Implementing Sustainable Management

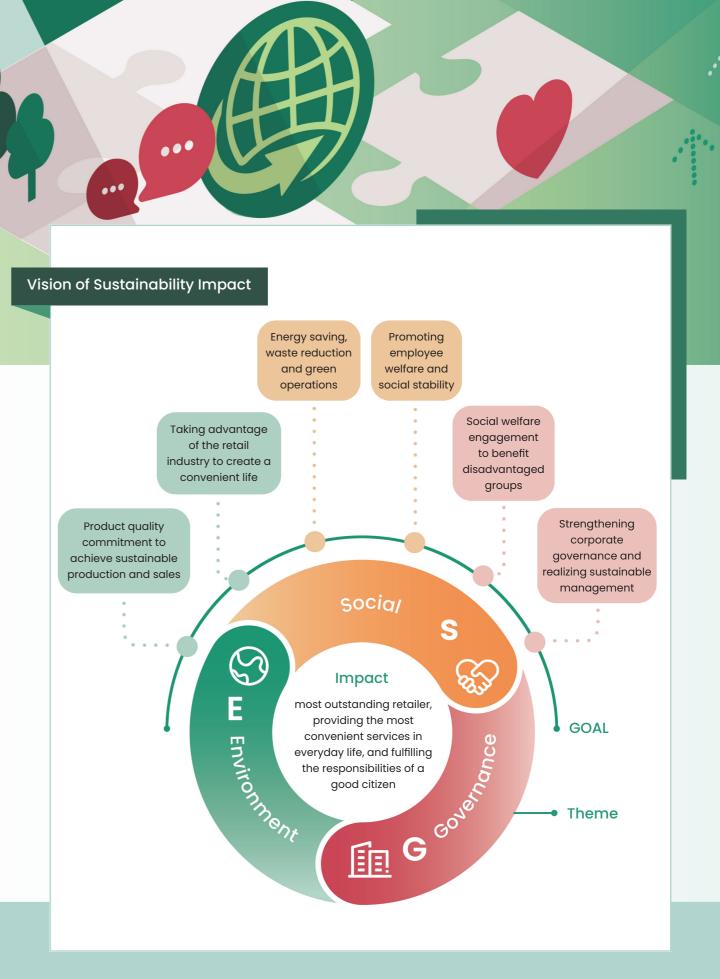


As the global steward of the 7-ELEVEN brand, we challenge ourselves to grow our business responsibly and support businesses and communities within the 7-ELEVEN family to create positive social and environmental impact. We work with global licensees, joint venture partners and conglomerates through our global.

1.1 Blueprint for Sustainable Management

President Chain Store Corporation believes that corporate sustainability is the core of corporate operations. A strong management mechanism must be formulated in order to achieve sustainable development, as well as drawing up a clear blueprint and engaging in continuous communication with stakeholders. To this end, President Chain Store Corporation has set up a Sustainable Development Committee and Risk and Information Security Management Committee 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 as a corporate leader in sustainable operations.

President Chain Store Corporation has continued to make "Planet Sustainability In Our Everyday Life" a reality by striving for the three goals of Environment, Social and Governance. To this end, it has focused on furthering the four major projects in plastic reduction, carbon reduction, food waste management and sustainable procurement, allowing consumers to practice a sustainable lifestyle and green consumption in simpler and more convenient ways through over 6,800 7-ELEVEN stores. In addition to taking actions towards a sustainable lifestyle and green consumption together with the consumers, President Chain Store Corporation has signed sustainability-linked loans (SLL) with CTBC Bank, Cathay United Bank, MUFG Bank and Taipei Fubon Bank to strengthen internal sustainable management. The banks take into consideration President Chain Store Corporation'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 President Chain Store Corporation through substantial financial incentives and demonstrating "green" power through the operations.





Committed to becoming a world-class enterprise, President Chain Store Corporation actively responds to the United Nations Sustainable Development Goals (SDGs) by integrating their spirit and 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 disadvantaged groups.



GOAL 3: Good Health and Well-being

Protecting consumer 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 ISO45001 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" through the reading incentive program, actively taking advantage of our channels to build "Good Neighbor Paper Libraries" with the collaboration of different sectors to realize circular economy and improve the reading environment in towns and villages.



GOAL 8: Decent Work and Economic Growth

Age friendly stores organize recruitment programs for middle-aged and senior job-seekers through tailor-made training programs, a friendly working environment as well as building benchmark stores to encourage them to work at stores.

.....

The "Furbaby Welfare Enterprise Project" circular sustainability project aims at reducing food waste. The project collects salads and fruit food waste from the stores, turns it into freeze-dried food for cats and dogs with the help of employees with disabilities in the sheltered workshop, providing job opportunities. Finally, consumers are invited to participate in freeze-dried food pledging donations for animal rights groups.



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 regional revitalization with shared access to channels (physical and online), as well as providing stores as spaces for youth groups to hold local cultural promotion activities.



GOAL 12: Responsible Consumption and Production

Sustainable Farm turns food waste and coffee ground from the stores into organic fertilizer by adopting a biological and natural method. The fertilizer is then used on President Chain Store Corporation's contracted sustainable farms to restore healthy ecology to the soil. The harvested are used in side dishes for fresh food products or sold as fresh produce in the stores. Carbon emissions are reduced from reusing food waste while creating circular economy business opportunities through small-scale 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." Starting from reducing disposable plastic in our private-label products and services, we work with suppliers to develop innovative packaging materials and provide consumers with discounts to encourage the reduction of disposable containers. The Group also developed the "OPEN IECO Recycled Cups Renting Service" to provide convenient services while creating environmental benefits.



President Chain Store Corporation SDG Actions

GOAL 13: Climate Action

Setting up the Carbon Reduction Task Force to meet the target of Scope 1 and 2 netzero emissions from the main operations by 2050. 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 Veggie Selection and low-carbon rice to contribute to the mitigation of climate change.

......



GOAL 17: Partnerships to achieve the Goal

President Chain Store Corporation collaborates with different stakeholders in various sectors to co-create sustainable impact, including consumers, research institutes, social welfare groups, social enterprises, local governments, farmers, etc., to launch projects such as "Sustainable Farms," "Furbaby Welfare Enterprise Project," "Low-carbon Rice" and "What Time Is It? Café PLUS" to build an ecosystem of sustainable common good.

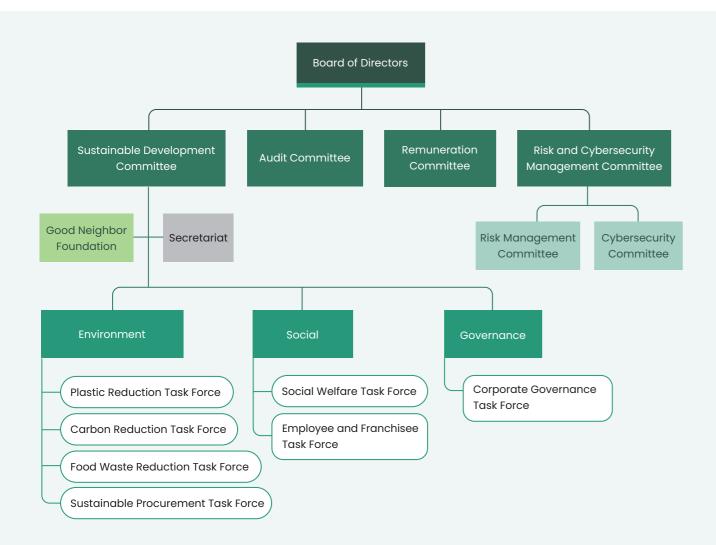
Results of the Current Year

Plans for the Following Year

1.2 Sustainable Development Committee

To oversee the implementation and management of corporate sustainability, the "Sustainable Development Committee" has been set up under the President Chain Store Corporation Board of Directors. Responsible for formulating and supervising the direction and promotion plans for corporate sustainability policy, the Sustainable Development Committee is overseen by the President. In view of the increasing emphasis on information security issues in international corporate governance in recent years, the Board of Directors resolved in November 2023 that the "Risk Management Committee" and "Information Security Committee" should become the "Risk and Information Security Management Committee" under the Board of Directors.

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 Franchisees." 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. In view of the importance of climate governance, the Company also reports the progress of greenhouse gas inventory and verification to the Board of Directors every quarter.





The
Sustainable
Development
Committee
Confirmed
Work Plans

Report to the Board of Directors

Concrete Actions from the Task Force

- Carbon Reduction Task Force: Commitment to achieve Scope 1 and Scope 2 net-zero emissions within President Chain Store Corporation's operations by 2050
- Plastic Reduction Task Force: Commitment to reduce packaging/materials for private-label products by 30% in 2030 compared to 2019, with 50% of the materials replaced by eco-friendly ones
- Sustainable supply chain management: Supplier management/evaluation methods are adjusted according to relevant international industry standards
- Sustainable circular economy: converting and reusing food waste, launching projects such as Sustainable Farms and Furbaby Welfare Enterprise
- Organizational change: merging two committees into the Risk and Information Security Management Committee
- TCFD optimization
- Promoting sustainable supply chain management: expanding the scope of sustainable supply chain management
- Incorporating climate change/carbon reduction into the subsidiaries
- 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, such as the ISO 27001 transition training



23

1.3 Materiality Assessment

To identify and manage the risks to sustainable development, President Chain Store Corporation has adopted the four steps recommended by GRI Universal Standards 2021 to conduct materiality assessment based on the principle of double materiality. The principle of double materiality considers both impact materiality and financial materiality. Impact materiality considers the positive and negative impact of the organization's own operations and value chain on the external economy, environment, and people (including human rights). Financial materiality considers the impact of sustainability issues on the Company's operations, finance and reputation. We analyze global trends and collecting 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 and on the

Oldar Stakeholder Confirmation

9 Stakeholders

Stakeholders with the biggest impact on President Chain Store Corporation were selected based on the five aspects of the AA1000 Stakeholder Engagement Standard, including influence, tension, responsibility, dependency and diverse perspectives to confirm the nine main groups of stakeholders that require constant communication, including President Chain Store Corporation employees, investors, customers, suppliers, franchisees, NGOs, government agencies, media and local communities.

Understanding the organizational context

Identifying existing and potential impacts

02 Sustainability issue collection

24 issues

GRI Standards were adopted as a base as well as taking international sustainable standards and norms (SDGs, SASB, TCFD), sustainable investment institutions (DJSI, MSCI), industry characteristics, peer development and company development goals and information from stakeholder engagement into consideration. 24 key sustainability issues related to President Chain Store Corporation were selected together with their potential sustainability risks.

03

Evaluating the degree of external impact of sustainability issues (impact materiality)

273 valid questionnaires

Evaluating the

70 valid questionnaires

The "Questionnaire for Assessing the

Impact of Sustainability Issues on

Company Operations" was sent to

the members of the three ESG groups

under the Sustainable Development

impact of each sustainability theme

occurrence" and "scale and scope of

influence" of the impact were included

for evaluation, so were both positive

Committee to rate the degree of

on the 5 aspects of "company

operations." The "probability of

and negative impacts.

internal impact of

(financial materiality)

The "Questionnaire for Assessing the Impact of Sustainability Issues on External Economy, Environment and Society" was sent to stakeholders to rate the positive and negative impacts of each sustainability theme on "external economy, environment, and people (including human rights)." The "probability of occurrence" and "scale and scope of influence" were also included in the aspects of impact for evaluation. A total of 273 valid questionnaires were collected from President Chain Store Corporation employees (109), investors (5), customers (31), suppliers (34), franchisees (45), NGOs (14), government agencies (5), media (3) and local communities (27).

Assessing the significance of the impacts

05 Stakeholders' degree of concern

sustainability issues 273 valid questionnaires

This step focuses on President Chain Store Corporation's internal and external impact assessment while taking stakeholder concerns into consideration to help us better understand President Chain Store Corporation's external impact. This year's questionnaire on the degree of concern about sustainability issues and the "Questionnaire for Assessing the Impact of Sustainability Issues on External Economy, Environment and Society" were sent to all stakeholders to rate the degree of concern for each sustainability topic.

company's operations and development. After a preliminary selection, the material topics are confirmed and elaborated on at regular internal meetings before being approved by the Chairman of the Sustainable Development Committee that is also a CFO and Director. Finally, the material topics of the year are presented to the Board of Directors for confirmation. 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 focus.

06 Analysis and Sorting

Based on the result of the analysis of the

previous step, the overall degree of impact

of each sustainability theme on "external

(including human rights)" and "company

operations and development" is analyzed

and sorted to draw the President Chain Store

Corporation's materiality matrix diagram of

for 2023 with 15 material topics identified.

economy, environment, and people

07 Confirmation

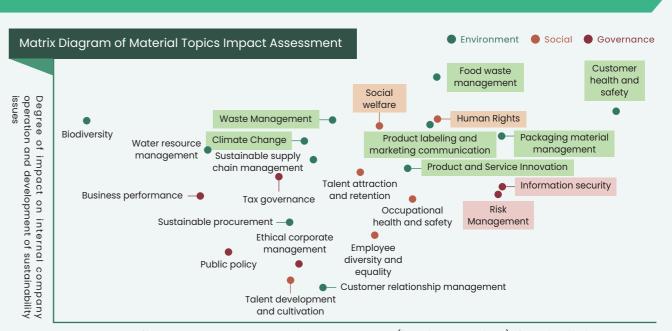
08 Disclosure

15 material topics

Once the 15 material topics have been identified, the Sustainable Development Committee and Board of Directors confirm the result before further evaluating the internal and external boundary to ensure that important information on sustainability has been fully disclosed in the report.

The task forces explain relevant coping strategies, goals, results, performance and management approaches in this report in line with the requirements for reporting on material topics, as well as ensuring that sustainability information and performance are properly expressed.

Prioritizing the most significant impact for reporting



Degree of impact on external economy, environment, and people (including human rights) of sustainability issues

(Note) The materiality threshold means the top eleven topics (highlighted topics in the matrix) among the total score of positive and negative impacts were calculated. Sustainable procurement, sustainable supply chain management, occupational health and safety and talent attraction and retention were not considered as material topics in the matrix during the initial impact assessment analysis. However, the Company engaged in internal discussions regarding the topics and their impact on the Company's future development and finances were taken into consideration, with the resolution 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 internal and external impact, as well as comparing the rankings of material topics this year and the previous year to obtain ranking changes of material topics in the past two years.

| 1 | Ascending | 4 | Descending | * | New |
|---|-----------|---|------------|---|-----|
| | | _ | | | |

| Material Topic | Description of Impact | Corres- ponding GRI Standard | Corres- ponding SASB Topics | Corresponding Chapter (Including Management Approach) | Change in Order |
|-------------------------------------|---|---------------------------------------|---|---|--------------------|
| Customer health and safety | Safeguarding the health and safety of customers is the most important responsibility and the highest guiding principle of President Chain Store Corporation. To this end, President Chain Store Corporation 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. | 416-1 416-2 | Food Safety, Product Health & Nutrition | 3.2 Customer Health and Safety | • |
| 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 President Chain Store Corporation's impact on the environment and society. | 306-1~ 306-5 | Food Waste Manage- ment | 4.4 Food Waste and Waste Management | • |
| Human Rights | Failure to properly safeguard the human rights of employees will not only damage their labor rights and interests, but will also affect the Company's reputation with an impact on employee engagement. President Chain Store Corporation formulates and improves human rights policies, conducts labor conditions inspections, and protects the rights and interests of employees and other relevant stakeholders. | 406-1 409-1 | Labor Practices | 5.2 Implementing Human Rights Management | * |
| Packaging material management | The characteristics of plastic make it a common packaging material for retail goods. However, due toimproper 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, President Chain Store Corporation is committed to reducing plastic pollution in its own operations and the negative impact on the environment and human health. | NA | Management of Environ- mental & Social Impacts in the Supply Chain | 4.2 Packaging Material Management | . |

| Material Topic | Description of Impact | Corres- ponding GRI Standard | Corres- ponding SASB Topics | Corresponding Chapter (Including Management Approach) | Change in Order |
|--|--|---------------------------------------|--|---|--------------------|
| Product labeling and marketing communication | Product labeling and marketing communications are important channels for President Chain Store Corporation to communicate with customers. Correct product labeling and marketing communications can help consumers make choices that meet their needs, foster trust and avoid illegal risks. | 417-1~ 417-3 | Product Labeling and Marketing Communi- cation | 3.2 Customer Health and Safety | • |
| Social welfare | President Chain Store Corporation 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. President Chain Store Corporation works with social welfare groups, suppliers and other partners to achieve common good for the society. | NA | NA | 6 Furthering Social Welfare | • |
| 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 President Chain Store Corporation's value chain operations. Proper waste management reduces waste generation, improve the efficiency of resource utilization to reduce the overall environmental impact of President Chain Store Corporation. | 306-1~ 306-5 | NA | 4.4 Food Waste and Waste Management | • |
| Information security | President Chain Store Corporation 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 | Information Security | 2.3 Information Security and Privacy Protection | • |
| 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 | Information Security, Food Safety | 2.2 Risk Management | • |

| Material Topic | Description of Impact | Corres- ponding GRI Standard | Corres- ponding SASB Topics | Corresponding Chapter (Including Management Approach) | Change in Order |
|---|--|---------------------------------------|--|---|--------------------|
| Product and Service Innovation | Today's society and environment are undergoing rapid changes. Consumers' awareness of environmental protection has increased, the concept of a healthy diet has caught on, and the society's pace has accelerated. As a result, consumers' needs and requirements for products are constantly changing. Failure to gain insight into consumer needs may affect the Company's competitive advantage. To this end, President Chain Store Corporation has launched the Veggie Selection to stay updated with trends in environmental protection and vegetarianism, as well as reducing its impact on the environment. | NA | NA | 3.1 Product and Service Innovation | * |
| 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 President Chain Store Corporation, 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 | Fleet Fuel Management, Air Emissions from Refrigeration, Energy Management | 4.3 Climate Change Mitigation and Adaptation | • |
| Talent attraction and retention | By providing competitive talent retention measures, President Chain Store Corporation can attract and retain talents in order to improve employee satisfaction and sense of belonging to the Company. This ensures that President Chain Store Corporation can continue to attract and retain talents to facilitate stable growth of the enterprise. | 401-1~ 401-3 402-1 | NA | 5.1 Talent. Attraction and Retention | • |
| Sustain-able supply chain manage- ment | Consumers have developed an awareness of sustainability by attaching importance to the ESG performance of the companies they purchase from. President Chain Store Corporation 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 | Management of Environmental & Social Impacts in the Supply Chain | 3.3 Sustainable Supply Chain Management | • |

| Material Topic | Description of Impact | Corres- ponding GRI Standard | Corresponding SASB Topics | Corresponding Chapter (Including Management Approach) | Change in Order |
|--|---|---------------------------------------|---|---|--------------------|
| Occupa- tional 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 | NA | 5.3 Occupational Health and Safety | • |
| Sustain- able procure- ment | 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 President Chain Store Corporation 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 | Management of Environmental & Social Impacts in the Supply Chain | 3.4 Sustainable Procurement | • |

(Note) Legal compliance was a material topic in 2022, but it was not a material topic based on the impact questionnaire assessment results in 2023. Since legal compliance is disclosed by GRI2, it was not included in material topics. However, relevant information is disclosed in relevant chapters of this report.

In addition, President Chain Store Corporation has listed corresponding mitigating actions for the top five issues with negative impact scores identified this year as follows, hoping to reduce the risk of negative impact through appropriate management measures.

| Sustainability Topic | Description of Negative Impact | Action/Mitigating Practices |
|---------------------------------------|---|---|
| Talent attraction and retention | 1. Failure to improve the weaknesses in the Employee Engagement Survey will reduce employee satisfaction with their work, resulting in brain drain. 2. If the franchisee fails to pay minimum age, the Company's image will be damaged and may also result in brain drain. | 1. In order to enhance the trust between the organization and employees, improvements will be made in line with urgency and priority in 2023. All relevant divisions will focus on the issues for tracking and improvement. 2. Regularly review whether franchisees are operating in compliance with government regulations, providing employees with labor and national health insurance in line with government regulations, as well as providing employees with wages shall not be lower than the minimum wage. |
| Occupational health and safety | Improper occupational safety and health management or flawed occupational safety and health risk mechanisms could lead to the occurrence of occupational disasters, occupational diseases and work accidents among employees. | Promote training for occupational safety and health management personnel so that franchisees and store managers understand the concepts of occupational safety and health management. Continue to strengthen personnel safety concepts through occupational safety training, as well as identifying and improving problems to reduce the risk of occupational disasters through occupational safety self-inspections and district consultant re-inspections. |
| Business performance | Poor operating performance has an impact on the Company's operations, resulting in losses to shareholders and damage to corporate image. | Closely follow consumer trends and customer needs, striving to improve operational performance and profit growth. |

| Sustainability Topic | Description of Negative Impact | Action/Mitigating Practices |
|--------------------------|--|---|
| Human rights | 1. If the employee's identity documents are not properly checked, the Company runs the risk of hiring child labor. 2. If overtime exceeds the legal limit during store inspections, the Company runs the risk of forced labor. 3. Suppliers illegally hiring child labor, engaging in discrimination, or violating labor laws. | Clearly stipulate in the hiring notice that the supervisor must confirm the age of employees to avoid employing child labor. Entrust an external audit unit to conduct monthly audits of labor conditions in the stores and check the number of overtime hours to ensure they are legal. It has been stated in the contract supplier code of conduct that if regulations violated are deemed as major violations, President Chain Store Corporation reserves the right to terminate the contract or impose a fine accordingly to the provisions. Reduce the possibility of violating labor regulations through various internal labor condition inspections. |
| Food waste management | If food waste is not properly reduced and recycled, it will generate carbon emissions during decomposition and represent a waste of resources (such as water, energy and manpower, etc.) in the food production process. | Use food resources more effectively with iLove Food project. The production is now initiated upon order receipt instead of estimation to reduce resource waste in the food production process. |

Impact Assessment of Material Topics

President Chain Store Corporation aims to carry on creating sustainable impact. To this end, it analyzes and interprets the impact of its operating activities on the society and environment by quantitatively assessing the positive and negative impacts of operations, products and services on external stakeholders related to the first two material topics with the goal of maximizing the positive impact in the long run.



Impact of Customer Health and Safety

Issue management covers 100% of business activities (note)

| Type of Stakeholders | Suppliers | Environment | Consumers | Society | |
|-------------------------------------|--|---|---|--|--|
| Positive and Negative Impacts | Positive impact: 1.Working with suppliers to build a vegetarian food production line and create new business opportunities for supplier. 2Assisting new suppliers and manufacturers to improve food safety management by making sure that they comply with our food safety management standards. | Positive impact: President Chain Store Corporation's Veggie Selection vegetarian products can reduce greenhouse gas emissions compared to products that contain meat, thereby reducing the impact of greenhouse effect on the environment. Negative impact: Compared with vegetarian products, products that contain meat increase greenhouse gas emissions, thereby aggravating the impact of the greenhouse effect on the environment. | Positive impact: President Chain Store Corporation is part of the retail industry that is closely linked to consumers' diets. President Chain Store Corporation launched the Veggie Selection (vegetarian food), Simple Fit (high fiber and low carb), and other private- label products that comply with healthy and nutritional principles to provide consumers with healthier food options. This approach also promote consumers' awareness of healthy diet. | Positive impact: President Chain Store Corporation transforms food safety, health and other knowledge into easy-to-understand content through Neighbor Funfest sessions based on the theme of food safety and DIY materials available for free downloads to raise awareness of healthy nutrition and food safety for parents and children alike. | |

| Type of Stakeholders | Suppliers | Environment | Consumers | Society |
|-------------------------|---|--|---|---|
| Quantitative output | 1. Cultivated vegetarian production lines with 7 suppliers in 2023 2.A total of 13 new suppliers and manufacturers were introduced in 2023 | 9,643,464 Veggie Selection products were sold in 2023. | 1. As of the end of 2023, Veggie Selection and Simple Fit products were sold in 6,859 stores. Sales of Veggie Selection and Simple Fit reached NT\$4,605 million in 2023. 2. Sales of private-label products that comply with healthy and nutritional principles reached NT\$26,815 million in 2023. | In 2023, President Chain Store Corporation invested NT\$8.35 million in organizing 15,694 Good Neighbor Funfest sessions focusing on healthy nutrition and food safety with a total of 141,123 participants. In 2023, President Chain Store Corporation invested NT\$1 million in DIY materials focusing on healthy nutrition and food safety with a total of 290,495 downloads. |
| Quantitative impact | 1. The scale of economic support for Veggie Selection suppliers were increased to approximately NT\$588 million in 2023. 2.In 2023, new suppliers and manufacturers worked with President Chain Store Corporation to improve supplier food safety management with improved economic benefits, reaching NT\$10,599 million. | Veggie Selection vegetarian products reduce greenhouse gas emissions and the social cost of carbon emissions compared to non- vegetarian food products to achieve a more sustainable future. Statistics shows that this approach reduced social cost associated with carbon emissions by approximately NT\$58,627,277 in 2023. | Veggie Selection, Simple Fit and other private- label products that comply with healthy and nutritional principles aim to increase consumers' knowledge and awareness of healthy eating, encouraging them to choose healthier meals through campaigns. Compared with 2022, the number of people purchasing Veggie Selection and Simple Fit products grew by 13,349,027 people (with a 15% growth). The number of people purchasing private- label products that comply with healthy and nutritional principles also increased by 12,141,317 (with a 15% growth) in 2023 compared to 2022. | In 2023, the value of positive impact from participation in Good Neighbor Funfest sessions focusing on healthy nutrition and food safety to enhance their awareness of health, nutrition and food safety can be converted into NT\$71,125,992. The value of adopting DIY materials focusing on healthy nutrition and food safety to enhance their awareness of health, nutrition and food safety can be converted into NT\$5,809,900. |

(Note) The Product Safety Committee focuses on safety and quality, with its scope of management covering 100% of private-label products.



Impact of Food Waste Management Issues

Issue management covers 100% of business activities (note)

| Type of Stakeholders | Suppliers | Environment | Consumers |
|-------------------------------------|--|---|--|
| Positive and Negative Impacts | Positive impact: 1. The production is now initiated upon order receipt instead of estimation to better control the production volume, reducing the suppliers' costs for input and processing. 2. Centralized production of each item can reduce the waste of raw materials for suppliers. 3. The surplus after production is provided as employee meals. Finished and semi-finished products are also resold to employees to reduce food waste, allowing suppliers' employees to acquire the products at a lower price. | Positive impact: President Chain Store Corporation reduces the resources consumed in processing food waste, which leads to reducing greenhouse gas emissions and thereby the impact of greenhouse effect on the environment. Negative impact: Improper management of food waste will lead to increased greenhouse gas emissions, thereby aggravating the impact of the greenhouse effect on the environment. | Positive impact: As part of the retail industry, President Chain Store Corporation is closely linked to people's (consumers') diets. iLove Food project offers consumers cheaper options for eating out, reduces their expenses and promotes awareness of food waste management. |
| Quantitative output | The weight of scrapped fresh food in 20 metric tonnes compared with the base | • | The sales volume of iLove Food in 2023 reach NT\$3,587 million. |
| Quantitative impact | Suppliers can reduce their raw material consumption through working with President Chain Store Corporation. Compared with the scrapping and scrapping form overestimation at fresh food manufacturers in 2019, the total amount of loss reduction (improving the economic benefits for suppliers) reached approximately NT\$5.46 million in 2023. | By building an ecosystem to reduce food waste, President Chain Store Corporation has effectively reduced the need to process food waste while enhancing food culture for the general public, thereby reducing greenhouse gas emissions, social cost of carbon, and achieving a more sustainable future. Statistics shows that the social cost of carbon was reduced by approximately NT\$1,821,004 in 2023. | iLove Food aims to increase consumers' understanding and awareness of food waste management issues and encourage them to reduce food waste. The project urges consumers to take action in their daily lives to reduce food waste through campaigns, education and resource provision. Compared with 2022, the number of people purchasing iLove Food increased by 23,181,096 times in 2023 (a 51% growth). |

(Note) The numerator is the revenue of private-label food products included in food waste statistics, and the denominator is the revenue of private-label food



Corresponding Value Chain Boundary of Material Topics

| | U | Jpstred | am | • | mpan eration | | • Dow | /nstrea | m 🏃 | | oact Ass Itial Ope | | |
|--|-----------|-----------|---------------------|--|-----------------|---------------------------------------|-----------|---------|-------------------|---------|----------------------------------|-----------|----------------------|
| Material Topic | Investors | Suppliers | Government Agencies | President Chain Store Corporation (employees included) | Franchisees | Affiliated logistics companies (Note) | Customers | NGOs | Local communities | Finance | Production/products and services | Personnel | Reputation and image |
| Customer health and safety | • | • | • | • | • | • | • | • | | • | • | • | • |
| Food waste management | | • | • | • | • | • | | • | • | • | • | • | • |
| Human rights | | • | • | • | • | • | | | | • | • | • | • |
| Packaging material management | | • | • | • | • | | | • | • | • | • | • | • |
| Product labeling and marketing communication | • | • | • | • | • | | • | • | | • | • | • | • |
| Social welfare | | | | • | | | | • | • | • | • | • | • |
| Waste management | | • | • | • | • | • | | • | • | • | • | • | • |
| Information security | • | • | • | • | • | | • | • | • | | | | • |
| Risk management | • | • | • | • | • | • | • | | | | | | • |
| Product and service innovation | • | • | | • | • | | • | | | • | | | • |
| Climate change | | • | • | • | • | • | | • | • | • | • | | • |
| Talent attraction and retention | | | | • | • | | | | | | | • | • |
| Sustainable supply chain management | • | • | • | • | • | | • | • | | | • | | • |
| Occupational health and safety | | • | • | • | • | | | • | | | | | |
| Sustainable procurement | • | • | • | • | • | | • | • | | | | | |

(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 Sustainable Development Targets

President Chain Store Corporation 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.

| performance ar | na target achievem | nent. | | 7 6 | ceeding the target | Achieving the target - F | Falling short of the tar | get 🛕 Tracking |
|----------------------------|--|---|---|---|--|---|--------------------------|--|
| Theme of Sustainability | Material Topic | Management Metrics | Medium and long-term Targets | 2024 Targets | 2023 Targets | 2023 Performance | 2023 Achievement | Management Approaches and Actions |
| | Sustainable Supply Chain Management | Proportion of disseminate the importance of sustainability among non tier-1 suppliers | 95% by 2025 | 90% | 80% | 95.83% | 7 | |
| | | The proportion of A-level stores in the President Chain Store Corporation High Quality service qualification | 73% by 2028 | 70% | 70% | 54.5% (Note 1) | _ | |
| | | Rate of major food safety risk violations | 0% by 2028 | 0% | 0% | 0% | ~ | |
| | Customer health and safety | (1)Number of product recalls (2)Number of recalled products (3)Proportion of recalled private-label products to all recalls | 2028 (1) 5 times (2)15,000 (3)5% | (1)10 times (2)45,000 (3)15% | to be determined | (1)15 times (2)50,857 (3)18.13% | Δ | |
| | | Revenue from private-label food products that comply with the principles of health and nutrition | NT\$37,609 million by 2028 | NT\$28,692 million | to be determined | NT\$26,815 million | Δ | Management Approaches in Chapter III |
| | Product Labeling and Marketing Communications Sustainable procurement | (1)Number of incidents violating the regulations on product labeling or marketing communications (2)Financial losses resulting from legal proceedings related to marketing or labeling violations | 2028 (1) 0 case (2) NT\$0 | (1) 0 case (2) NT\$0 | (1) 0 case (2) NT\$0 | (1) 0 case (2) NT\$0 | ~ | |
| Е | | Proportion of the cost of sustainably-certified raw materials ^(Note 2) | 16% by 2025, 18% by 2030 | 15.10% | 10.55% | 24.47% | 7 | |
| Environment | Product and service innovation | Number of active OPENPOINT users | 12.40 million people by 2025, 13.00 million people by 2028 | 12.00 million people | 12.03 million people | 11.31 million people ^(Note 3) | - | |
| | | Proportion of direct (Scope 1) and indirect (Scope 2) GHG emission intensity (carbon emission intensity per NT\$ million of revenue) reduction compared with the previous year (Note 4) | 1% | 1.0% | 1.0% | 5.83% | 7 | |
| | | Proportion of EUI value decrease compared with the previous year | 0.5% | 0.5% | 0.5% | 0.81% | 7 | |
| | Climate change | Obtaining ISO 14064-1 Greenhouse Gas Verification Statement each year (Note 4) | Obtaining ISO14064-1 Greenhouse Gas Verification Statement | Obtaining ISO14064-1 Greenhouse Gas Verification Statement | Obtaining ISO14064-1 Greenhouse Gas Verification Statement | Obtained | ~ | Managemen Approaches i Chapter IV |
| | | Passing ISO 50001 Energy Management System Certification each year (Note 4) | Passing ISO 50001 Energy Management System Certification each year | Passing ISO 50001 Energy Management System Certification | Passing ISO 50001 Energy Management System Certification | Passed | ~ | |

Note 1: After the grading table has been streamlined and adjusted, the standards for management and store staff are not yet in place.

Note 2: For the scope of sustainable certified raw materials, please refer to section 3.4 Sustainable Procurement for the description of sustainable raw materials.

Note 3: As the growth of new members slows down, the number of active members did not reach the target.

Note 4: Carbon reduction performance is linked to the rewards and remuneration of senior executives, including the President and senior executives.



Promotion of Social Welfare & Charity

Appendix

| 7 | Exceeding the target | Achieving the target | Falling short of the target | Δ | Tracking |
|---|----------------------|-----------------------|-----------------------------|---|----------|
| • | zxoooag a.o ta.got | riormormig and tanget | raming orient or the tanget | | |

| Theme of Sustainability | Material Topic | Management Metrics | Medium and long-term Targets | 2024 Targets | 2023 Targets | 2023 Performance | 2023 Achievement | Management Approaches and Actions |
|----------------------------|--------------------------------------|--|---|---|--|--|---------------------|---|
| | Waste management | Proportion of volume for waste removal reduction in each store (base year 2019) | 45% by 2028 | 38% | 35% | 29.81% (Note 5) | _ | |
| | | Weight of food waste (scraps) produced by the stores and factories (base year 2019) | 11,605 metric tonnes by 2030 | 11,353 metric tonnes | 11,822 metric tonnes | 12,248.40 metric tonnes (Note 6) | - | |
| | Food waste | Weight of food waste reused from the stores and factories | 7,144 metric tonnes by 2030 | 5,686 metric tonnes | 5,853 metric tonnes | 8,687.50 metric tonnes | 7 | |
| E Environment | management | Annual volume and reduction ratio of food waste from the stores and factories (base year 2019) | 4,461 metric tonnes by 2030, a 50% decrease compared to base year | 5,667 metric tonnes, a 36.5% decrease compared to base year | 5,969 metric tonnes, a 33.1% decrease compared to base year | 3,560.90 metric tonnes, a 60.1% decrease compared to base year (Note 7) | A | Management Approaches in Chapter IV |
| | 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% | 20% | 22.47% ^(Note 8) | - | · |
| | | Proportion of cups brought by consumers | 20% by 2025, 30% by 2030, 50% by 2050 | 19% | 15% | 18.90% | 7 | |
| | | Number of stores offering recycled cups for rent | 4,000 stores by 2025 | 2,300 | 1,000 | 1,042 | 7 | |
| | Occupational | Frequency-severity indicator for the employees | Lower than the average retail industry standard value published by the Occupational Safety and Health Administration, Ministry of Labor in the past three years | Lower than the average retail industry standard value published by the Occupational Safety and Health Administration, Ministry of Labor in the past three years | Lower than the average retail industry standard value published by the Occupational Safety and Health Administration, Ministry of Labor in the past three years | 0.17 | 71 | Management |
| S Social | Occupational Health and Safety | Frequency-severity indicator for the franchises | Lower than the average retail industry standard value published by the Occupational Safety and Health Administration, Ministry of Labor in the past three years | Lower than the average retail industry standard value published by the Occupational Safety and Health Administration, Ministry of Labor in the past three years | Lower than the average retail industry standard value published by the Occupational Safety and Health Administration, Ministry of Labor in the past three years (0.35 from 2020- | 0.01 | 7 | Approaches in Chapter V |

Note 5: Please refer to Chapter $\underline{4.4\,\text{Food Waste and Waste Management}}$ for the reasons of failing to meet the standards.

Note 6: The annual scrap volume increases with the increase in stores and fresh food sales.

Note 7: Food waste recycling a highly uncertain estimate. Therefore, medium- and long-term goals need to be optimized.

Note 8: Please refer to Chapter 4.2 Packaging Material Management for the reasons of failing to meet the standards.

Promotion of Appendix Social Welfare & Charity

| Exceeding the target | Achieving the target | Falling short of the target | ▲ Tracking |
|----------------------|----------------------|-----------------------------|------------|
| | | | |

| Theme of Sustainability | Material Topic | Management Metrics | Medium and long term Targets | 2024 Targets | 2023 Targets | 2023 Performance | 2023 Achievement | Management Approaches and Actions |
|----------------------------|--------------------------------------|--|--|--|--|--|---------------------|---|
| | Occupational Health and Safety | Lost Time Injury frequency rate (LTIFR) for outsourced service suppliers (contractors) | 0.25 Lower than 0.25 by 2030 | Lower than 0.5 | Lower than the Company's LTIFR of 1.59 from the previous year | 1.06 | 7 | |
| | Talent attraction and retention | Percentage of middle-aged and elderly employees in the company (Note 9) | 30% by 2030 | 28% | 25% | 27.18% | 7 | Management Approaches in Chapter V |
| S | | (1) Number of work stoppages (2) Days of idleness due to work stoppages | (1) 0 time (2) 0 day | (1) 0 time (2) 0 day | (1) 0 time (2) 0 day | (1) 0 time (2) 0 day | ~ | onaptor v |
| Social | Human rights | The amount of financial losses caused by violations of labor laws or legal incidents related to employee discrimination | NT\$0 | NT\$0 | NT\$0 | NT\$0 | ~ | |
| | Social welfare | Amount of in-store cash/goods donations (Note 10) | NT\$274 million by 2028 | NT\$234 million | NT\$224 million | NT\$267million | 7 | |
| | | Number of Good Neighbor Funfest sessions and participants | 18,000 sessions with 200,000 participants by 2025, 20,000 sessions with 300,000 participants by 2030 | 17,000 sessions with 150,000 participants | 15,000 sessions with 120,000 participants | 15,694 sessions with over 140,000 participants | 7 | Management Approaches in Chapter VI |
| | | | | | | | | |
| | Risk | Regularly identify risks, and the number of times reporting to the Board of Directors | Twice by 2028 | 2 | 1 | 1 | ~ | |
| G | management | Number of risk management training courses undertaken by management | At least 2 sessions for each Director every year | 2 sessions for each Director | 2 sessions for each Director | 2 sessions for each Director | ~ | Management |
| Governance | Information security | (1) Number of information leakages (2)Proportion of information leakages containing identifiable information (3)Number of customers affected by information leakages (4)Number of violations that infringe on customer privacy and total fines paid due to information security incidents | 2028 (1) \leq 1 (2) \leq 30% (3) \leq 600 (4) \leq NT\$700,000 | (1) \leq 3 (2) \leq 50% (3) \leq 900 (4) \leq NT\$900,000 | (1) \leq 3 (2) \leq 50% (3) \leq 900 (4) \leq NT\$900,000 | N/A | A | Approaches in Chapter II |

Note 9: Middle-aged and elderly employees refer to people over the age of 45.

Note 10: Since the fundraising schedule depends on the needs of external organization and the society each year, it is difficult to set targets based on the performance of the previous year. The goal is focusing on sustained and stable growth.

1.5 Stakeholder Communication

President Chain Store Corporation's stakeholders include investors, suppliers, employees, franchisees, NGOs, government agencies, media and local communities. President Chain Store Corporation 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 President Chain Store Corporation corporate website. A physical mailbox has also been made available, with stakeholder communication compiled and reported to the Board of Directors each year. We understand 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 2023 |
|---|---|---|--------------------------|---|
| | | Annual shareholders' meeting | Regularly (annual) | Once |
| President Chain Store | Business | Financial statements | Regularly (quarterly) | Four times |
| Corporation needs to communicate with investors on business | performance Waste management Ethical corporate management Risk management Sustainable supply chain management | Disclosure through corporate website | As needed | As needed |
| performance and results in various sustainable | | Organize/invited to organize road shows | As needed | 172 meetingsInvited to organize6 road shows |
| governance aspects in order to win the favor of investors. | | TWSE Market Observation Post System Website | As needed | 142 important messages in Chinese/English |
| | | Answering questions from investors and analysts via face-to-face meetings/phone or e-mail | As needed | As needed |



advantages



- Response from President Chain Store Corporation
- Continuing to communicate business development strategies, competitive advantages, profits and ESG actions to investors in quarterly road shows and more than 200 investor
- Stable distribution of cash dividends every year. A cash dividend of NT\$9 per share was distributed in 2023.
- Introducing TCFD and passing the verification of ISO14064-1 greenhouse gases.
- Linking carbon reduction performance indicators to senior executive KPIs in 2023.
- . Committing to conduct inventory of greenhouse gases within its own operations by 2050, and achieving net-zero emissions in Scope 1 and Scope 2.



• Company development strategy and competitive

• Response measures to

climate change and opportunities

| Importance to the Organization | Topics of Concern | Communication Channel | Frequency | Number of Communications in 2023 |
|--|---|--------------------------|-----------|---|
| Suppliers are important partners for President | Customer health and safety Information | Management meetings | As needed | 11 production and marketing coordination meetings |
| Chain Store Corporation 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 | security Product and service innovation Sustainable procurement Ethical corporate management Social welfare Product labeling and marketing | Supplier Conference | As needed | 3 procurement meetings Over 31 product category meetings 1 raw material supplier management briefing session 25 raw materials sub-sessions 1 training session on water pollution and air pollution prevention regulations, labor inspection and safety and health practices |
| services | communication | Supplier audit | As needed | 86 suppliers |



Stakeholders' Topics of Concern

Deficiencies in tier 1 supplier evaluation



Response from President Chain Store Corporation

Assisting the suppliers in improving the deficiencies



| Importance to the Organization | Topics of Concern | Communication Channel | Frequency | Number of Communications in 2023 |
|--|---|---|-----------|--|
| Customers' point of view is an important reference for President Chain Store Corporation to improve its products and services. Customer satisfaction is also deeply intertwined with the Company's operational performance | Customer health and safety Product labeling and marketing communication Information security Product and service innovation Risk management | Regular replies by Integrated Services Center (Note) | As needed | A total of 1,475 emails were sent to the stakeholder mailbox A total of 109,200 phone calls were received with feedback and suggestions |

Stakeholders' Topics of Concern

Fraudulent packages



Response from President Chain Store Corporation

- 1. Platform of appeal
- -Customers can make a complaint on the MyShip platform by scanning the QR CODE and filling in the form on the official website's fraud complaint platform
- 2. Contact customer service
- Customer service will assist with filing the complaint and contacting the seller, as well as requiring the seller to contact the customer with regards to returns
- 3. Product refund
- -Once confirmed as fraudulent package:
- (1) A cross-border package will be quickly refunded by the consolidator
- (2) Domestic packages will be refunded according to the terms and conditions of the e-commerce platform

(Note) 100% of customer letters were replied to on the same day in 2023, and the progress was updated within three working days. The annual case close rate is



Employees

| Importance to the Organization | Topics of Concern | Communication Channel | Frequency | Number of Communications in 2023 |
|---|---|--|--------------------------|--|
| | | Employer-employee meetings | Regularly (quarterly) | 4 sessions |
| Employees are the | Customer health and safety | Staff Welfare Committee | Regularly (quarterly) | 4 sessions |
| vital cornerstone of President Chain Store Corporation | Information security Product and service innovation Product labeling and marketing communication Social welfare | Stakeholder mailbox for employees | As needed | 253 cases |
| operations, and engagement with employees is the key to its sustainable operations | | Happy Cooperative Society consultations | As needed | The volunteers provided services to 67 people A total of 41.76 hours of consultation and 11 hours of external professional consultation |
| | | Safety and Health Committee meetings | Regularly (quarterly) | 4 sessions |



Stakeholders' Topics of Concern



Response from President Chain Store Corporation

- The Company was expected to restrain inappropriate comments from certain supervisors to create a safe and friendly workplace
- Organized the "Prevention of Workplace Violence and Sexual Harassment" course to enhance a friendly working environment and awareness of
- The supervisors at the next level of reported cases were requested to clarify and investigate further, as well as providing guidance

Franchisees

| Importance to the Organization | Topics of Concern | Communication Channel | Frequency | Number of Communications in 2023 |
|---|--|--|-------------------------|-------------------------------------|
| Franchisees are at the forefront of providing consumer | Information security Food waste management Waste management Water resource management Social welfare Risk management | Update the dedicated franchise website | As needed | As needed |
| services. franchisee engagement is the key to providing | | Planned district consultant visits | Regularly (monthly) | 36 times/month |
| assured and high- quality services | | Monthly publications | Regularly (monthly)) | 12 publications |
| | Tax strategies | franchisee forums | As needed | 19 sessions |



Stakeholders' Topics of Concern

- Subsidies for senior franchisees
- Franchise insurance rate • Labor inspection and occupational safety and health deficiencies

Response from President Chain Store Corporation

- Caring for the health of franchisees 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 franchisees
- Assist franchisees in improving matters regarding labor inspection



| Importance to the Organization | Topics of Concern | Communication Channel | Frequency | Number of Communications in 2023 |
|--|--|---|--|-------------------------------------|
| President Chain Store Corporation aims at giving back to the President Chain Store Corporation aims at giving back to the | Participation in public welfare/events initiatives | As needed | A total of NT\$717 million raised for social welfare | |
| society to support public welfare organizations, in the hopes of maximizing | Social welfareInformationsecurityBusiness | Bring Back the Love Charity Donation Program fundraiser | As needed | 3 times |
| positive influence on the society | performanceCustomer health and safety | Fundraising proposal/ review meeting | Regularly (annual) | Once |



Stakeholders' Topics of Concern

- Staying updated with the issue regarding the elderly and localizing elderly care
- Advocating a green lifestyle, ecological protection and environmental friendliness



Response from President Chain Store Corporation

- Respond to social welfare activities/initiatives
- Manage the charity platform of "Bring Back the Love"
- Integrate ESG innovations with social 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



Government Agencies

| Importance to the Organization | Topics of Concern | Communication Channel | Frequency | Number of Communications in 2023 |
|--|---|---|--------------------------|--|
| Government regulations keep changing, and achieving sustainable development requires the | Business performance Tax strategies Customer health and safety Risk management Food waste | Internal Regulatory Committee | Regularly (quarterly) | 4 times (internal communications) |
| collaboration between the public and private sectors. Engagement with government agencies can ensure the compliance and sustainability of President Chain Store Corporation operations | | Promoting in compliance with relevant systems | As needed | As needed |



Stakeholders' Topics of Concern

To protect the environment and achieve sustainable development, EPA announced the Targets and Implementation Methods for Restriction of Internet Shopping Packaging to reduce packaging materials used for online shopping.



Response from President Chain Store Corporation

- Prior to the implementation of the Targets and Implementation Methods for Restriction of Internet Shopping Packaging, President Chain Store
- Corporation has actively confirmed the applicable scope and guidelines with government agencies.
- President Chain Store Corporation collected internal opinions and confirmed the operations, as well as providing industry experience for the reference of the competent authorities. Moreover, it actively communicated with the competent authorities through official documents to ensure the Company's internal operations comply with government regulations.



| Importance to the Organization | Topics of Concern | Communi- cation Channel | Frequency | Number of Communications in 2023 |
|---|---|---|-----------|--|
| Communicating the Company's sustainable business performance to the media so that more stakeholders can understand the sustainable actions of President Chain Store Corporation | Tax strategies Information security Ethical corporate management Customer health and safety Sustainable supply chain management Sustainable procurement Packaging material management Food waste management Waste management Social welfare | The Company set up a dedicated contact to release press releases and provide media assistance | As needed | A total of 213 press releases were issued, and a press contact was provided to assist the media in real-time communication |



Stakeholders' Topics of Concern

The most outstanding/effective sustainability projects



Response from President Chain Store Corporation

• Selected by Dow Jones Sustainability World Index (DJSI World) for five consecutive years as the only local retailer.

• President Chain Store Corporation responded to Earth Hour by launching a large-scale carbon reduction campaign, connecting 8 major retail brands and more than 7,000 stores to turn off the lights for one hour.



Local Communities

| Importance to the Organization | Topics of Concern | Communication Channel | Frequency | Number of Communications in 2023 |
|---|--|--|-----------|---|
| Being part of the retail industry, President Chain Store | Information security Customer health and safety Ethical corporate management Product labeling and marketing communication Customer relationship management | Good Neighbor Funfest events | As needed | 15,694 events |
| Corporation can be found on all corners of the island. Reducing negative impact on the society and environment from its operations is President Chain Store Corporation's responsibility and obligation | | Good Neighbor Foundation website | As needed | A total of 290,000 people took advantage of the sustainable materials provided on the website |



Stakeholders' Topics of Concern

Sustainability literacy such as food and agriculture, food waste reduction, animal and environmental protection



Response from President Chain Store Corporation

Five sustainable materials were launched by working with the public and private sectors, such as the Agriculture and Food Agency, Society of Wilderness, different President Chain Store Corporation divisions, as well as contracted farmers of sweet potatoes, pineapples and bananas to raise awareness of sustainable issues including carbon reduction, food waste reduction, landfriendliness, animal conservation, recycling, circular economy and so on.

Append re

1.6 Sustainable Value Chain

President Chain Store Corporation 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 manage the value that the Company's overall value chain creates for stakeholders, as well as hopefully maximizing the benefits to enhance the enterprise's sustainable value.

