

## Creating a Sustainable Planet

At present, various environmental issues such as climate change, plastic pollution, food loss and waste, and waste management are closely related to sustainable corporate operations. Effectively adopting sustainable operations, optimizing resource efficiency and practicing sustainability are important elements in President Chain Store Corporation's overall operating value chain. As the leader in convenience stores, we hope to strike a balance between convenience and environmental impact by being committed to reducing the negative impact of plastics, food waste and waste in our operations, as well as actively improving our ability to address climate change issues.



### Sustainable Goal Management Process

Material Topic	Management Metrics	Medium-and long-term Targets	2025 Targets	2024 Targets & Performance
Climate Change	Proportion of EUI value decrease compared with the previous year	Reducing EUI by 0.5% compared to the previous year	Reducing EUI by 0.5% compared to the previous year	Reducing EUI by 0.5% compared to the previous year EUI increased by 5.75% compared to the previous year
	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)	Reducing the proportion by 60% compared to 2020	Reducing the proportion by 1.5% compared to the previous year	Reducing the proportion by 1% compared to the previous year Increased by 1.76% compared to the previous year
Packaging Materials Management	Proportion of consumers bringing their own cups (Note 1)	24% by 2028	21%	19% ..... 20.91%
	Number of stores adopting the Recycled Cups Renting Service (Note 1)	Following regulations regarding single-use beverage cups	2,500 stores (30% by regulations)	2,300 stores ..... 2,531 stores
	Proportion of other single-use plastic for private-label products and materials	10% of other single-use plastic by 2028, completely eliminating plastic shopping bags and plastic straws Completely eliminating other single-use plastic by 2050	18%	19% ..... 20.96%
Food Loss and Waste Management	Total weight of food loss and waste discarded (with 2019 as base year)	4,461 metric tons by 2030 Reduction of 50% by 2030	5,365 metric tons with a 39.9% reduction compared to the base year	5,667 metric tons with a 36.5% reduction compared to the base year 3,216 metric tons with a 76% reduction compared to the base year
	Total weight of all food loss and waste	11,605 metric tons by 2030 Halving by 2030 (with 2019 as base year)	11,241 metric tons	11,353 metric tons ..... 12,496 metric tons
	Total weight of food loss and waste volumes used for alternative purposes	7,144 metric tons by 2030	5,875 metric tons	5,686 metric tons ..... 9,279 metric tons
Waste Management	Proportion of volume for waste removal reduction in each store (base year 2019) (Note 2)	45% of reduction by 2028	20%	20% ..... A 25.63% decrease compared to the base year

(Note 1) Targets for the proportion of bring-your-own cups and the number of stores with recycling cup renting services have been adjusted for 2025 and 2028 in line with regulatory requirements. Considering the high regulatory uncertainty in 2030 and 2050, the targets will not be disclosed for the time being. Please refer to the description of the plastic reduction management action section in the subsection [4.2 Packaging Material Management](#).

(Note 2) Targets for the current year and 2025 for store waste reduction have been adjusted in line with current operations. Please refer to the description of Waste Generation and Process Flow Management section in [4.4 Food Waste and Waste Management](#).

### Management Policies

#### Policies and Commitments

- Environmental policy
- GHG policy
- Energy policy
- Packaging material management
- Waste management policy

#### Management Actions

- Inventory and management of environmental information (greenhouse gas emissions, packaging material consumption, waste removal, food loss and waste in the stores, water withdrawal and consumption)
- Low-carbon transition plan for own operations and value chain
- Adaptation strategies for climate-related physical and transition risks, investing in solar photovoltaic power year by year
- Actions towards plastic reduction (reducing product packaging and single-use plastic used for in-store services, expanding recycling mechanism, building a circular model for recycled cups, procuring packaging materials with circular economy certifications)
- Food loss and waste management (reducing the scrap rate of fresh food, improving the management mechanism of the manufacturers, improving the recovery rate of food waste, upgrading order-to-delivery system)
- Waste management (setting up a convenient recycling platform in stores, refurbishment and reuse of store equipment, waste reduction for all operating locations, managing waste flows with suppliers)



In 2024, the "iLove Food" program reduced food waste by **17,866.94** metric tons



The OPEN iECO Recycled Cups Renting Service has been adopted by **2,531** stores with **20.91%** of consumers bringing their own cups



Store energy-saving actions saved the equivalent of **61,380.58** metric tons of CO<sub>2</sub>e in 2024



The procurement amount for certified raw materials for paper in 2024 was NT\$ **617,979** thousand

## + Biodiversity Mitigation Hierarchy +

We adopt mitigation hierarchy to reduce the impact on biodiversity, avoid opening new stores in ecologically sensitive areas, reducing the impact of existing store operations, as well as striving to regenerate, restore and transform to achieve harmonious coexistence with nature.

### Avoid

President Chain Store Corporation introduces an ecological self-assessment mechanism in the process of opening new stores to assess whether the store is located in an ecologically sensitive area or an important habitat for protected species based on the store type and area classification, and pre-identify and avoid operations in high-risk areas (see [the Biodiversity Assessment of Store Operations](#) for details) to reduce impact on biodiversity from the source.

### Reduce

We regularly evaluate site conditions for existing stores. If they are located in high-risk areas, we will invite ecological experts to develop countermeasures and implement ecological compensation. If the impact cannot be avoided, we will consider relocation, downsizing or ceasing operations. Before opening new stores, an ecological impact assessment must be conducted to ensure that the native habitat is not destroyed, and the design or construction is adjusted accordingly to reduce the impact on ecology.

### Regeneration

President Chain Store Corporation invests in the "Sustainable Farm" program to recycle coffee grounds and food waste from the stores, turn it into organic fertilizer for crops while promoting soil regeneration.

### Restore

President Chain Store Corporation procures sustainable raw materials, such as FSC- and PEFC-certified paper packaging materials, coffee with rainforest certification, etc. to ensure our raw materials have limited impact on the environment as well as supporting the restoration of the ecosystem for the raw material (For detailed management measures, please refer to [3.4 Sustainable Procurement](#).)

### Transition

President Chain Store Corporation continues to promote various transition programs to reduce the impact of operations on the ecosystem. To this end, it has launched the Veggie Selection® range of vegetarian products. In 2024, 16,424,723 Veggie Selection® products were sold. Compared with meat, vegetarian food produces lower overall greenhouse gas emissions, facilitates efficient use of land and water resources, as well as reducing the impact of the greenhouse effect on the environment. In addition, in order to raise the public's awareness of purple crow butterfly conservation, President Chain Store Corporation has produced environmental education materials related to purple crow butterfly conservation in its stores near purple crow butterfly habitats.

## 4.2 Packaging Material Management

### Policies and Commitments

As plastic is one of the most common choices among packaging materials in retail industry with its durability and low costs, it is often adopted by supermarkets, convenience stores and hypermarkets that are closely related to everyday lives, with an impact from consumer habits and choices. To respond to the trend in plastic reduction and stakeholders' concerns about packaging materials, President Chain Store Corporation continues to stay updated with the Global Plastics Treaty. Although there was no progress after the fourth round of negotiations in 2024, President Chain Store Corporation has prepared in advance with the Plastic Reduction Task Force taking charge of management, as well as proactively taking actions to ensure that the use of plastic is gradually reduced in cooperation with consumers and suppliers in accordance with the Ministry of Environment's plastic reduction regulations. A comprehensive management policy for the packaging and packaging materials of its private-label products, with the goal of reducing the use of virgin plastic by 30% compared to 2019 by 2030, and converting 50% of its private-label product packaging and materials to environmentally friendly materials. President Chain Store Corporation has also taken more active plastic reduction management actions, combining its private-label products and services, logistics, e-commerce and other operations strategies, in order to achieve the vision of completely eliminating other single-use plastic in its operations by 2050. For detailed plastic reduction milestones and progress in reaching the target in 2024, please see the [Sustainable Goal Management Process](#).



The procurement of eco-friendly, certified packaging materials and lightweight packaging should be prioritized in consideration of environmental and ecology protection, while achieving sustainable operations. A target for packaging reduction for private-label products has also been set.



To reduce the amount of plastic at the source with the target of reducing the proportion of single-use plastic to under 10% by 2028

- The stores no longer actively offer customers straws or provide net carriers for free. Net carriers reduced plastic consumption by 19.33 metric tons in 2024, resulting in a 14.55% reduction compared to the previous year.
- Ice makers were introduced to reduce the amount of plastic packaging used for ice cubes. A total of 3,952 ice makers were adopted to reduce 106.3 million plastic bags were reduced in 2024, the equivalent of 212.5 metric tons of plastic reduction.



President Chain Store Corporation worked with President Packaging Ind. Corp., an affiliated company, to establish and develop circular cup renting services to transit from manufacturing single-use containers to developing reusable containers:

- Introduced the "OPEN iECO Recycled Cups Renting Service" in compliance with regulations. 2,531 stores adopted the service in 2024, exceeding our target of 2,300 stores. 20.91% of consumers brought their own cups, exceeding the annual target of 19.00%
- We also encourage the consumers to use reusable packaging materials (or containers). A reward is also given for consumers who use their own reusable cups for freshly-prepared beverages. President Chain Store Corporation responded to the regulation in advance, bringing own reusable cup according to the regulations of the Ministry of Environment will entitle the customers to a discount of NT\$5. Moreover, on the first of each month, bringing own reusable cup for "CITY" brand freshly-prepared beverages will entitle them to an NT\$7 discount.



FSC-certified packaging materials were adopted by paper cups used in the stores in 2024, and cup holders were made with 100% of recycled paper.



President Chain Store Corporation has set up Plastic Reduction Task Force as an internal cross-functional team to consolidate the Company's efforts in plastic reduction. By combining the power of internal employees and external suppliers, Plastic Reduction Task Force promotes packaging plastic reduction strategies, targets, and action plans, while holding regular meetings to ensure the progress of each actions. The task force took about NT\$2.5 million each year in manpower and testing resources, such as task force operations, R&D, testing costs in manpower and raw materials. The Plastic Reduction Task Force also stays on top of information on external competitiveness and the industry with the assistance of consulting company.

## + Plastic Reduction Task Force & Missions +

Plastic Reduction Task Force	Missions
Coffee Division	Reduce the packaging of freshly-prepared beverages, and introduce incentive scheme for reusable cups service, encouraging consumers bring their own cups and use the reusable cups
Fresh Food Division	Reduce the weight of plastic used in fresh food packaging and increase the percentage of paper containers
Product Division	Communicate with suppliers in the value chain, and introduce products with lightweight plastic containers
Operations Division	In-store recycling mechanism optimization and store employees' awareness of plastic reduction build. Introduce Intelligent Automatic Recycling Machine service
Procurement Division	Procurement of store supplies, weight reduction for cutlery, development and introduction of alternative materials. Optimization of packaging weight reduction
Public Affairs Division	Internal and external communications, raising awareness for consumers
Human Resources Division	Internal education and training to increase the awareness of plastic reduction
Administrative Service Division	Internal plastic reduction action planning
Collection Service Division	Reduce paper used in collection services, reducing packaging weight for My Ship deliveries, and introducing eco-friendly materials
Marketing Division	Collaboration and communications with private-label suppliers, development of alternative materials and optimization of packaging weight reduction

Statistics of Packaging Material Consumption

+ Plastic Packaging Materials +

To enhance the efficiency of packaging material management, President Chain Store Corporation has redefined the classification of plastic packaging materials. Plastic consumption in each stage is inventoried for own brand products and services according to “use,” “material” and “source.” The performance and goal achievement is reviewed every quarter with corresponding plastic reduction action plans formulated.

Plastic Classification		Description
Usage	Reusable plastic	Packaging that can be refilled or reused for the same purpose without ancillary products. They can circulate on the market to make the packaging refillable
	Single-use plastic	Plastic packaging that is single-use or for short-term use. Not reusable
Material	Recyclable plastic	Recyclable plastics as defined by the Ministry of Environment
	Compostable/ decomposable plastic	Compostable and technically recyclable plastic packaging has been developed
	Plastic with recycled content	Plastic products containing plastic that is recycled for reuse
	Other plastic	Plastics that cannot be recycled, composted/decomposed or reused
Source	Virgin fossil-based plastic	Plastic produced directly using natural gas or crude oil and do not contain any recycled content
	Virgin renewable plastic	Made from plant sources such as soy, corn, potato and wood fiber, does not contain any recycled materials
	Post-consumer recycled plastic	Material recovered from materials generated by households or commercial, industrial and institutional facilities as the end user of a product, which can no longer be used for its intended purpose

(Note 1) Even if the garbage bags in the stores and plastic straws are made of recycled materials, they are still considered as single-use.  
(Note 2) The Ministry of Environment defines recyclable plastics as PET, PVC, PE, PP, PS, unexpandible PS and others. If the material itself is recyclable without having obtained the recycling label from the EPA, or if it cannot be properly recycled in the current waste disposal system, it is not considered as recyclable.  
(Note 3) According to the definition of the Ellen MacArthur Foundation, virgin materials are limited materials, such as iron ore mined from the ground. Recycled materials are materials that are continuously replenished at a rate equal to or greater than that of consumption, such as cotton, hemp, corn, wood, wool, leather, agricultural byproducts, nitrogen, carbon dioxide and sea salt.

In 2024, the total amount of plastic packaging materials consumed by President Chain Store Corporation was 11,760.67 metric tons, an increase of 4.7% from 2023. The overall increase in plastic packaging material consumption is mainly due to the continued growth of store operations, which has an impact on the amount of packaging materials used. President Chain Store Corporation has publicly announced reduction target by aiming at reducing the proportion of other single-use plastic to less than 19% in 2024, less than 10% in 2028, and completely eliminated in 2050. In 2024, other single use plastic accounted for 20.96% of the total plastic consumption. Although the plastic reduction target was not met this year, we continue to monitor the consumption and implement corrective action plans to reduce other single-use plastic in order to achieve the goal of complete elimination by 2050. Considering the Ministry of Environment’s regulations of gradually restricting the use of biodegradable materials in cutlery, President Chain Store Corporation has completely replaced PLA boxes for tea eggs with recyclable PET material since 2024, reducing the proportion of “compostable/

decomposable plastic” by 100%. We have also continued to increase the use of “recyclable plastic” with a 5.36% increase compared to 2023. In addition, the use of “plastic with recycled content” has increased by 43.09% compared to 2023. Besides continuing to use 100% recycled plastic for store garbage bags, President Chain Store Corporation also launched “100% recycled PE shopping bags” in September 2024, as well as continuing to increase the use of food containers made with recycled plastic (Recycled PET, rPET). Specific items including mashed potato fresh vegetable egg salad, Japanese Inarizushi and tuna/meat floss double rolls, etc. adopt packaging containing 30% recycled plastic. For detailed management measures, please refer to the “[Plastic Reduction Management Action](#)” section.

Changes in Packaging Material Consumption for President Chain Store Corporation’s private-label products from 2023 to 2024

Plastic Classification		Weight(Metric Tons)		Differences between the Two Years
		2023	2024	
Total Weight of Plastic		11,232.32	11,760.67	4.70%
Usage	Reusable plastic	22.62	19.33	-14.55%
	Single-use plastic	11,209.70	11,741.34	4.74%
Material	Recyclable plastic	8,803.82	9,276.04	5.36%
	Compostable/decomposable plastic	93.24	-	-100.00%
	Other plastic	2,335.26	2,484.63	6.40%
Source	Virgin fossil-based plastic	10,685.42	1,111.54	3.99%
	Virgin renewable plastic	93.24	-	-100.00%
	Post-consumer recycled plastic (Plastic with recycled content)	453.65	649.12	43.09%

(Note 1) The plastic milk containers for business use were recalculated from 2021 to 2024. The statistical data before 2023 was estimated based on bags (15 milk containers per bag). The number of milk containers used and the unit weight was recalculated in 2024, and the data of the previous three years will be traced back to correct relevant disclosures from 2021 to 2023.

+ Non-plastic Packaging Materials +

President Chain Store Corporation strives to reduce the consumption of plastic packaging materials for private-label products and services, as well as looking to incorporate non-plastic packaging materials with sustainability certification. In line with President Chain Store Corporation’s Sustainable Procurement Policy, the targets for private-label products packaging by paper materials with sustainability certification have been set for 2030 and 2050 to reach 70% and 100%, respectively. We also continue to work towards getting sustainably-certified materials for paper bowls and cup sleeves used in the stores. In 2024, the consumption of non-plastic packaging materials (including paper/wood, metal) increased by approximately 10.72% compared the previous year, mainly due to the increase in coffee sales and not offering single-use plastic carrier net, leading to an increase of paper cup holders. Our cup holders are made of recycled paper to reduce the impact on the environment. An increase in metal packaging materials are mainly due to the increase in freshly-prepared beverages leading to an increase in the outer packaging of coffee beans and fresh tea leaves.



## Statistics of Packaging Material Consumption in Each Life Cycle Stage for Private-label Products and Services in 2024

● Plastic ■ Paper/wood ▲ Metal(composite material)

The Life Cycle Stage of Private-label Products and Services		Manufacturing and Production	Supplier/Manufacturer	Logistics Delivery to Stores	Store Sales and Services	Weight (Metric Tons)
Packaging Material		<ul style="list-style-type: none"> <li>Fresh food packaging</li> <li>Freshly-prepared beverage supplies</li> <li>Cutlery</li> </ul>	<ul style="list-style-type: none"> <li>Fresh food sealing film</li> </ul>	<ul style="list-style-type: none"> <li>Delivery cartons</li> </ul>	<ul style="list-style-type: none"> <li>Shopping bags and garbage bags</li> <li>Cutlery and sauce packaging</li> <li>Delivery and e-commercial packaging</li> <li>Buffer materials and tape</li> <li>Cup sealing films</li> </ul>	
		<ul style="list-style-type: none"> <li>Packaging for coffee beans</li> <li>Packaging for tea leaves</li> </ul>	<ul style="list-style-type: none"> <li>Box packaging</li> <li>Paper container for fresh food</li> <li>Coffee cup holders and cup sleeves</li> <li>Paper bags for reheated food</li> <li>Packaging for disposable chopsticks</li> </ul>	<ul style="list-style-type: none"> <li>Shipping film</li> </ul>	<ul style="list-style-type: none"> <li>Cartons from online shopping center and distribution services</li> <li>Delivery boxes</li> <li>Fresh food cartons</li> <li>Paper bowls and store supplies</li> </ul>	
Classification		Weight (Metric Tons)				
Usage (Plastic)	Reusable plastic	0.00	0.00	0.00	19.33	
	Single-use plastic	7,601.64	0.00	23.80	4,115.89	11,760.67
Material (Plastic)	Recyclable plastic	6,923.29	0.00	0.00	2,352.74	11,760.67
	Compostable/decomposable plastic	0.00	0.00	0.00	0.00	
	Other plastic	678.35	0.00	23.80	1,782.48	
Source (Plastic)	Virgin fossil-based plastic	7,601.64	0.00	23.80	3,486.10	11,760.67
	Virgin renewable plastic	0.00	0.00	0.00	0.00	
	Post-consumer recycled plastic (Plastic with recycled content)	0.00	0.00	0.00	649.12	
Source (Others)	Paper/wood	1,282.50	911.01	477.60	10,777.94	13,449.04
	Metal	291.69	0.00	0.00	0.00	291.69

(Note 1) The scope of statistics includes the packaging of private-label products of President Chain Store Corporation and the items sold and serviced in the store (in addition to the outer packaging of the items, the materials used for the items and the packaging used for logistics and distribution are also included). The statistics of plastic and non-plastic packaging materials cover 100% of private-label products.

(Note 2) The inventory of paper/wood includes the statistics of general cartons, paper containers with coating, as well as materials for cutlery packaging and content for store supplies.

## Plastic Reduction Management Actions

President Chain Store Corporation has engaged in three aspects to reduce plastic, including “reduction at the source,” “innovative packaging” and “encouraging customers to bring their own containers” since 2019. The Plastic Reduction Task Force was set up in 2020 to integrate strategies related to plastic reduction. We have started with the reduction of single-use plastics in private-label products and services, redesigned product packaging to reduce plastic consumption, introduced certified paper materials and recycled plastics, as well as reducing single-use containers by offering discounts and rewards. In addition, President Chain Store Corporation integrated Group resources to set up the “OPEN iECO Recycled Cups Renting Service” in 2022. By the end of 2024, a total of 2,531 stores have been incorporated with the hope of providing convenient services while working towards environmental protection.

## 2019

- Take action for plastic reduction

## 2021

- Launch of lightweight and environmentally-friendly shopping bags
- Redesign of the lighter packaging of fresh food such as rice served with meat on top, cold noodles, hot dog buns, etc.
- All garbage bags used in stores are made of 100% recycled materials
- “Unlabeled mineral water” was launched in collaboration with Uni-President Enterprises Corporation
- Launch of circular packaging used for e-commerce in collaboration with the social enterprise PackAge+
- The reward for bringing your own cup on the 1st of every month increased from NT\$3 to NT\$5
- Recycled PET bottles and empty milk bottles to be made into handmade drink carriers and newsboy bags by Story Wear

## 2023

- Ice makers have been expanded to 2,457 stores
- OPEN iECO Recycled Cups Renting Service introduced to over 1,000 stores
- Packaging for two salads was replaced with certified rPET

## 2020

- Set up the “Plastic Reduction Task Force” to formulate and manage plastic reduction actions
- Publicly announced its long-term plastic reduction goal to “completely eliminate other single-use plastics by 2050”
- Launched the “Packaging Material Weight Reduction Project” to promote lightweight fresh food packaging
- Launch the “Cups for Rent Project” in collaboration with the social enterprise Good to Go
- Pilot program for recycling PET bottles with the “Automatic Recycling Machine”

## 2022

- Redesign sandwich packaging in 2022 to reduce plastic consumption by approximately 12.5% on average
- Produce planting bags were replaced by kraft paper bags, reducing approximately 0.96 metric tons of plastic
- Fresh food packaging such as tea egg bags, Oden bowl lids and disposable cutlery were redesigned to be lightweight
- Ice makers were introduced into 750 stores to reduce the consumption of packaged ice cubes
- “Intelligent Automatic Recycling Machine” introduced to recycled PET bottles and batteries in the stores
- Integrate group resources to introduce OPEN iECO Recycled Cups Renting Service to 500 stores

## 2024

- 3,952 ice makers and 2,945 film sealing machines were introduced into stores
- The “Internal Plastic Recycling System” program reduces the use of virgin plastic and creates a traceable internal recycling system
- Develop the OPEN iECO Recycled Cups Renting Service with other companies in the Group. It has been adopted by 2,531 stores
- Launch the 100% recycled PE plastic shopping bags

## + Single-use Plastic Reduction +

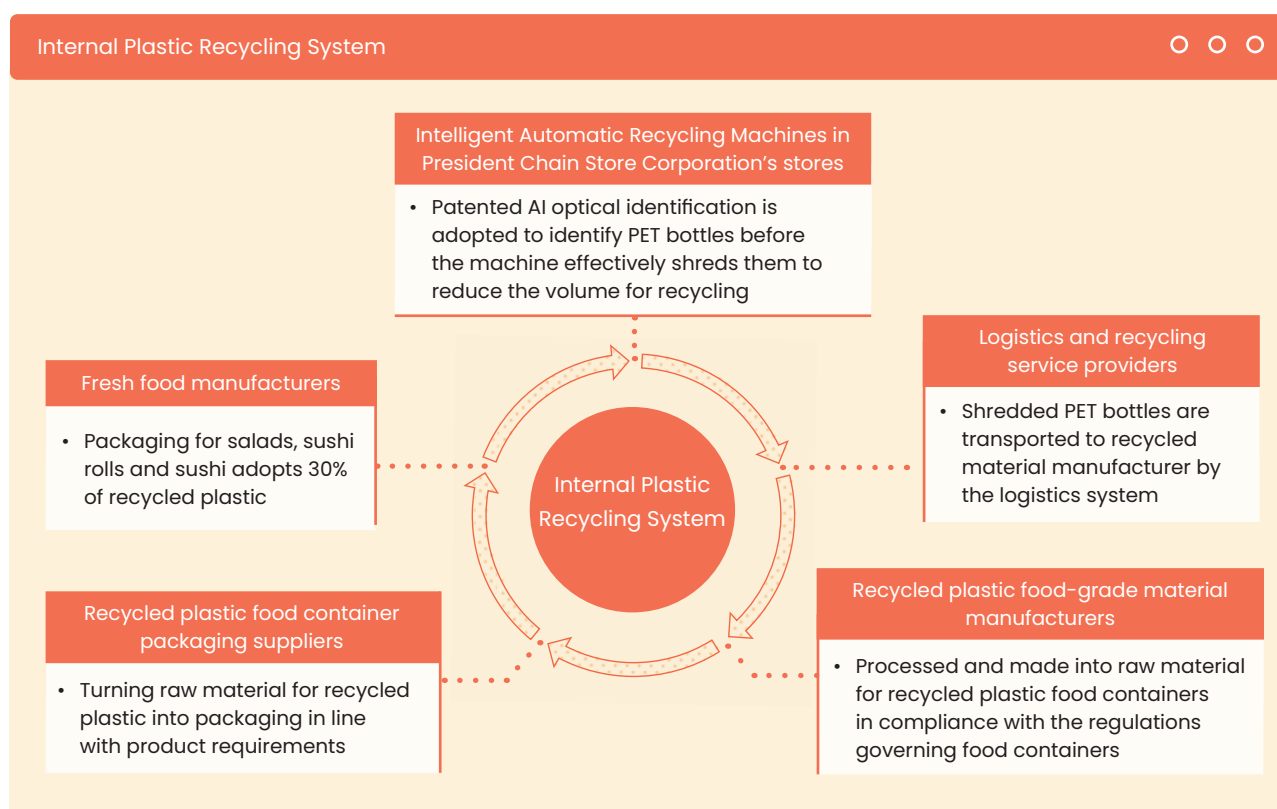
## Plastic Reduction for Product Packaging

President Chain Store Corporation are committed to reducing the burden on the earth from product packaging. Since 2019, President Chain Store Corporation has been working on reducing the environmental impact by expanding the use of recycled plastics and continuous promotion of the packaging weight reduction initiative. President Chain Store Corporation launched the “100% recycled PE shopping bag” in September 2024. The shopping bag is made of 95% recycled plastic and 5% recycled plastic from empty milk containers. From September 2024 to the end of the year, a total of about 713,000 environmentally friendly shopping bags were sold, which is estimated to reduce the consumption of 202.2 metric tons of plastic. We expect to sell 5.3 million shopping bags each month, in the future which can reduce the use of about 50.0 metric tons of virgin plastic every month. We also plan to launch the “100% recycled PE shopping bag (extra-large bag)” in 2025 and expect to sell 1.3 million bags a month, which can reduce the use of about 24.4 metric tons of new materials each month to reduce the use of single-use plastic. President Chain Store Corporation is also actively working with suppliers to find the solution of reducing plastic in fresh food packaging. We continue to expand the use of paper lunch boxes, reducing about 91.37 metric tons of plastic in 2024.



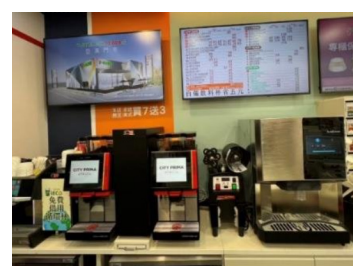


In addition, President Chain Store Corporation plans to cooperate with affiliated companies in the “Internal Plastic Recycling System” initiative in 2025 by continuing to develop new materials and technologies to maximize the effectiveness of plastic packaging reduction. PET bottles recycled by consumers at the “Intelligent Automatic Recycling Machine” in stores are converted into recycled plastic (rPET) food containers together with logistics and recycling services, as well as partners that recycle plastic raw materials and manufacture fresh food containers to be used in fresh food packaging containers, such as replacing salad box lids with recycled plastic sealing film. In 2024, a total of 78.47 metric tons of plastic was reduced as a result, creating a traceable internal recycling system and upgrading recycling services.



#### Plastic Reduction for Store Services

To further reduce plastic consumption in the stores, President Chain Store Corporation actively followed regulations from the Ministry of Environment in 2023 to ensure the stores comply with the rule of not actively offering disposable cutlery, as well as adopting more lightweight packaging for cutlery. In 2024, the total consumption of single-use spoons and forks was reduced by 6.26% compared to 2023. In addition, President Chain Store Corporation started introducing ice makers in the stores in 2022 to reduce packaging materials used for ice cubes in freshly-prepared beverages. In 2024, the ice makers were introduced to a total of 3,952 stores, reducing a total of 106.3 million plastic packaging bags and reducing single-use plastic by 212.5 metric tons. We will continue to move towards the goal of introducing ice makers to all stores in the future. In addition, starting from 2023, film sealing machines were gradually introduced in stores to reduce the consumption of single-use cup lids. A total of 2,945 film sealing machines were adopted by the stores in 2024, reducing 27.29 million single-use cup lids and 68.78 metric tons of plastic.



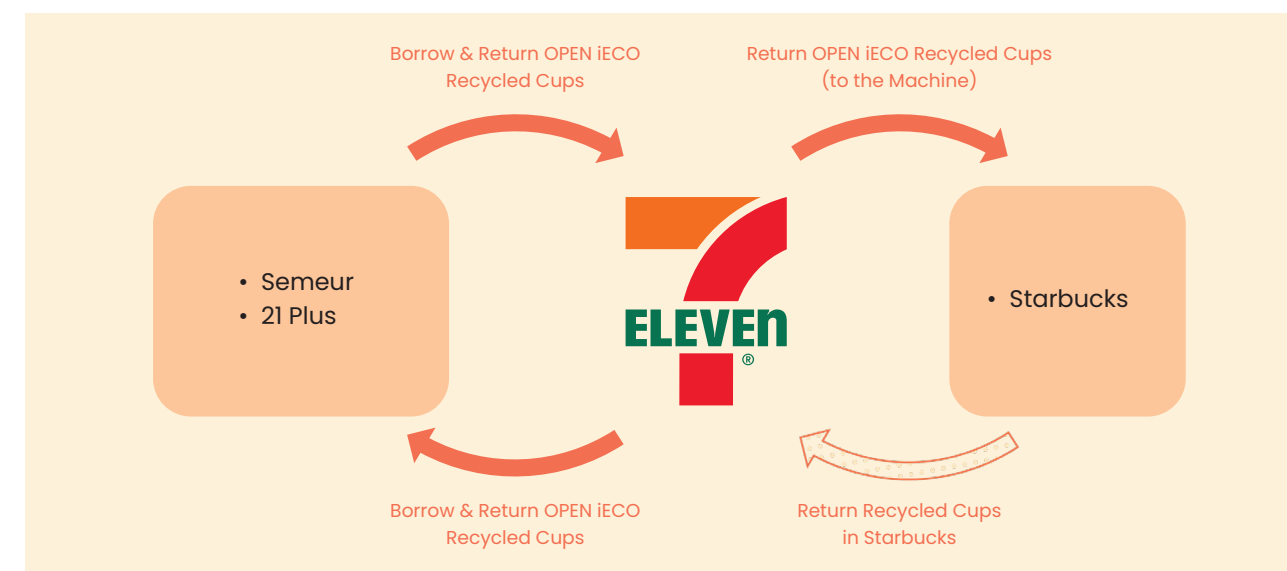
#### Reducing Disposable Containers – Bring Your Own Cups and Reusable Cups

President Chain Store Corporation encourages consumers to contribute to environmental protection by offering discounts for bringing their own cups and providing cups for rent. Since 2022, the Company integrated the Group to develop the “OPEN iECO Recycled Cups Renting Service.” In 2024, President Chain Store Corporation has introduced the service to 2,531 stores, accounting for 35% of the total number of stores nationwide and exceeding the regulatory requirements, providing the largest recycled cup renting service for a single channel.

We provide a user-friendly service for cup rental. In 2024, President Chain Store Corporation integrated the resources of the entire Group, including affiliated logistics companies and cleaning plant, to become the first enterprise that was passed the “Good Service Guidelines for Recycled (Renting) Cups” with six major specifications, including materials and labels, borrowing and returning, cleaning, inspection, environmental protection concept communication and good service logo. The cleaning process complies with the food safety and sanitation regulations. The cleaning plant follows the Food and Drug Administration’s “Guidelines for Tableware Cleaning Practices” to test each batch with a simple reagent for fat, starch, protein and detergent residues. If necessary, pathogenic microorganisms will also be tested. At least once every six months, outsourced testing (for fat, starch, protein, detergent residues and pathogenic microorganisms) is conducted in line with the Ministry of Health and Welfare’s announcement or recommended testing methods to ensure reusable cups are hygienic and clean. In addition to borrowing and returning recycled cups at the stores, consumers can also borrow and return them at other affiliate companies such as Starbucks and 21 Plus to expand the scope of service of borrowing from A store and returning to B store, allowing consumers even more user-friendly access to the service. The “OPEN iECO Recycled Cups Renting Service” is tied to the member barcode in the OPENPOINT app. An amount prepaid while renting. If the cup is not returned in time, the prepaid amount will be automatically deducted to ensure the consumers return the cups, making the recycled cup service sustainable. The Company also exceeds the requirements of the Ministry of Environment’s regulations for specific stores to adopt the “OPEN iECO recycled cup lids” to expand the recycled cup services and ensure the service is a sustainable recycling service.

#### Recycled Cup Rental Service and Management Process

Recycled Cup	OPEN POINT integration	Store cup returning service	Integrated logistics service	Professional cleaning plant
<ul style="list-style-type: none"> <li>Both the cup and lid are recyclable</li> <li>Recycled cup is insulated with no need for heat insulation cup sleeve</li> </ul>	<ul style="list-style-type: none"> <li>The OPEN POINT membership platform allows consumers to borrow and return cups with ease</li> </ul>	<ul style="list-style-type: none"> <li>Cup return machines are introduced to President Chain Store Corporation and Starbucks store to facilitate recycling</li> <li>Cups can be returned to the counters to collect the cups in a designated bucket</li> </ul>	<ul style="list-style-type: none"> <li>Affiliated logistics companies work with the stores for reverse logistics</li> <li>Used recycled cups are shipped to cleaning plants to maintain a clean and hygienic service</li> </ul>	<ul style="list-style-type: none"> <li>High-performing cleaning plant is entrusted to clean the recycled cups</li> <li>Some stores that do not work with the logistics system adopt automatic cleaning machines to clean the cups in-store</li> </ul>



Through the optimization of the “OPEN iECO Recycled Cup Renting System” and the NT\$5 discount for bringing their own cups, President Chain Store Corporation has achieved outstanding results in reducing the use of single-use containers. Through the efforts of various promotional activities, a total of 102.4 million cups were sold by 2024, reducing the use of plastic by about 112.72 metric tons. However, in the process of investing in the recycled cup service system, we have observed that consumers tend to bring their own cups. Therefore, while maintaining compliance with regulatory standards, President Chain Store Corporation has adjusted its 2025 target to 21% of consumers bringing their own cups. While continuing to improve the results of reducing plastic in beverage sales, we also respond to special holidays such as Earth Day, World Environment Day, DJBICI and other specific periods to work with stores on expanding promotions for bringing their own cups and recycled cups. E-learning is provided for staff on recycled cup service to increase utilization of the recycled cup service.

#### Online shopping packaging reduction and recycling materials

Regulations require that the weight of average online shopping packaging is reduced by at least 30% in 2025. President Chain Store Corporation started the initiative to reduce the weight of online shopping packaging material in 2022, making MyShip mailing bag packaging lighter and introducing the development and use of degradable material mailing bags. In 2024, the mailing bags reduced plastic consumption by about 8.34 metric tons compared to the previous year, and the proportion of degradable material mailing bags reached 16.64%. In addition to reducing the weight of the mailing bags themselves, President Chain Store Corporation also replaces virgin plastic with recycled plastic. MyShip mailing bags increased the proportion of recycled plastic by 50% with a total of 21.61 metric tons of plastic reduced. In addition, ibon has developed a mailing service label machine. The mailing receipts have adhesive backing and can be directly pasted, reducing the amount of dedicated mailing bags, reducing plastic consumption by 12.90 metric tons in 2024, as well as unnecessary paper and plastic use.

## 4.3 Climate Change Mitigation and Adaptation

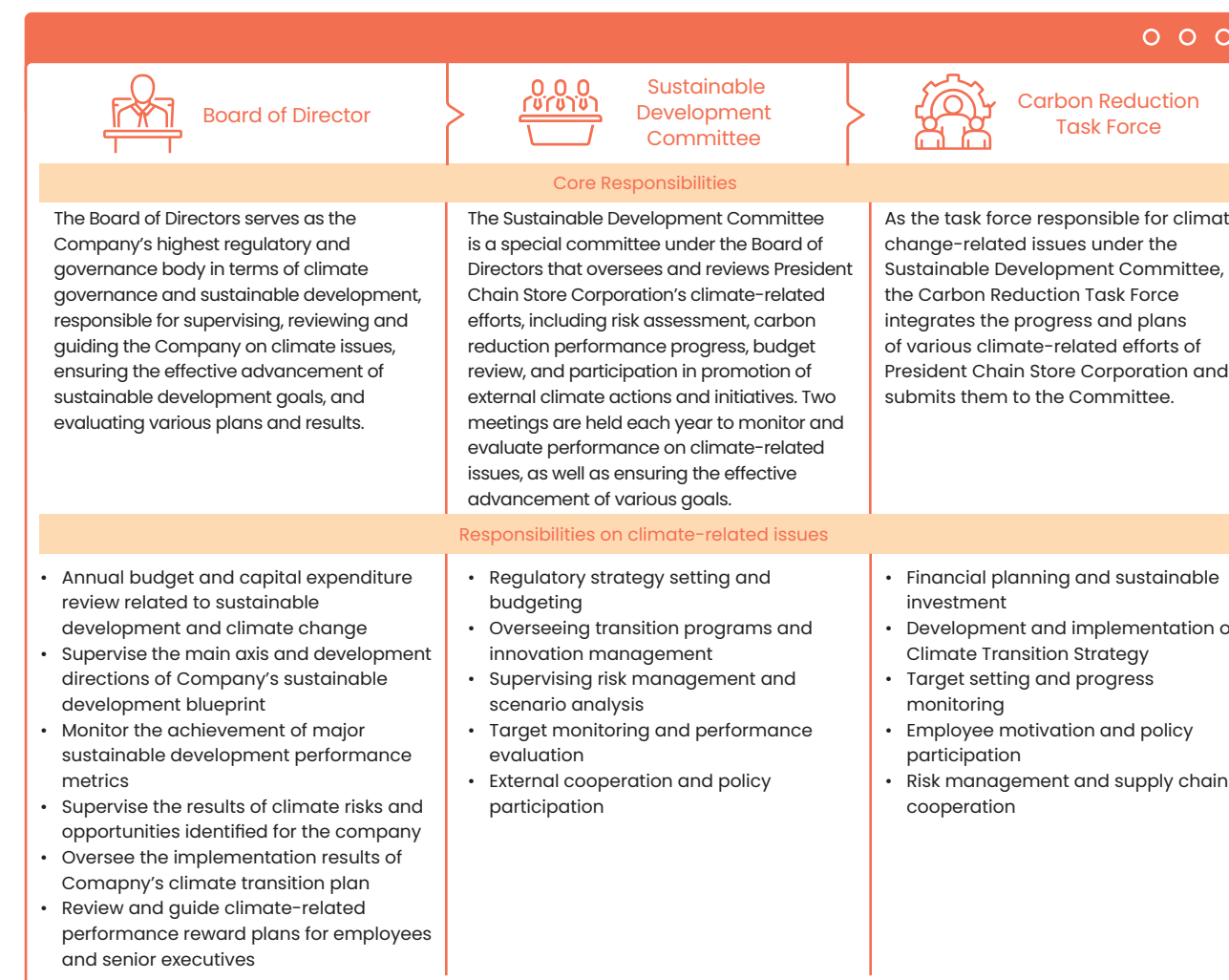
Facing the global challenges brought about by climate change, President Chain Store Corporation actively responds and adapts to the impact of climate change, not only embodying our environmental responsibilities but also ensuring the key to sustainable development. To this end, we respond to domestic and foreign climate initiatives, commit to abiding by the principles of the Paris Agreement to limit global temperature rise to a maximum of 1.5°C above pre-industrial levels, as well as declaring our support for the Ministry of Environment’s Pathway to Net-Zero Emissions in 2050. To this end, we follow the PDCA cycle to formulate a net-zero transition plan for President Chain Store Corporation and developed a comprehensive climate governance structure, so as to gradually make our pathway to net-zero emissions a reality and exert a positive influence.

### Climate Governance

#### + Climate-related Monitoring Mechanisms and Actions +

President Chain Store Corporation’s governance structure of climate change issues has the Board of Directors as the highest governing body, with the Sustainable Development Committee underneath supervising and reviewing climate-related issues. The Sustainable Development Committee is responsible for developing and implementing various sustainable development strategies, as well as managing the Company’s climate transition actions and target performance.

In response to the development in climate change issues, President Chain Store Corporation set up a Carbon Reduction Task Force in 2021 as a dedicated unit for climate-related issues. The task force is chaired by a member of the Sustainable Development Committee and sets up task groups based on the business scope of each department to ensure cross-departmental collaboration and promotion. The core responsibilities of the Carbon Reduction Task Force include conducting preliminary assessments of major climate change risks and opportunities, incorporating the assessment results into comprehensive discussions, and further formulating response strategies. In the meantime, the Carbon Reduction Task Force has four major projects to execute, including formulating the blueprint strategy, procuring and developing low-carbon products and services, introducing energy-saving and carbon reduction measures and equipment, and promoting energy-saving solutions for logistics. Each project team formulates implementation strategies, medium- and long-term targets, as well as action plans based on its own responsibilities, and tracks progress through monthly meetings to ensure the smooth promotion of various plans (for details of the overall structure of the Committee, see [1.2 Sustainable Development Committee](#)).



#### + Climate-related Management Incentive Mechanism and Results +

President Chain Store Corporation supports the Paris Agreement and actively responds to the government’s Pathway to Net-Zero Emissions by 2050, promising to achieve net zero targets for Scope 1 and Scope 2 of greenhouse gas inventory in its own operations by 2050. In order to improve carbon reduction efficiency, President Chain Store Corporation has set up a “Climate Change Incentive Program.” According to the results of ISO14064-1 greenhouse gas inventory each year, if the emission intensity (metric tons of CO<sub>2</sub>e/million NT\$ revenue) decreases compared with the previous year and meets the Company’s annual carbon reduction target, a monetary incentive will be granted. The incentive recipients include members of the senior management team and related units of the Carbon Reduction Task Force.

In addition, in order to encourage employees for actively managing store energy use, President Chain Store Corporation has formulated the “Store Energy Saving Incentive Program,” which include the base electricity fee management results of new and renovated stores, as well as the electricity consumption management and energy saving improvements of existing stores into the individual, store and regional performance assessment. Monetary incentives are granted to those who find abnormalities in store electricity bills. There are two incentives methods in the President Chain Store Corporation’s Store Energy Saving Incentive Program. A total of NT\$14,762 in bonuses was issued after recovering abnormal electricity charges in stores in 2024. From 2022 to 2024, a total of NT\$64,246 in bonuses were issued after recovering abnormal electricity charges in stores.

#### President Chain Store Corporation Energy Saving Incentive Program

