

01

Implementing Sustainable Management

7-ELEVEN Global Sustainable Development Declaration

7-ELEVEN will promote sustainable development in the global society and the communities we serve in a balanced and consistent manner in the areas of economy, society and environmental protection.

From now till the end of 2030, 7-ELEVEN will honor its commitments, including achieving sustainable and eco-friendly economic growth and co-prosperity, while providing decent work for the public.

In line with the United Nations Sustainable Development Goals (SDGs) #17, we will strive to fulfill our commitments and realize this global partnership. We will also work together to take into account the situation faced by each authorized country and its local development while implementing the goals.

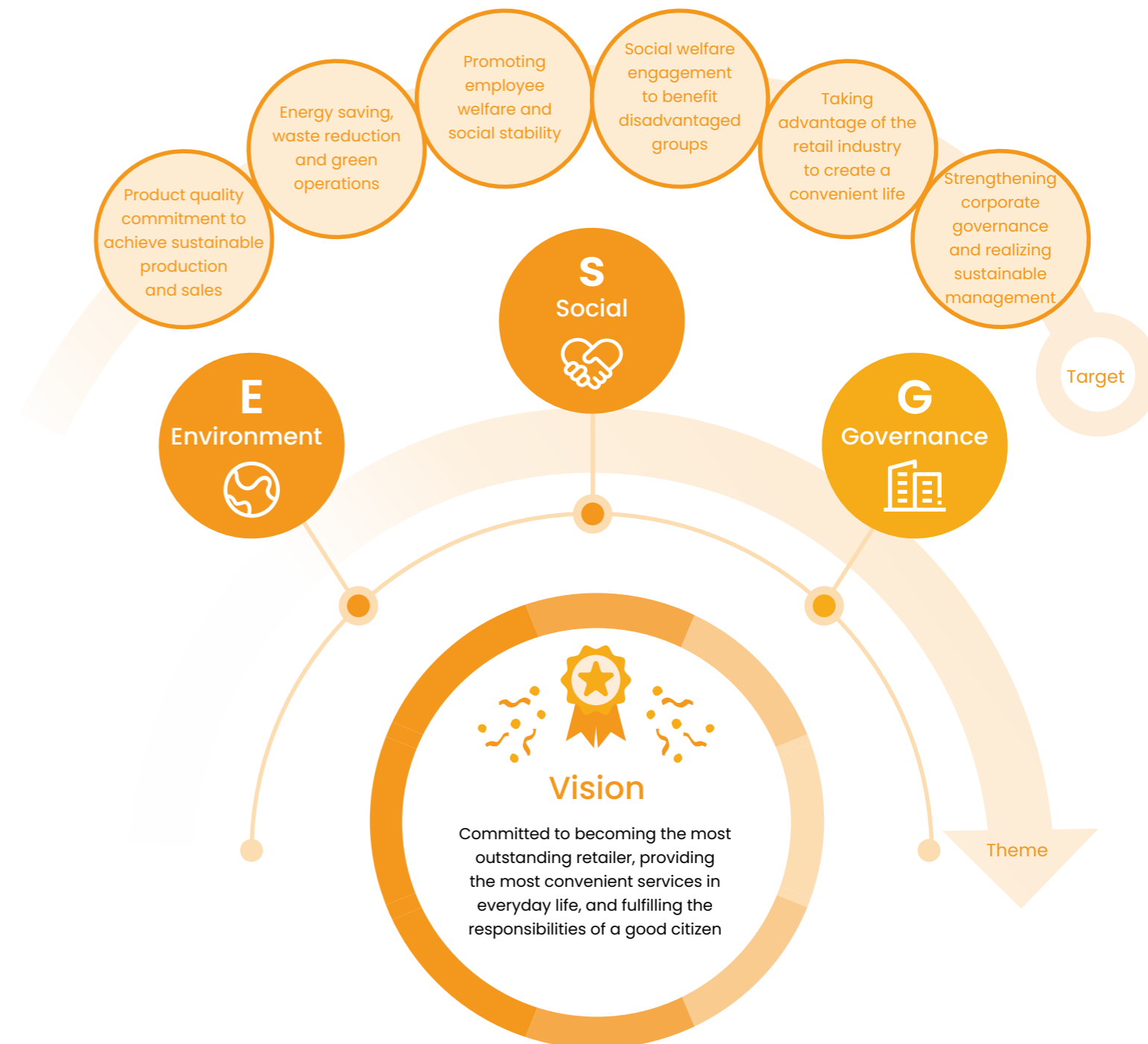
1.1 Blueprint for Sustainable Management

PCSC believes that corporate sustainability is the core of corporate operations. A strong management mechanism must be formulated in order to achieve sustainable development, while drawing up a clear blueprint and engaging in continuous communication with stakeholders. To this end, PCSC has set up a Sustainable Development Committee and Sustainability Task Forces to draw up a blueprint for sustainable development with the hopes of achieving constant breakthroughs and innovations in terms of operations, economy, environment and society to become a corporate leader in sustainable operations.

Continuing with "Year One of Sustainability" in 2021, PCSC has made 2022 the "Year of Sustainability Action" to strive for the three goals of Environment, Social and Governance. To this end, it has focused on furthering the four major task forces in plastic reduction, carbon reduction, food waste reduction and sustainable procurement, as well as basing its operations on the concept of "Planet Sustainability In Our Everyday Life", allowing consumers to practice a sustainable lifestyle and green consumption in simpler and more convenient ways through over

6,600 7-ELEVEN stores. In addition to taking actions towards a sustainable lifestyle and green consumption together with the consumers, PCSC has signed sustainability-linked loans (SLL) with CTBC Bank, MUFG Bank and Taipei Fubon Bank in 2022 to strengthen internal sustainable management. The banks take into consideration PCSC's sustainability-linked performance, with indicators including being selected by DJSI, greenhouse gas emissions, energy intensity and green procurement. If the agreed conditions are met, the banks will take the initiative to lower the interest rate, leading the way to sustainable development together with PCSC through substantial financial incentives and demonstrating "green" power through the operations. In addition to continuous internal improvement, PCSC also actively exchanges experience with sustainable actions with international peers. In 2022, PCSC continued to participate in the 7-ELEVEN Global Summit, and the plastic reduction project won ESG awards in many regions where 7-ELEVEN has been authorized.

Sustainability Impact



PCSC SDG Actions

Committed to becoming a world-class enterprise, PCSC actively responds to the United Nations Sustainable Development Goals by integrating the spirit and concepts of the 17 SDGs into daily operations and performance highlights. We look forward to fulfilling our social responsibilities as a global citizen through integrated management thinking.



GOAL 2: Zero Hunger

Good Neighbor Meal Delivery Team provides meal pickup and delivery services to groups in need.



GOAL 3: Good Health and Well-being

Protecting consumers' health and safety from raw materials to sales: the raw material end is checked through raw material management and quality assurance procedures. The logistics end focuses on the training and management of logistics personnel, and the store end ensures product quality through quality assurance procedures.

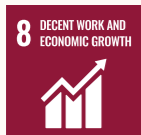
Passing ISO 45001 system verification every year as well as implementing safety and health education and training, safety risk assessments and safety audits to ensure the health and safety of employees.

Health-related public welfare activities are organized such as What Time Is It? Café for delaying the symptoms of dementia, Good Neighbor health activities to enhance public health awareness.



GOAL 4: Quality Education

Promoting the concept of sustainability to parents and children through self-developed teaching materials on the theme. Encouraging children to read through the "one book for one point" as part of the reading incentive program. And actively use the power of channels to cooperate with multiple parties to create the "Good Neighbor Cardboard Library", implement circular economy and improve the reading environment in towns and villages.



GOAL 8: Decent Work and Economic Growth

As part of the targeted project, age-friendly stores organize "age-friendly store manager experience and recruitment events," tailor-made training programs, a friendly working environment as well as building benchmark stores to encourage middle-aged and elderly people to return to the workplace.

Sustainable circular economy project turns PE and empty milk bottles recycled in the stores into materials for sustainable products made by families with cerebral palsy patients and non-profit organizations. The products are sold in the stores, providing employment opportunities for families belonging to the non-profit organizations.



GOAL 11: Sustainable Cities and Communities

Continuing to support local agriculture, fishery, vegetables and fruit with three strategies of "stable procurement," "sustainability" and "planned support."

The Youth Deep Roots Program supports the development of local industries by providing youth groups that promote local agriculture with shared access to resources (physical and online), as well as providing stores as spaces for young people to hold local cultural promotion activities.



GOAL 17: Partnerships to achieve the Goal

Officially became a TCFD supporter in 2022 to stay updated with the response to climate change issues from the international community.



GOAL 12: Responsible Consumption and Production

Setting up a Sustainable Procurement Task Force to increase the proportion of raw material procurement with sustainability certification, improving the sustainability benefits of the overall supply chain in terms of environmental protection, raising animals in a friendly environment, energy saving and carbon reduction.

Setting up the Food Waste Management Task Force to reduce food waste and scrapped food ingredients in three stages, including "production," "order delivery" and "retail" to reduce food waste from the source.

Setting up the Plastic Reduction Task Force to take the three aspects "reduction at the source," "innovative packaging" and "encouraging customers to bring their own containers." Actively partnering with suppliers to develop innovative packaging materials to reduce the consumption of single-use plastic from private-label products and services, as well as reducing single-use containers with discounts. In 2022, the Group developed the "OPEN iECO Recycled Cups Renting Service" to provide convenient services while creating environmental benefits.



GOAL 13: Climate Action

Setting up the Carbon Reduction Task Force to understand the main sources of carbon emissions by obtaining the verification of ISO 14064-1:2018 greenhouse gases, implementing energy-saving measures in stores based on the result, building renewable energy devices and leading the way for logistics partners in low-carbon transition.

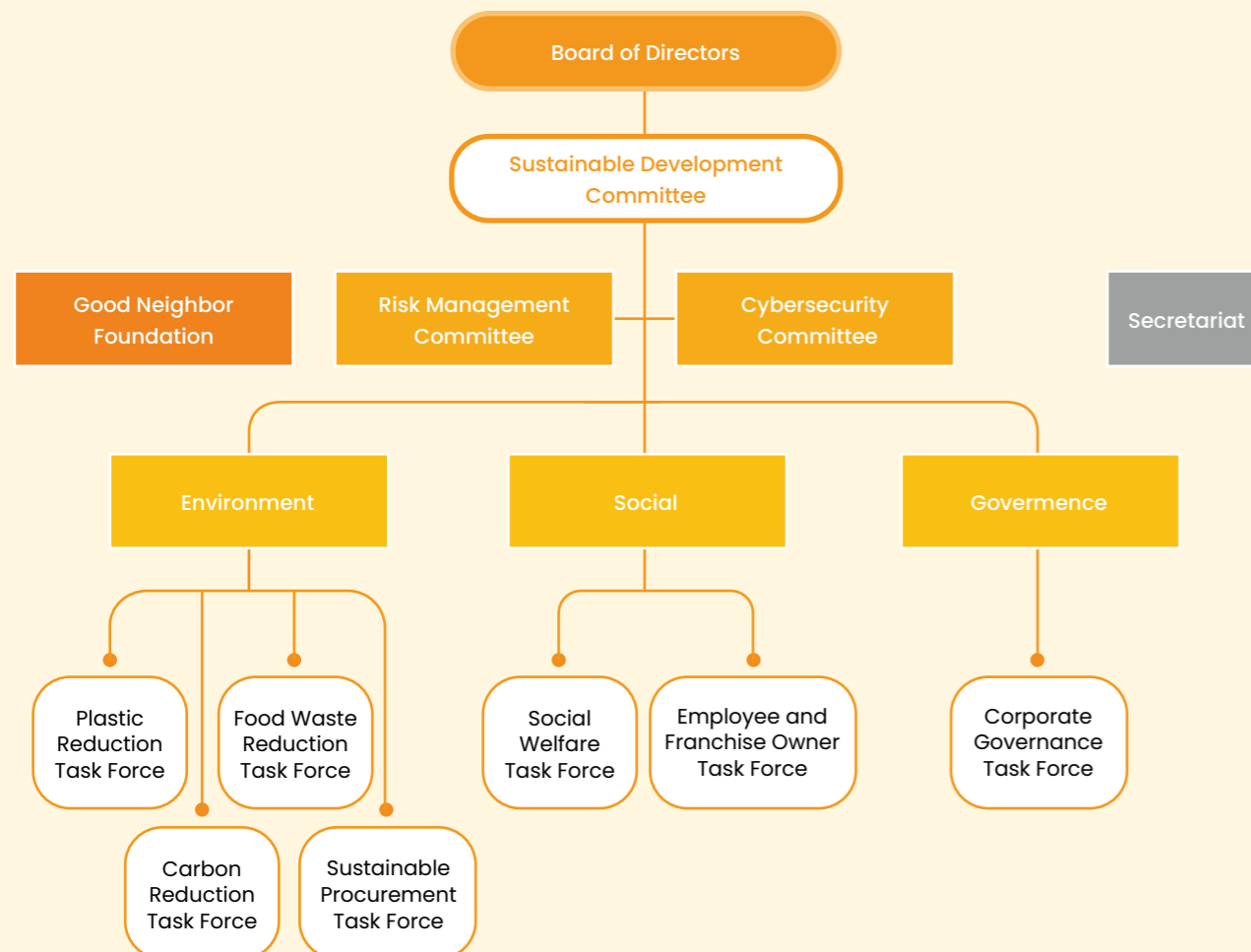
Promoting a low-carbon diet with the "Veggie Selection" brand by continuing to launch innovative vegan and vegetarian food products to contribute to the mitigation of climate change.



1.2 Sustainable Development Committee

To oversee the implementation and management of corporate sustainability, the “Sustainable Development Committee” has been set up under the PCSC Board of Directors. The Sustainable Development Committee is responsible for formulating and supervising the direction and promotion plans for corporate sustainability policy, as well as reporting the annual results to the Board of Directors. In view of the increasing emphasis on information security issues in international corporate governance in recent years, the PCSC Board of Directors resolved in December 2022 that the “Risk and Information Security Management Office” under the Sustainable Development Committee should become the “Cybersecurity Committee” and “Risk Management Committee.”

The Sustainable Development Committee is composed of three independent directors and the Company’s senior executives, divided into three groups in Environment (E), Social (S) and Governance (G). The Environment Group has 4 task forces in “plastic reduction,” “carbon reduction,” “food waste reduction” and “sustainable procurement.” The Social Group includes task forces in “Social Welfare” and “Employees and Franchise Owners.” The three groups are responsible for drawing up and implementing policies in corporate sustainable development, systems, management principles and specific promotion plans. The Sustainable Development Committee convenes twice a year, as well as reporting the performance of implementation and the plans for the following year to the Board of Directors at the end of the year.

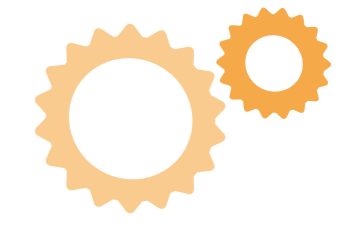


Results of the Current Year

Plans for the Following Year

- Result of the four environment task forces in plastic reduction, such as the self-developed “OPEN iECO Recycled Cups Return Machine” and “Intelligent Automatic Recycling Machines”
- Result of the four environment task forces in carbon reduction, such as low-carbon diet with the “Veggie Selection” brand, installation of renewable energy devices in the Yawan store, calculation and disclosure of financial impact of climate scenarios on key issues of TCFD
- Result of the four environment task forces in sustainable procurement, such as continuing to procure of raw materials and packaging materials with sustainable certification
- Result of the four environment task forces in food waste reduction, such as continuing to reduce food waste and increasing the proportion of recycling and reuse
- Sustainable circular innovation public welfare: combining social welfare and social enterprises to develop a fundraising model for public welfare and sustainable circular economy
- Risk management: optimizing the risk identification process and form, formulating preventive measures to strengthen the effect of risk identification
- Adjustment of the organization of the Sustainable Development Committee and committee member positions

- Expanding the inventory of scope 3 greenhouse gas
- Innovative development of local food ingredients
- Promoting a low-carbon diet
- Managing and tracking the performance of the four environment task forces
- Continuing to further the management of information security issues in terms of management measures, personnel within the organization and technologies

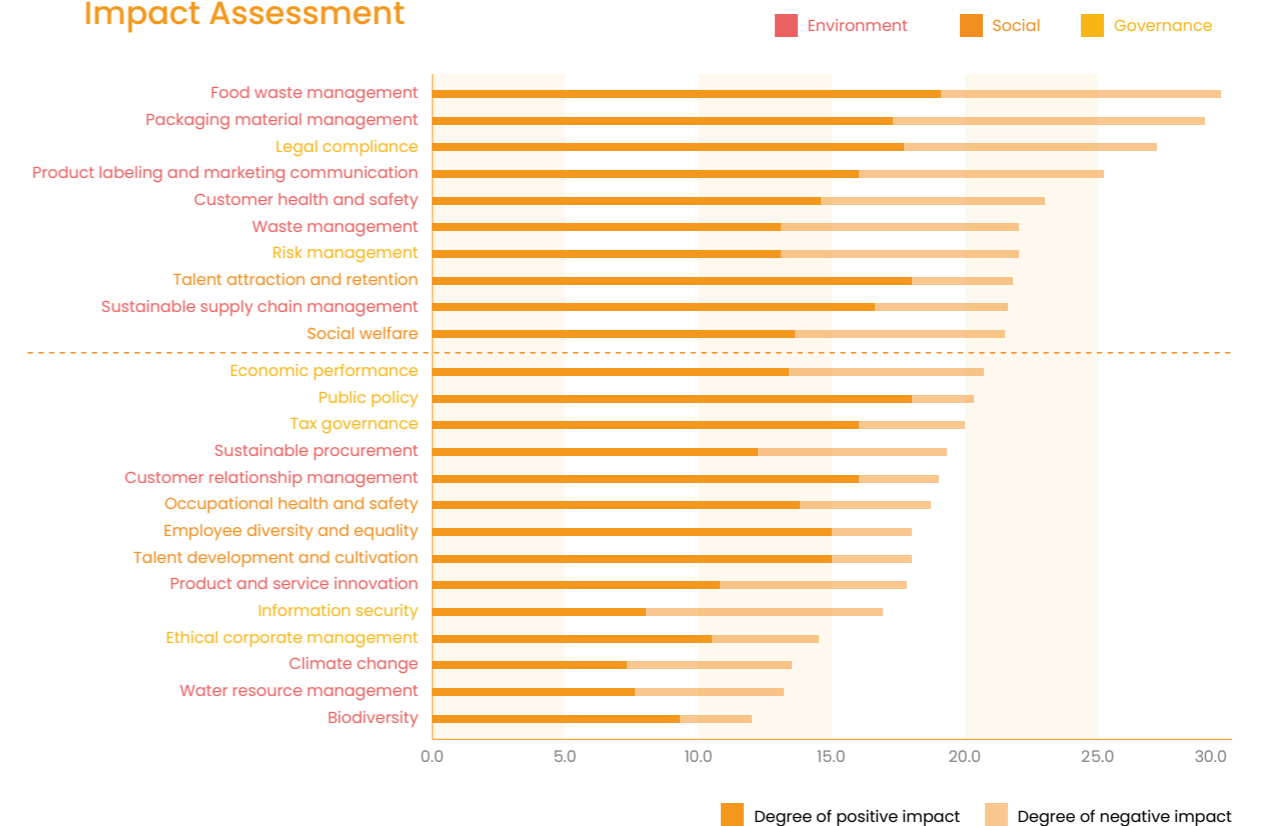


1.3 Materiality Assessment

To identify and manage the risks to sustainable development, PCSC has adopted the four steps recommended by GRI Universal Standards 2021 to conduct materiality assessment. We analyze global trends and collect topics of concerns for our stakeholders. These topics then go through our internal impact analysis to determine the significance of the sustainability issues' impact on economy, environment and human rights. After a primary selection, the material topics are confirmed and elaborated on at regular internal meetings. Finally, it is submitted to the Sustainable Development Committee under the Board of Directors for review, and the chairman of the committee (chief financial officer), who is also a director, approves and resolves the major topics of the year. We review the material topics every year, as well as undertaking the identification procedure every other year to regularly evaluate the impact of the issues as the basis for formulating sustainable development strategies. In the meantime, we follow the principle of transparency to disclose information on the positive and negative impacts of sustainability issues so that all stakeholders have access to more information on the sustainability issues they are concerned about.



Results of Material Topics Impact Assessment




(Note) The materiality threshold means the top ten before the total score of positive and negative impacts were calculated. Information security, sustainable procurement, climate change and occupational health and safety were not considered as material topics in the bar chart during the initial impact assessment analysis. However, the Sustainable Development Committee referred to the principle of double materiality by taking into consideration factors such as the Company's future development and financial impact to include these four topics as material topics.






Description of Material Topics

Sustainability issues are ranked based on the average score associated with the degree of impact, as well as comparing the rankings of material topics this year and the previous year (Note) to obtain ranking changes of material topics in the past two years.

(Note) Due to the adjustment of the GRI materiality analysis methodology, the ranking in the previous year was based on the average score of the degree of impact and stakeholder concern.

 Ascending
  Descending
  New

Material Topic	Description of Impact	Corresponding GRI Standards	Corresponding Chapter (Including Management Policy)	Change in Order
Food waste management	Food waste is not only a waste of food ingredients but also a loss of resources used in food production, including land, water, energy, etc., which may also lead to food security problems. Food waste also emits greenhouse gases during decomposition in landfills. Proper management of food waste can reduce PCSC's impact on the environment and society.	306-1~ 306-5	4.4 Food Waste and Waste Management	
Packaging material management	The characteristics of plastic make it a common packaging material for retail goods. However, due to improper use and management, plastic waste has caused threat to land and marine ecology, and its disposal process has caused significant harm to human health. In response to the trend of plastic reduction, PCSC is committed to reducing plastic pollution in its own operations and the negative impact on the environment and human health.	NA	4.2 Packaging Material Management	
Legal compliance	Ensuring PCSC operations comply with government regulations to reduce the risk of violations, while protecting the rights and interests of stakeholders and avoiding environmental hazards.	2-27 416-2 417-2 417-3	2.4 Legal Compliance 5.2 Occupational Safety and Health	
Product labeling and marketing communication	Product labeling and marketing communications are important channels for PCSC to communicate with customers. Correct product labeling and marketing communications can help consumers make choices that meet their needs, foster trust and avoid risks of violation.	417-1	2.4 Legal Compliance 3.2 Customer Health and Safety	
Customer health and safety	Valuing the health and safety of customers is the most important responsibility and the highest guiding principle of PCSC. To this end, PCSC strives to provide safe products that comply with labeling regulations to ensure the health and safety of customers through the implementation of various management mechanisms.	416-1	2.4 Legal Compliance 3.2 Customer Health and Safety	

Material Topic	Description of Impact	Corresponding GRI Standards	Corresponding Chapter (Including Management Policy)	Change in Order
Waste management	Due to the scarcity of natural resources and the potential pollution caused by waste disposal, reducing resource waste has become an important part in PCSC's value chain operations. Proper waste management reduces waste generation, improve the efficiency of resource utilization to reduce the overall environmental impact of PCSC.	306-1~ 306-5	4.4 Food Waste and Waste Management	
Risk management	Facing ever-changing external risks, mastering and responding to risks is an important key to the Company's sustainable growth and stable operations, allowing the Company to avoid negative impacts on its finance caused by improper management.	NA	2.2 Risk Management	
Talent attraction and retention	By providing competitive talent retention measures, PCSC can attract and retain talents in order to improve employee satisfaction and sense of belonging to the Company. This ensures that PCSC can continue to attract and retain talents to facilitate stable growth of the enterprise.	401-1~ 401-3 402-1	5.1 Talent Attraction and Retention	
Sustainable supply chain management	Consumers have developed an awareness of sustainability by attaching importance to the ESG performance of the companies they purchase from. PCSC champions the sustainable value of its overall supply chain with systematic management and review, as well as encouraging the suppliers to stay updated with issues such as human rights and environmental protection to avoid indirect negative impact on human rights and the environment caused by the supply chain.	308-1 308-2 414-1 414-2	3.3 Sustainable Supply Chain Management	
Social welfare	PCSC takes advantage of its retail channels all over the country to make full use of corporate resources for social welfare, including issues such as elderly care, sustainable urban and rural development, environmental protection and reading education. PCSC works with social welfare groups, suppliers and other partners to create prosperity for the society.	NA	6. Promotion of Social Welfare & Charity	

Material Topic	Description of Impact	Corresponding GRI Standards	Corresponding Chapter (Including Management Policy)	Change in Order
Sustainable procurement	Consumers are increasingly aware of the production methods and sources of the products they buy. Only by continuing to increase the proportion of sustainable procurement can PCSC meet customers' expectations for products, as well as benefiting both the society and the Company while minimizing the impact on the environment. For example, support for local agricultural products can not only reduce carbon footprint to achieve environmental sustainability but also bring economic benefits to local farmers, thereby helping the society.	NA	3.4 Sustainable Procurement	↑
Occupational health and safety	Creating a healthy and safe workplace, reducing the rate of occupational incidents and occupational safety risks, ensuring occupational health and safety of employees and improving employee engagement.	403-1~ 403-10	5.2 Occupational Safety and Health	↓
Information security	PCSC continues to improve information security management and strengthen protection ability to comply with information security regulations with the wave of digitalization, avoiding information security incidents, as well as reducing the risk of personal data leakage of customers and employees to enhance trust in the brand.	418-1	2.3 Information Security and Privacy Protection	↓
Climate change	Properly adjusting the operational strategy of climate change issues will effectively reduce the impact of such issues on the revenue, cost, asset value, goodwill and operations of PCSC, as well as enhancing corporate resilience. Although costs need to be invested in the short term to respond to climate change, energy conservation in its own operations/value chain and development of low-carbon products/services are expected to produce benefits for economy and environment in the long run with the trend of net zero transition.	302-1~ 302-5 305-1~ 305-5	4.3 Climate Change Mitigation and Adaptation	↓

(Note) Ethical corporate management and product and service innovation are material topics in 2021, but they were not material topics based on the impact questionnaire assessment results in 2022. Since ethical corporate management is disclosed by GRI2, and product and service innovation has been the Company's focus with continuous management, the topics were not included in material topics. However, relevant information is disclosed in different chapters of this report.

Corresponding Value Chain Boundary of Material Topics

	Upstream			Company Operations			Downstream		
	Investors	Suppliers	Government Agencies	PCSC (employees included)	Franchise Owners	Affiliated logistics (note) companies	Customers	NGOs	Local communities
Sustainable supply chain management	●	●	●	●	●		●	●	
Sustainable procurement	●	●	●	●	●		●	●	
Customer health and safety	●	●	●	●	●	●	●	●	
Product labeling and marketing communication	●	●	●	●	●		●	●	
Climate change		●	●	●	●	●		●	●
Waste management		●	●	●	●	●		●	●
Food waste management		●	●	●	●	●		●	●
Packaging material management		●	●	●	●			●	●
Occupational health and safety		●	●	●	●			●	
Talent attraction and retention				●	●				
Social welfare				●				●	●
Legal compliance	●	●	●	●	●		●	●	●
Risk management	●	●	●	●	●	●	●		
Information security	●	●	●	●	●		●	●	●

(Note) Affiliated logistics companies include Uni-President Cold-Chain Corp., Wisdom Distribution Service Corp., Retail Support International Corp., and President Logistics International Corp.

1.4 Process Management of Sustainable Targets

PCSC formulates themes and a blueprint for sustainability, as well as setting short-, medium- and long-term quantitative targets in line with material topics to regularly review the performance and target achievement.

➤ Exceeding the target ✓ Achieving the target - Falling short of the target

Theme of Sustainability	Material Topics	Management Metrics	2025 Medium-term Targets ^(Note 1)	2023 Targets	2022 Targets	2022 Performance	2022 Achievement	Management Approaches and Actions
E Environment	Sustainable Supply Chain Management	Proportion of tier-1 suppliers with ESG risk assessment incorporated	95%	80%	100% of significant tier-1 suppliers	100% of significant tier-1 suppliers	✓	Management Approaches in Chapter III
		Proportion of non-tier-1 suppliers receiving the importance of ESG awareness-raising campaign	95%	80%	100% of significant non tier-1 suppliers	100% of significant non tier-1 suppliers	✓	
	Customer Health and Safety	The proportion of A-level stores in the PCSC High-Quality service qualification	72%	70%	70%	59.15%	-	
	Product Labeling and Marketing Communications	Number of incidents of private-label products violating the regulations on product or service labelling and marketing communication specifications	0	0	0	0	✓	
	Sustainable Procurement	Proportion of the cost of sustainably-certified raw materials (base year 2021)	11% in 2025, 14% in 2030	10.55%	9%	14.12%	➤	
		Proportion of cost spent on products with environmental protection and energy saving labels	10%	9.5%	9%	9.43%	➤	
	Climate Change	Proportion of reduction in direct (Scope 1) and indirect (Scope 2) GHG emission intensity (base year 2020)	7%	5%	3%	2.35%	-	
		Proportion of store EUI value decrease compared with the previous year	0.5%	0.5%	0.5%	6.46%	➤	
		The number of vehicles with the latest environmentally-friendly standards introduced in the current year	151 phase VI vehicles	36 phase VI vehicles	16 phase V vehicles	4 phase V vehicles, 98 phase VI vehicles	➤	
	Waste Management	Proportion of volume reduction in waste removal reduction in each store (base year 2019)	40%	35%	13%	31.24%	➤	
	Food Waste Management	Total discarded of food waste	4,461 metric tonnes	5,969 metric tonnes	7,436 metric tonnes	6,206 metric tonnes	➤	
		Proportion of reduction in food waste in factory per NT\$ million of revenue (base year 2019)	45% in 2028; 50% in 2030, 55% in 2050	45%	40%	44.82%	➤	
		Proportion of food waste recycled in the stores (base year 2019)	45% in 2028; 50% in 2030, 70% in 2050	40%	35%	36.12%	➤	
	Packaging Material Management	Proportion of single-use plastic	10% in 2028 and eliminate plastic shopping bags and straws. Completely phase out single-use plastics in 2050.	20%	21%	25.00% ^(Note 2)	-	

(Note 1) Unless otherwise stated in the table, the target year for all KPIs is 2025.

↗ Exceeding the target ✓ Achieving the target — Falling short of the target

Theme of Sustainability	Material Topics	Management Metrics	2025 Medium-term Targets ^(Note 1)	2023 Targets	2022 Targets	2022 Performance	2022 Achievement	Management Approaches and Actions
E Environment	Packaging Material Management	Proportion of cups brought by consumers	18% in 2024; 20% in 2025; 30% in 2030; 50% in 2050	15%	10%	12.18%	↗	Management Approaches in Chapter IV
		Number of stores offering Recycled Cups Renting Service	2300 stores in 2024, 4000 stores in 2025	1000	500	500	✓	
S Social	Occupational Health and Safety	Frequency-severity indicator of employee	Continues to be lower than the average retail industry standard value published by the Occupational Safety and Health Administration, Ministry of Labor in the past three years	Continues to be lower than the average retail industry standard value published by the Occupational Safety and Health Administration, Ministry of Labor in the past three years	Continues to be lower than the average retail industry standard value of 0.42 (2019-2021) published by the Occupational Safety and Health Administration, Ministry of Labor in the past three years	0.21	↗	Management Approaches in Chapter V
		Talent attraction and retention	Proportion of middle-aged and elderly employees in the company ^(Note 3)	27%	25%	24%	24.89%	
	Social Welfare	Amount of in-store cash donation/goods donations ^(Note 4)	\$244 million	\$224 million	\$202 million	\$249 million	↗	Management Approaches in Chapter VI
		Number of Good Neighbor Funfest sessions and participants	18,000 sessions with 340,000 participants	15,000 sessions with 120,000 participants	16,000 sessions with 320,000 participants	9,331 sessions with 80,000 participants	—	
		Number of elderly people served by Good Neighbor Meal Delivery ^(Note 5)	58,000	43,000	40,000	46,496	↗	
G Governance	Legal Compliance	Number of major violations of laws ^(Note 6)	0	0	0	0	✓	Management Approaches in Chapter II
	Risk Management	The number of times to report to the board of directors every year after reviewing risks on a regular basis	1	1	1	1	✓	
	Information Security	Number of violations against customer privacy and the total amount of fines paid for information security incidents	\$0 for 0 cases	\$0 for 0 cases	\$0 for 0 cases	0	✓	
		Number of major information security incidents	≤ 3	≤ 3	≤ 3	1	✓	

(Note 1) Unless otherwise stated in the table, the target year for all KPIs is 2025.

(Note 2) Due to sales growth in 2022

(Note 3) Middle-aged and elderly employees refer to people over the age of 45

(Note 4) Fundraising schedule is adjusted each year depending on the needs of external organizations and social context. Therefore, it is difficult to set goals for future performance based on the result of the previous year. The goal is steady growth.

(Note 5) The goals are adjusted based on the service capacity of public welfare organizations and the needs of the elders they serve.

(Note 6) The materiality of penalties for PCSC refers to the fines where the amount exceeds NT\$100,000.

1.5 Stakeholder Communication

PCSC stakeholders include investors, suppliers, employees, franchise owners, NGOs, government agencies, media and local communities. PCSC bears responsibilities to its stakeholders. To this end, a stakeholder section (<http://www.7-11.com.tw/communication.asp>) has been set up on the PCSC corporate website. A physical mailbox has also been made available, with stakeholder communication compiled and reported to the Board of Directors each year. We aim at understanding the needs and expectations stakeholders have of the Company through a variety of different methods and channels. Other methods and channels of communication are described below.

Investors

Importance to the Organization	Topics of Concern	Communication Channel	Frequency	Number of Communications in 2022
PCSC needs to communicate with investors on business performance and results in various sustainable governance aspects to be held in high regard by the investors	<ul style="list-style-type: none"> Ethical corporate management Risk management Occupational health and safety Labor rights Product and service innovation Customer health and safety Product labeling and marketing communication Customer relationship management Sustainable supply chain management Sustainable procurement 	Annual shareholders' meeting	Regularly (annual)	Once
		Financial statements	Regularly (quarterly)	Four times
		Disclosure through corporate website	As needed	As needed
		Organize/invited to organize road shows	As needed	<ul style="list-style-type: none"> 226 phone conferences 4 online forums
		TWSE Market Observation Post System Website	As needed	146 important messages in Chinese/English
		Answering questions from investors and analysts via face-to-face meetings/ phone or e-mail	As needed	As needed

Stakeholders' Topics of Concern

- Company development strategy and competitive advantages
- Response measures to climate change and opportunities

PCSC response

- Continuing to communicate business development strategies, competitive advantages, profits and ESG actions to investors in quarterly road shows and more than 200 investor meetings.
- Stable distribution of cash dividends every year. A cash dividend of NT\$9 per share was distributed in 2022.
- Introducing TCFD and passing the verification of ISO14064-1 greenhouse gases

Suppliers

Importance to the Organization	Topics of Concern	Communication Channel	Frequency	Number of Communications in 2022
Suppliers are important partners for PCSC operations. We work together with suppliers to develop innovative products, increase product quality and realize professional ethics to achieve the vision of sustainable supply chain and provide great services	<ul style="list-style-type: none"> Legal compliance Risk management Waste management Talent attraction and retention Occupational health and safety Information security 	Management meetings	As needed	2 sessions
		Supplier Conference	As needed	4 sessions
		Supplier audit	As needed	<ul style="list-style-type: none"> 4 procurement meetings 5 product category meetings Over 20 meetings in different categories during the pandemic
		Consultation for information security issues/vulnerability management/incident management	As needed	Enhanced information security agreement with 1 supplier
		Management system verification	As needed	1 external ISO 27001 audit

Stakeholders' Topics of Concern

Deficiencies in tier-1 supplier evaluation

PCSC response

Assisting the suppliers in improving the deficiencies

Customers

Importance to the Organization	Topics of Concern	Communication Channel	Frequency	Number of Communications in 2022
Customers' point of view is an important reference for PCSC to improve its products and services. Customer satisfaction is also deeply intertwined with the Company's operational performance	<ul style="list-style-type: none"> Legal compliance Occupational health and safety Labor rights Product and service innovation Customer health and safety Customer relationship management Information security 	Regular replies by Integrated Services Center ^(Note)	As needed	<ul style="list-style-type: none"> A total of 1,917 emails were sent to the stakeholder mailbox, all of which were addressed by the supervisors of relevant units in the same month A total of 115,548 phone calls were received with feedback and suggestions, all of which were addressed by the supervisors of relevant units in the same month
		Information security complaints/inquiries	As needed	3 inquiries

(Note) 100% of customer letters were replied to on the same day in 2022, and the progress was updated within three working days. The annual case close rate is 100%.

Stakeholders' Topics of Concern **PCSC response**

Customers reported the problem of "fraudulent packages" with MyShip

- Platform of appeal
- Customers can make a complaint on the [MyShip platform](#) by scanning the QR CODE and filling in the form on the fraud complaint platform
- Contact customer service
- PCSC will assist in contacting the manufacturer by requiring the manufacturer to contact the customer with regards to returns
- Product refund
- Once confirmed as fraudulent package:
(1) A cross-border package will be quickly refunded by the consolidator
(2) Local packages will be refunded according to the refund method of the e-commerce platform

Franchise owners

Importance to the Organization	Topics of Concern	Communication Channel	Frequency	Number of Communications in 2022
Franchise owners are at the forefront of providing consumer services. Franchise owner engagement is the key to providing assured and high-quality services	<ul style="list-style-type: none"> • Legal compliance • Talent attraction and retention • Occupational health and safety • Product and service innovation • Customer health and safety • Product labeling and marketing communication • Customer relationship management • Information security 	Update the dedicated franchise website	As needed	As needed
		Planned district consultant visits	Regularly (monthly)	At least 16 visits a week
		Monthly publications	Regularly (monthly)	12 publications
		Franchise owner forums	As needed	13 sessions

Stakeholders' Topics of Concern **PCSC response**

- Subsidies for long-term franchise owners
- Franchise insurance rate
- Labor inspection and occupational safety and health deficiencies
- Caring for the health of franchise owners by providing discounts for leisure and entertainment to ensure work-life balance
- Provide insurance subsidies to protect full-time (part-time) employees of franchise stores and reduce the burden on franchise owners
- Assist franchise owners in improving matters regarding labor inspection

NGOs

Importance to the Organization	Topics of Concern	Communication Channel	Frequency	Number of Communications in 2022
PCSC aims at giving back to the society to support public welfare organizations, in the hopes of maximizing positive influence on the society	<ul style="list-style-type: none"> • Ethical corporate management • Public policy • Labor rights • Social welfare • Customer health and safety • Information safety 	Participation in public welfare/events initiatives	As needed	A total of NT\$463 million charity donations raised
		Bring Back the Love Charity Donation Program fundraising events	As needed	3 times
		Fundraising proposal/review meeting	Regularly (annual)	Once

Stakeholders' Topics of Concern **PCSC response**

- Staying updated with the issue regarding the elderly and localizing elderly care
- Advocating a green lifestyle, ecological protection and environmental friendliness
- Respond to social welfare activities/initiatives
- Manage the [charity platform of "Bring Back the Love"](#)
- Integrate ESG innovations with public welfare actions

(Note) Please refer to [6.4 Promoting Health and Well-being](#), [6.5 Zero Hunger](#) and [6.3 Environmental Protection](#) for public welfare projects regarding the elderly and green lifestyle

Employees

Importance to the Organization	Topics of Concern	Communication Channel	Frequency	Number of Communications in 2022
Employees are the vital cornerstone of PCSC operations, and engagement with employees is the key to its sustainable operations	<ul style="list-style-type: none"> • Talent attraction and retention • Employee diversity and equality • Talent development and cultivation • Occupational health and safety • Customer health and safety • Information security 	Employer-employee meetings	Regularly (quarterly)	4 sessions
		Staff Welfare Committee	Regularly (quarterly)	4 sessions
		Stakeholder mailbox for employees	As needed	217 cases
		Happy Cooperative Society consultations	As needed	<ul style="list-style-type: none"> • The volunteers provided services to 110 people • A total of 65.6 hours of consultation and 16 hours of external professional consultation
		Safety and Health Committee meetings	Regularly (quarterly)	4 sessions
		Information security training	As needed	2 sessions

Stakeholders' Topics of Concern **PCSC response**

Expecting the company to continue to provide a healthy, safe and friendly working environment

- Organized the "Prevention of Workplace Violence and Sexual Harassment" course to enhance a friendly working environment and awareness of respect.
- Continuously conduct labor safety inspections, occupational safety education and training, operating environment monitoring, and contractor management, etc.

Government Agencies

Importance to the Organization	Topics of Concern	Communication Channel	Frequency	Number of Communications in 2022
Government regulations keep changing, and achieving sustainable development requires the collaboration between the public and private sectors. Engagement with government agencies can ensure the compliance and sustainability of PCSC operations	<ul style="list-style-type: none"> Legal compliance Customer health and safety Product labeling and marketing communication 	Internal Regulatory Committee	Regularly (quarterly)	4 times (internal communication)
	<ul style="list-style-type: none"> Customer relationship management Information security 	Comply with systems as promoted	As needed	As needed

Stakeholders' Topics of Concern

To facilitate environmental sustainability, the Environmental Protection Administration intends to formulate a draft of the "Guidelines for Best Practice Regarding Circular Cups." Industry players were invited to offer feedback

PCSC response

- PCSC proposed to add a circular cup certification mechanism, which was included in the plan of EPA together with a good service label for circular cups
- PCSC collected internal feedback and confirmed the operations to provide industry experience for the competent authority, as well as actively exchanging official documents and communications. In December 2022, PCSC obtained the certification as the first company to do so

Media

Importance to the Organization	Topics of Concern	Communication Channel	Frequency	Number of Communications in 2022
Communicating the Company's sustainable business performance to the media so that more stakeholders can understand the sustainable actions of PCSC	<ul style="list-style-type: none"> Ethical corporate management Legal compliance Risk management Climate change Packaging material management Food waste management Employee diversity and equality Talent development and cultivation Customer health and safety Product labeling and marketing communication Customer relationship management Information security 	The Company set up a dedicated contact to release press releases and provide media assistance	As needed	A total of 198 press releases were issued, and a press contact was provided to assist the media in real-time communication

Stakeholders' Topics of Concern

- Specific actions promoted by sustainability projects
- The specific practice and process of the plastic reduction project
- The most special/effective projects among sustainability projects

PCSC response

- 2022 was the "Year of Sustainability Action" for PCSC. With the intention of achieving sustainable production and sales, four task forces have been set up for plastic reduction, carbon reduction, food waste reduction and sustainable procurement with specific **short-, medium- and long-term goals** while promoting sustainability actions in all stores

- PCSC started with the three aspects of "source reduction," "innovative packaging materials" and "encouraging consumers to bring their own containers" to reduce single-use plastic for private-label products and services, developing innovative packaging materials and encouraging the reduction of disposable containers.

(Note) For further details, please refer to [4.2 Packaging Material Management](#)

- The scope of products with reduced plastic was expanded in 2022 with a comprehensive review of private-label fresh food and plastic material replacement. The number of products with reduced plastic doubled compared with previous year. Not only did the project get full marks in the "Packaging Materials" category of the DJSI environment questionnaire, but it also won the "Green Leadership Award" at Asia Responsible Enterprise Award

Local Communities

Importance to the Organization	Topics of Concern	Communication Channel	Frequency	Number of Communications in 2022
Being part of the retail industry, PCSC can be found on all corners of the country. Reducing negative impact on the society and environment during operation is PCSC's responsibility and obligation	<ul style="list-style-type: none"> Climate change Packaging material management Product and service innovation Customer health and safety Customer relationship management 	Good Neighbor Funfest events	As needed	9,331 events
		Good Neighbor Foundation website	As needed	A total of 117,000 people took advantage of the sustainable materials provided on the website

Stakeholders' Topics of Concern

Environmental sustainability literacy

PCSC response

Nine sustainable materials were launched by working with units such as the Society of Wilderness, Tetra Pak, Sisters of Our Lady China Catholic Charity Social Welfare Foundation and Fishbar to touch upon sustainability issues such as paper recycling, plastic reduction, biodiversity and food waste reduction.

1.6 Sustainable Value Chain

PCSC is dedicated to creating wonderful retail experience through investing 6 major sources of capital and continuing to optimize the 7 sustainable management elements of people, stores, products, systems, logistics, institutions and culture to actively promote the mechanism in sustainable management. This evaluates and management the value the Company's overall value chain creates for stakeholders, as well as hopefully maximizing the benefits to enhance the enterprise's sustainable value.

