 million invested in manpower and resources. More than 400,000 people answered the call to clean-up nearly 7,000 sites around Taiwan such as the tourist night markets, Nanwan beach at Kenting, Cingjing in Nantou, and offshore islands. Over the last 13 years, it has gradually made environmental clean-up a regular habit among Taiwanese.



The Good Neighbor Foundation changed its format in 2014 from organizing large events to local community activities throughout Taiwan, in order to attract more localized participation; these included recycling competitions, Environmental Protection Pioneer Camps, and DIY Environmental Protection Coffee Grounds Reuse. September was also declared the "Environmental Protection Month" to encourage 5,000 7-ELEVEN stores throughout Taiwan to hold various kinds of environmental protection events. 15 outstanding store managers also organized large-scale community clean-up events under their own initiatives. By using the store as a platform for public participation, this helped to plant the seeds of environmental education everywhere. External groups and organizations were also encouraged to support the movement by selecting their own clean-up sites, and to make contributions to the planet in their own ways during the month of September in order to create a cleaner environment and a better society.



▪ OPEN! Cares Rural Road Show Provides Care for Child Patients

"Caring for Child Patients" campaign established by the Good Neighbor Foundation in 2010 has visited 10 different counties and cities, 15 hospitals, and around 800 child patients over the last 4 years. To help our corporate charity resources reach more townships and hospitals, the Good Neighbor Foundation launched the "OPEN! Cares" project in 2014 to go beyond major metropolises and into tier 2 and 3 cities, as well as rural townships to visit child patients in rural hospitals. Over NT\$1 million in manpower and resources were invested into the program including the dedicated website (www.goodneighbor.org.tw/opencares/index.html), the OPEN-chan nurse design, entertaining performances, and gift sets.

In 2014, our caring efforts were extended to 12 rural hospitals in Taitung, Chiayi, Kinmen, Nantou, Hengchun, Penghu, and Yunlin. Nearly 2,000 people took part to bolster the spirits of more than 1,200 young children. After a year of study, we discovered that due to a higher percentage of skipped-generation families, inadequate medical resources, and limited understanding of proper medical treatments available, children with development disorders have become one of the focused concerns at rural hospitals. Though specialized treatment programs are available at the hospitals to provide these children with the external stimuli they need, the lack of resources in rural regions meant that few outside groups are willing to invest their manpower and funding to supply direct intervention. The Good Neighbor Foundation was therefore the first outside partner for many rural hospitals. Apart from bringing the children happiness through exciting performances and interactive games with OPEN-chan and Momo, events were also tailored to the hospitals' own health education campaigns. The "Mini Store Manager" event for children in early intervention programs also used the learning-through-play method to teach the right knowledge and concepts to parents and child patients; it also helped the kids to open up and embrace their lives with a smile.

Highlights from each hospital event are available on the OPEN! Cares website
Event website: <http://www.goodneighbor.org.tw/opencares/about.html>



[Case Story] An Autistic Boy named "Heart" and OPEN-chan

Heart was diagnosed with autism; he had just started elementary school. His dream of playing games and hugging his idol, OPEN-chan, has now been fulfilled at last. This heart-warming event occurred at the 8th stop of the "OPEN! Cares" road show co-organized by the Good Neighbor Foundation and the St. Joseph's Hospital in Yunlin. Heart's excitement was plain for all to see. When he saw OPEN-chan, he couldn't but laugh and jump excitedly for a "Love Hug" with OPEN-chan! OPEN-chan provided Heart with plenty of encouragement as well. Heart's father stated that OPEN-chan had become an important channel for Heart to open up with the outside world; it was also the catalyst for Heart to venture beyond the prison of his own mind and accept external stimuli. When he saw how Heart's ability to express himself gradually improved, and when he learned how to express his ideas through drawings, with OPEN-chan as the main subject in all of Heart's drawings, as well as earning 1st place in the junior division of the national elementary student drawing competition, Heart's father felt extremely proud of his son and hoped their story can serve as an inspiration for other families.



OPEN-chan presented Heart with a gift box, which made him so happy that he gave OPEN-chan a big kiss



4.3 Bringing People Together through Charity

▪ In-store Donations of Spare Change

In 1988, 7-ELEVEN launched the "Bring Back the Love" charity campaign by placing donation boxes inside 7-ELEVEN stores. Consumers were encouraged to donate the change from their purchases to charity no matter where or when under the concept of "charity at any time." The donations of spare change went to help those in need. The spirit of charity is Always Open! Total donations surpassed NT\$279 million in 2014, while donations of spare change increased by 2% compared to the previous year as well.

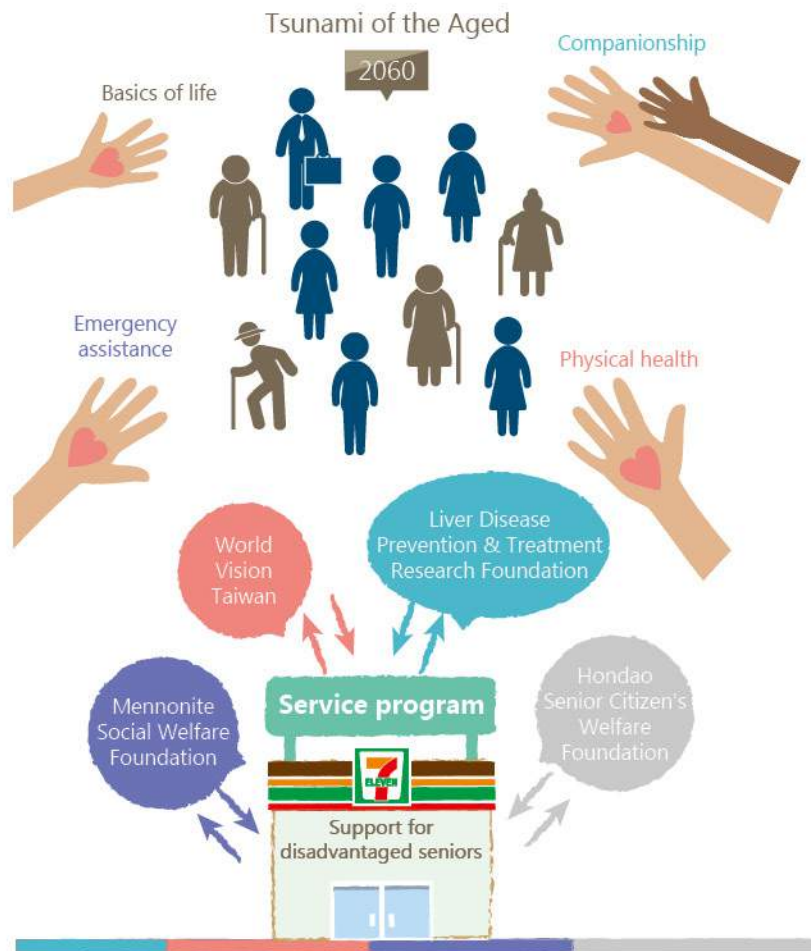
Even spare change can make a big difference. 7-ELEVEN is entrusted with the very careful selection of charities it works with from the public.. A cross-functional team made up of finance, audit, and legal affairs personnel validates the financial affairs of each charitable organization thoroughly before planning actual co-operative projects. Apart from supporting the charity's basic services, we also conduct extensive discussions to see how our resources and support can help them achieve even more. Once an event is underway, 7-ELEVEN is also responsible for clearing the donation boxes every week and conducts monthly audits on the donations to ensure transparency in cash flow and financial accounts. The public can therefore be assured that their generosity is not going to waste.

We work diligently to guard your patience



To raise the visibility of non-profit organizations and encourage more people to donate, 7-ELEVEN has been supporting in-store fund-raisers through its channel resources for decades; this is backed by extensive manpower, materials, technology, and cash flow systems. Nearly NT\$100 million is invested every year in the running of the donation mechanism. We also use our own media channels such as the "Love World" fan page on Facebook as a promotional tool. We hope to act as a herald in the awakening of public generosity and deliver resources to those who are truly in need.

A report from the Council for Economic Planning and Development indicated that the combined effect of a low birth rate and growing number of seniors means Taiwan is now the fastest aging countries in the world. By 2060, 4 in every 10 people will be 65 years of age or older, with 2 out of the 4 being over 80. The "Tsunami of the Aged" brings many problems. There are now nearly 2.7 million elderly people in Taiwan, and 1/3 of them (around 900,000) reportedly suffer from economic hardship, living alone, disabilities, dementia, or serious physical/mental illnesses which create even more social problems. To increase awareness on the topic of disadvantaged seniors, 7-ELEVEN changed its 26 years tradition on in-store fund-raisers. We partnered with Taiwan's top four charitable organizations (World Vision Taiwan, Mennonite Social Welfare Foundation, Liver Disease Prevention & Treatment Research Foundation, and Hondao Senior Citizen's Welfare Foundation) to set up service programs focused on four key aspects: emergency assistance, companionship, physical health, and basics of life. We hope this will inspire the people of Taiwan to join us in taking an interest in the topic of disadvantaged seniors, help more disadvantaged groups together, and bring back the love together.



By focusing on the theme of disadvantaged seniors throughout the year and using 7-ELEVEN stores around Taiwan as a fund-raising platform, we aim to raise public awareness on the severity and urgency of this topic.



See them Listen to them We can do more to help them...

2014 Fundraising Results

\$


Q1 (01.01~03.31)

Last time, I carried his father on my back - Disadvantaged Skipped Generation Family Assistance Plan (World Vision Taiwan)

Donations (NTD)

38,486,113

The program serviced 9,650 people. Helping those over the age of 65 with paying for home repairs, upgrades, or furniture/equipment/auxiliary aids used for everyday living to prevent debilitating injuries at nearly 300 households, as well as 1,867 seniors living alone. Meals-on-wheels service was also provided to 300 house-bound or handicapped seniors.

Donations (NTD)

37,950,793

Assisted a total of 1,342 skipped generation families where the grandfather/grandmother is the primary care provider or source of support dealing with difficulties due to injuries, illnesses, accidents, or family problems.

Q2 (04.01~06.30)

Good Neighbor Home Refurbishment Plan for Disadvantaged Seniors (Hondao Senior Citizen's Welfare Foundation)


**Total
NT\$153,787,396**

Q3 (07.01~09.30)

Save the Liver Rural Hepatitis Screening Plan (Liver Disease Prevention & Treatment Research Foundation)

Donations (NTD)

36,658,453

Provided disadvantaged seniors from eastern Taiwan with consistent and reliable care services 320,000 times. Provided meals-on-wheels services 2 meals a day, 6 days a week, 120,000 total times for disadvantaged seniors. Every Sunday, the meals-on-wheels service also delivered meals to 7,500 impoverished seniors without family members to prepare meals during weekends, or unable to prepare meals on their own.

Donations (NTD)

40,692,037

Liver disease screening for seniors over the age of 55 in rural regions, along with 12 basic health exams including cholesterol, pre-meal blood glucose, and triglyceride testing. Provided 1,000 seniors over the age of 55 with basic health exams; conducted blood tests for liver disease for 8,000 individuals.

Q4 (10.01~12.31)

No Weekend Rest for Grandpa's Meals (Mennonite Social Welfare Foundation)



[Case Story] Meal Deliveries for Seniors Living Alone in Hualien

According to the Mennonite Social Welfare Foundation, which has been delivering meals to Hualien seniors living alone for long periods of time, around 14% of disadvantaged seniors require meal deliveries on weekends. Meal deliveries, however, are hampered by a lack of resources and the long, winding roads that make travel difficult. With 7-ELEVEN's extensive community presence, we solved these problems by providing local care and support.

Store managers at 16 7-ELEVEN stores in Hualien form the "Good Neighbor Meal Delivery Team" to deliver lunch and dinner to seniors living alone each Sunday. In addition to meal deliveries, they also observed and reported on the seniors' health conditions to provide seniors living alone with a safety net.



[Service Story] Shu-jen, Store Manager of Lianji Store, noticed her service client Grandma Wen was looking troubled. Upon inquiring, she learned that Grandpa has been feeling unwell and was bedridden for days. Apart from providing moral support, she also reported the situation to the Mennonite Social Welfare Foundation's Meals and Care Center to request further assistance. The next time Shu-jen saw Grandma Wen, Grandpa had fully recovered and Grandma was all smiles again. Being familiar with Grandma Wen's family situation, Shu-jen also made meal deliveries during the 5-day Chinese New Year long holiday of her free will to make them feel the love and support from the outside world.



A Sunny Grandma

Nanny Wu's Happy bathing Dream

In early 2014, Nanny Wu fell down a set of stairs, but the fall was just the start of her troubles. The only bathroom in their house was located on the second floor, yet her injuries, which made walking difficult, had turned climbing up the steep, narrow stairs a nightmare. Her only son was a dialysis patient and was too physically frail to help his mother fulfill her dream of having a proper bath. As a result, she lived three months without taking a shower. For someone who had always kept herself clean, her "scaly-skin" really weighed on her mind. Hondao volunteers arranged for a volunteer to take Nanny Wu to a nearby elderly care institution for weekly baths. A bathroom was also added to a corner of her house on the ground floor under the "Home Refurbishment Plan for Disadvantaged Seniors". The extra-wide doorframe and the height of the sink were all tailored to Nanny's needs. Hondao Senior Citizen's Welfare Foundation also helped her apply for home care service from the government so that a live-in care provider can visit Nanny Wu at home to help her with taking baths. In addition, the meals-on-wheels service and a hearing aid were also organized for Nanny Wu so she could eat the right foods and communicate more easily with others.

Nanny Wu said her first bath in the new bathroom made her feel really happy and touched. Being able to take a bath also made her feel so much better. The meals delivered by volunteers are easier to chew as well, so she now has more of an appetite and eats more. She also feels a lot better and her legs are becoming stronger. She believes that she will be out of the wheelchair very soon!

Through the "Good Neighbor Home Refurbishment Plan for Disadvantaged Seniors" program, 7-ELEVEN and Hondao added a spacious bathroom for Nanny Wu. The width of the doorway and the height of the sink were all tailored to Nanny's needs



ibon Charity Donations

Since 2008, we began using ibon kiosks to set up an always-open charity platform where customers can choose which charitable organization they would like to donate to. In 2014, we raised a total of NT\$125,380,000, with each donation averaging NT\$953.

Year	Total number of donations	Total amount donated (NTD)	Average amount of each donation (NTD)
2008	29,334	16,901,610	576
2009	40,013	18,616,246	465
2010	53,521	30,598,496	572
2011	103,135	83,436,156	809
2012	67,361	36,281,975	539
2013	67,754	35,827,244	529
2014	131,593	125,382,633	953
Total	492,711	347,044,360	704

Kaohsiung Gas Explosion

For some victims, the Kaohsiung gas explosion not only destroyed their homes, but also brought painful physical injuries or sadness over losing family and friends. Children who witnessed the disaster also needed external support to recover from their grief. Therefore, 7-ELEVEN focused its efforts in three areas: post-disaster reconstruction, physical and mental therapy for burn victims, and caring for children from the disaster area. We partnered with the Kaohsiung City Government, World Vision Taiwan, and Sunshine Social Welfare Foundation to collect donations through ibon kiosks at all stores throughout Taiwan, so that help can be promptly delivered to those in need.

NT\$ **58,454,028**

was raised to help victims of the Kaohsiung gas explosion (8/1~8/31)



Pray for Kaohsiung!



Uni-President donated NT\$10 million immediately following the incident, and released 7-ELEVEN resources for emergency relief efforts. Apart from setting up supply centers at two stores in the disaster area for victims and rescue team members, we also shipped supplies to the emergency housing centers such as onigiris (500 rice balls), drinking water (450 cartons), instant noodles (200 cartons), bread (500 pieces), and personal hygiene items (250 adult and children's toothbrushes, 200 tubes of toothpaste, 200 towels, etc.) During this period, President Musashino Corp. worked overtime to prepare onigiris while logistics trucks were also assigned to assist with deliveries on demand. More than 100 people were mobilized. 7-ELEVEN proudly stands together with Kaohsiung residents from the disaster area and offers its full support right at the frontline!

