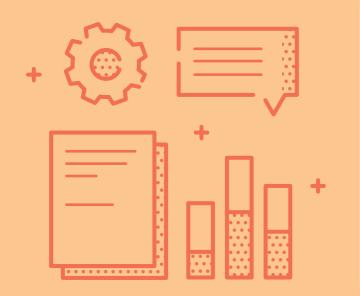
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## Implementing Sustainable Management



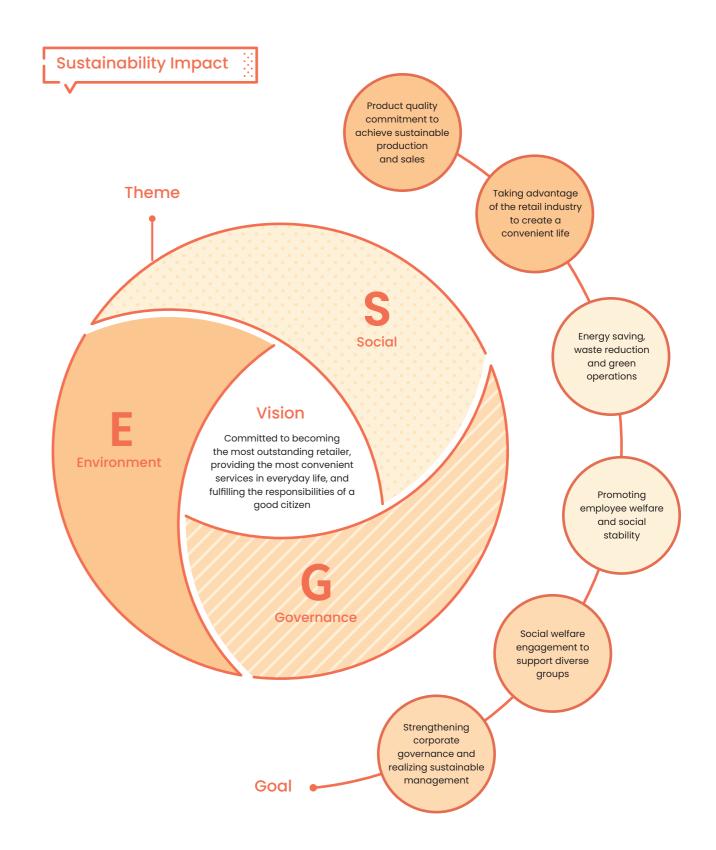
7-ELEVEN Global Sustainable Development Declaration

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.

## 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 7,000 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, Yuanta Bank, Taipei Fubon Bank and Mega 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, top 5% in Corporate Governance Evaluation, 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.



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## **President Chain Store Corporation SDG Actions**

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: measures such as raw material management, personnel training and quality assurance procedures are adopted for comprehensive management from raw materials, logistics and stores.

Passing ISO45001 system verification every year as well as implementing safety and health education and training, safety risk assessments, safety audits, the Happiness Cooperative Society and dedicated section to Health and Safety for all to ensure the health and safety of all 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**

Encouraging children to read through the point-based reading incentive program, actively taking advantage of our channels to promote one project per school, as well as building "Good Neighbor Paper Libraries" with the collaboration of different sectors to improve the reading environment in towns and villages and realize circular economy.

Youth Sustainability Deep Root Program cultivates sustainable talents in colleges and universities, promotes the concept of sustainability to parents and children through self-made teaching materials with sustainability themes, as well as continuing to advocate and promote sustainable actions.













## GOAL 8 **Decent Work and Economic Growth**

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

.........

Collaborate with Down Syndrome Foundation to recycle plastic bottles from convenience stores and turn them into eco-friendly scarves. Creating employment opportunities by working with people with Down Syndrome to assemble gift boxes. Purchasing gift boxes and sending them to families assisted by social welfare organizations to create a sustainable circular economy.



## 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 resource, as well as providing stores as spaces for young people to hold local cultural promotion activities.



## GOAL 12 **Responsible Consumption** and Production

President Chain Store Corporation recycles food scraps from its stores and converts them into organic fertilizer following biological and natural methods. The fertilizer is then used on the fields of sustainable contract farms. The crops are harvested sold in the stores. Reusing food scraps reduces carbon emissions from food waste and creates a circular economy.

.....

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

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

.....

Setting up the Plastic Reduction Task Force to take the three aspects "reduction at the source," "innovative packaging" and "encouraging customers to bring their own containers." Actively partnering with suppliers to develop innovative packaging materials to reduce the consumption of single-use plastic, as well as reducing singleuse containers by offering discounts. The Group developed the "Recycled Cup Life Circle Service" to provide convenient services while creating environmental benefits.



## GOAL 13 **Climate Action**

Setting up the Carbon Reduction Task Force to meet the target of Scope 1 and 2 net-zero 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 lowcarbon rice, as well as supporting local food ingredients to reduce carbon footprint from imports, encouraging consumers make a areen diet reality.



## GOAL 15 Life on Land

Publicly committing to follow the "biodiversity protection" and "zero deforestation" policies at all operating locations and supply chains, and protecting biodiversity by implementing biodiversity risk assessments, analysis and mitigation actions.



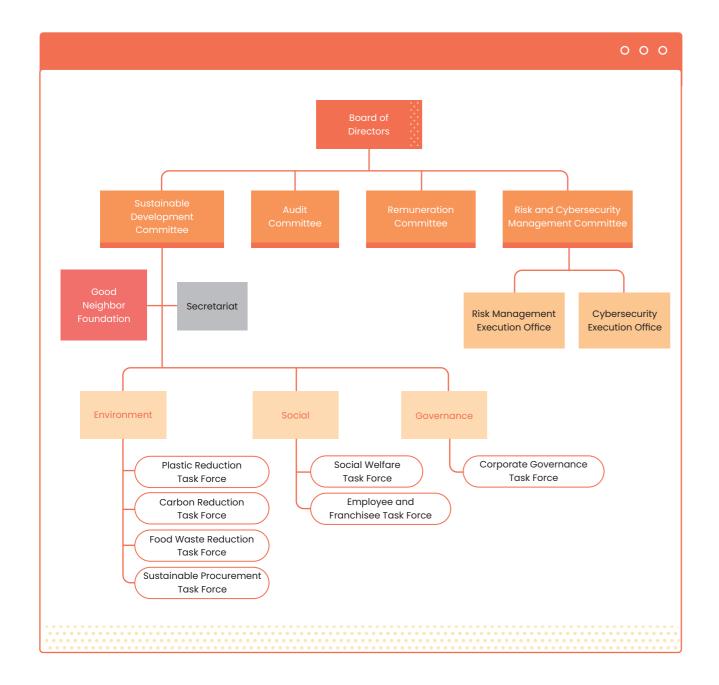
## GOAL 17 Partnerships to achieve the Goal

Collaborating 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 cross-domain collaboration projects such as "Sustainable Farms," "Youth Deep Roots Program" and "What Time Is It? Café" to build an ecosystem of sustainable common good.

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## 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's 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 Franchise Owners." The three groups are responsible for drawing up and implementing policies in corporate sustainable development, systems, management principles and specific promotion plans. The Sustainable Development Committee convenes twice a year, as well as reporting the performance of implementation and the plans for the following year to the Board of Directors at the end of the year. 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.





(Note) We expect to include a dedicated chapter on sustainable development in the annual report in 2026 and publish in 2027.

## 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 collect topics of concerns for our stakeholders. These topics then go through our internal impact analysis to determine the significance of the sustainability issues' impact on economy, environment and human rights and on the 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.

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01

## **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 9 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.

03

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

## 382 valid questionnaires —

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 382 valid questionnaires were collected from President Chain Store Corporation employees (197), investors (5), customers (52), suppliers (31), franchisees (43), NGOs (18), government agencies (5), media (3) and local communities (26).

Assessing the significance of the impacts

Identifying existing and potential impacts

Understanding the organizational context

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.

04

## Evaluating the internal impact of sustainability issues (financial materiality)

## 73 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 Committee to rate the degree of impact of each sustainability theme on the 5 aspects of "company operations (including finance, production/products and services, personnel, impact on stakeholders, reputation and image)." The "probability of occurrence" and "scale and scope of influence" of the impact were included for evaluation, so were both positive and negative impacts. In addition to incorporating the results of last year's questionnaire to determine the degree of internal impact from sustainability issues, three members of the Sustainable Development Committee were invited to fill out a questionnaire in 2024. Their feedback and suggestions were equally taken into consideration.

05

## Stakeholders' degree of concern

## 382 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.

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 economy, environment, and people (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 2024 with 15 material topics identified.

07

## Confirmation

## 15 material topics -

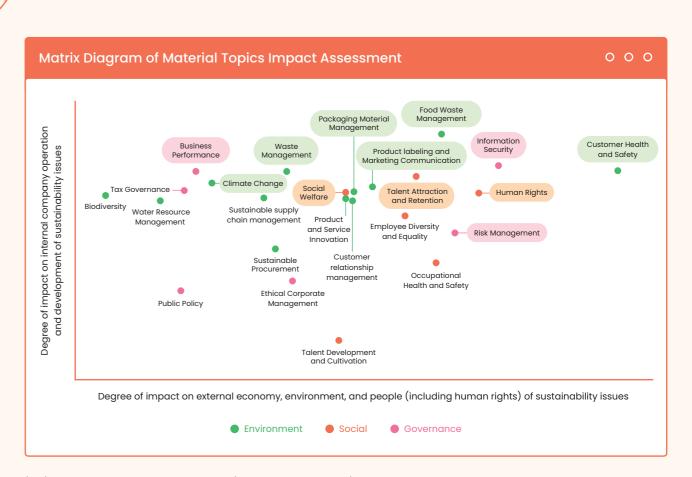
Once the 15 material topics have been identified, the Sustainable Development Committee and Board of Directors confirm the result before further evaluating the internal and external boundary to ensure that important information on sustainability has been fully disclosed in the report.

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**Disclosure** 

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



(Note) The materiality threshold means the top 12 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 three 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.

| Ascending 🔱 [ | Descending - | — Maintain | New |
|---------------|--------------|------------|-----|
|---------------|--------------|------------|-----|

| Material<br>Topic   | Description<br>of Impact  | Corres-<br>ponding<br>GRI<br>Standards | Corres-<br>ponding<br>SASB Topics                             | Corresponding<br>Chapter (Including<br>Management<br>Approach) | Change<br>in Order |
|---|---|--|---|--|--------------------|
| Customer<br>health and<br>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<br>416-2                         | Food Safety,<br>Product<br>Health<br>& Nutrition              | 3.2 Customer<br>Health and Safety                              | _                  |
| Information<br>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<br>Security                                       | 2.3 Information<br>Security and<br>Privacy Protection          | 1î                 |
| Food waste<br>manage-<br>ment                                 | 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~<br>306-5                        | Food<br>Waste<br>Manage-<br>ment                              | 4.4 Food Waste<br>and Waste<br>Management                      | ŢÌ                 |
| Human<br>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<br>409-1                         | Labor<br>Practices  | 5.2 Human Rights<br>Management                                 | Ŷ                  |
| Talent<br>attraction<br>and<br>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~<br>401-3<br>402-1               | NA  | 5.1 Talent Attraction<br>and Retention                         | 1î                 |
| Product<br>labeling<br>and<br>marketing<br>communi-<br>cation | 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~<br>417-3                        | Product<br>Labeling<br>and<br>Marketing<br>Communi-<br>cation | 3.2 Customer<br>Health and Safety                              | ŢÌ                 |
| Waste<br>Manage-<br>ment                                      | 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~<br>306-5                        | NA  | 4.4 Food Waste<br>and Waste<br>Management                      | _                  |

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| Material<br>Topic                                 | Description<br>of Impact  | Corres-<br>ponding<br>GRI<br>Standards | Corres-<br>ponding<br>SASB Topics  | Corresponding<br>Chapter (Including<br>Management<br>Approach)         | Change<br>in Order        |
|---|---|--|--|--|---------------------------|
| Risk<br>Manage-<br>ment                           | 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<br>Security,<br>Food Safety  | 2.2 Risk<br>Management   | 17                        |
| Social<br>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 Promotion of<br>Social Welfare &<br>Charity                          | Ϋ́Ì                       |
| Business<br>perfor-<br>mance                      | Transparent and open financial information and stable and growing operating performance are crucial to the Company's operations. They not only help gain the trust of investors and suppliers, but also help enhance the Company's brand image in the eyes of customers and society. Otherwise, operating resources may be limited and the interests of investors may be damaged.   | 201-1<br>201-2                         | Activity<br>metrics  | 2.1 Corporate Governance  4.3 Climate Change Mitigation and Adaptation | $\stackrel{\wedge}{\sim}$ |
| Climate<br>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~<br>302-5<br>305-1~<br>305-5     | Fleet Fuel<br>Manage-<br>ment, Air<br>Emissions<br>from Refri-<br>geration,<br>Energy<br>Manage-<br>ment | 4.3 Climate Change Mitigation and Adaptation                           | _                         |
| Packaging<br>material<br>manage-<br>ment          | The characteristics of plastic make it a common packaging material for retail goods. However, due to improper use and management, plastic waste has caused threat to land and marine ecology, and its disposal process has caused significant harm to human health. In response to the trend of plastic reduction, 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                                     | Manage-<br>ment of<br>Environ-<br>mental<br>& Social<br>Impacts in<br>the Supply<br>Chain                | 4.2 Packaging<br>Material<br>Management                                | Ϋ́                        |
| Occupa-<br>tional<br>health and<br>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~<br>403-10                       | NA   | 5.3 Occupational<br>Safety and Health                                  | 介                         |
| Sustainable<br>supply<br>chain<br>manage-<br>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<br>308-2<br>414-1<br>414-2       | Manage-<br>ment of<br>Environ-<br>mental<br>& Social<br>Impacts in<br>the Supply<br>Chain                | 3.3 Sustainable<br>Supply Chain<br>Management                          | Ţļ                        |
| Sustainable<br>procure-<br>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                                     | Manage-<br>ment of<br>Environ-<br>mental<br>& Social<br>Impacts in<br>the Supply<br>Chain                | 3.4 Sustainable<br>Procurement   | Ϋ́Ì                       |

In addition, the external impact assessment questionnaire asks all stakeholders to consider whether the impact of various sustainability issues on the external economy, environment and society under the current management is positive or negative, and the positive and negative impact ratios are obtained based on the number of responses. For the two major issues identified this year with a negative impact ratio of more than 15%, the corresponding mitigation actions of President Chain Store Corporation are as follows, hoping to reduce the risk of negative impacts through appropriate management measures.

| Sustainability<br>Topic               | Description of Negative Impact  | Action/Mitigating Practices   |
|---------------------------------------|---|---|
| Talent<br>attraction<br>and retention | Failure to improve the weaknesses in the Employee Engagement Survey will reduce employee satisfaction with their work, resulting in brain drain.      If the franchisee fails to pay minimum age, the Company's image will be damaged and may also result in brain drain. | In order to enhance the trust between the organization and employees, an employee engagement survey will be conducted in 2025. For weak points in satisfaction, the "urgency" and "priority" of items to be improved vill be evaluated, and the focus will be on tracking and improving with the departments in charge.      Regularly check whether the franchisees operate in compliance with government regulations, make sure employees have labor and health insurance and pay wages that are not lower than the minimum wage standard in accordance with government regulations.            |
| Occupational<br>health and<br>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.   | Organize occupational safety and health training courses for new and current employees, and promote 2 occupational disaster awareness-raising courses to continuously strengthen the occupational safety and health concepts of employees. Problems are found and then improved through self-inspections and district consultant reinspection to reduce the risk of occupational accidents.  2. Encourage factories producing private-label products to apply for occupational safety certification, and continue to promote the certification to factories producing non-private-label products. |

## 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 Issues +

Issue management covers 100% of business activities (Note)

| Type of Stakeholders -Suppliers   |  | 000  |
|---|--|--|
| Positive and Negative Impacts   | Quantitative output  | Quantitative impact  |
| Positive impact:  1. Working with suppliers to build a vegetarian food production line and create new business opportunities for suppliers  2. Assisting new suppliers and manufacturers to improve food safety management by making sure that they comply with our food safety management standards. | Cultivated vegetarian production lines with 10 suppliers in 2024.     A total of 24 new suppliers and manufacturers were introduced in 2024. | The scale of economic support for Veggie Selection suppliers were increased to approximately NT\$935 million in 2024.      In 2024, new suppliers and manufacturers worked with President Chain Store Corporation to improve supplier food safety management with improved economic benefits, reaching NT\$14,595 million. |

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| Type of Stakeholders -Environment   |  | 0 0 0  |
|---|--|--|
| Positive and Negative Impacts   | Quantitative output  | Quantitative impact  |
| 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. | 16,424,723 Veggie Selection products<br>were sold in 2024. | 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 show that this approach reduced social cost associated with carbon emissions by approximately NT\$65,517,016 in 2024. |

| Type of Stakeholders -Consumers   |   | 0 0 0   |  |  |  |
|---|---|---|--|--|--|
| Positive and Negative Impacts   | Quantitative output   | Quantitative 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. | <ol> <li>As of the end of 2024, Veggie Selection and Simple Fit products were sold in 7,077 stores. Sales of Veggie Selection and Simple Fit reached NT\$5,987 million in 2024.</li> <li>Sales of private-label products that comply with healthy and nutritional principles reached NT\$32,721 million in 2024.</li> </ol> | 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 2023, the number of people purchasing Veggie Selection and Simpl Fit products grew by 18,541,136 people (with a 18% growth) in 2024.  The number of people purchasing private-label products that comply with healthy and nutritional principles also increased by 36,540,058 (with a 40% growth) in 2024 compared to 2023. |  |  |  |

| Type of Stakeholders -Society  |  | 0 0 0   |
|--|--|---|
| Positive and Negative Impacts  | Quantitative output  | Quantitative impact   |
| 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. | 1. In 2024, President Chain Store Corporation invested NT\$6.12 million in organizing 12,377 Good Neighbor Funfest sessions focusing on healthy nutrition and food safety with a total of 111,586 participants.  2. In 2024, President Chain Store Corporation invested NT\$0.95 million in DIY materials focusing on healthy nutrition and food safety with a total of 206,904 downloads. | In 2024, 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\$56,239,344. 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\$4,138,080. |

(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  |  | 0 0 0  |
|--|--|--|
| Positive and Negative Impacts  | Quantitative output  | Quantitative impact  |
| 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. | In 2024, the amount of food waste generated by factories was reduced by 128 metric tons compared to the previous year. | Suppliers can reduce their raw material consumption through working with President Chain Store Corporation. Compared with the scrapping and scrapping overestimation at fresh food manufacturers in 2023, the total amount of loss reduction (improving the economic benefits for suppliers) reached approximately NT\$7.20 million in 2024. |

| Type of Stakeholders -Environment   |  | 0 0 0  |
|---|--|--|
| Positive and Negative Impacts   | Quantitative output  | Quantitative impact  |
| 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. | In 2024, the amount of<br>food waste reduced<br>by iLove Food has<br>increased by 4,144<br>metric tons compared<br>to the previous year. | 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 public, thereby reducing greenhouse gas emissions, social cost of carbon, and achieving a more sustainable future. Statistics show that the social cost of carbon was reduced by approximately NT\$2,854,453 in 2024. |

| Type of Stakeholders -Consumers  |   | 0 0 0  |  |  |  |  |
|--|---|--|--|--|--|--|
| Positive and Negative Impacts  | Quantitative output   | Quantitative impact  |  |  |  |  |
| 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. | The sales volume of iLove Food in 2024 reached NT\$4,817 million. | 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 2023, the number of people purchasing iLove Food increased by 19,354,974 times in 2024 (a 28% 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

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## Corresponding Value Chain Boundary of Material Topics

| Material Topic                               | U         | pstrean   | า                   | Compai   | ny Ope      | rations                                  | Do        | wnstre | am                |        | oact Ass<br>ntial Ope               |           |                      |
|--|-----------|-----------|---------------------|--|-------------|--|-----------|--------|-------------------|--------|-------------------------------------|-----------|----------------------|
|  | Investors | Suppliers | Government Agencies | President Chain<br>Store Corporation<br>(employees included) | Franchisees | Affiliated logistics<br>companies (Nate) | Customers | NGOS   | Local communities | Financ | Production/products<br>and services | Personnel | Reputation and image |
| Customer health and safety                   | •         | •         | •                   | •  | •           | •  | •         | •      |                   | •      | •                                   | •         | •                    |
| Information security                         | •         | •         | •                   | •  | •           |  | •         | •      | •                 | •      | •                                   | •         | •                    |
| Food waste<br>management                     |           | •         | •                   | •  | •           | •  |           | •      | •                 | •      | •                                   | •         | •                    |
| Human rights                                 |           | •         | •                   | •  | •           | •  |           |        |                   | •      | •                                   | •         | •                    |
| Talent attraction and retention              |           |           |                     | •  | •           |  |           |        |                   | •      | •                                   | •         | •                    |
| Product labeling and marketing communication | •         | •         | •                   | •  | •           |  | •         | •      |                   | •      | •                                   | •         | •                    |
| Waste<br>management                          |           | •         | •                   | •  | •           | •  |           | •      | •                 | •      | •                                   | •         | •                    |
| Risk<br>management                           | •         | •         | •                   | •  | •           | •  | •         |        |                   |        |                                     |           | •                    |
| Social welfare                               |           |           |                     | •  |             |  |           | •      | •                 | •      | •                                   | •         | •                    |
| Business<br>performance                      | •         | •         |                     | •  | •           | •  |           |        |                   | •      | •                                   | •         | •                    |
| Climate change                               |           | •         | •                   | •  | •           | •  |           | •      | •                 | •      | •                                   | •         | •                    |
| Packaging<br>material<br>management          |           | •         | •                   | •  | •           |  |           | •      | •                 | •      | •                                   | •         | •                    |
| Occupational health and safety               |           | •         | •                   | •  | •           |  |           | •      |                   |        | •                                   | •         | •                    |
| Sustainable<br>supply chain<br>management    | •         | •         | •                   | •  | •           |  | •         | •      |                   | •      | •                                   | •         | •                    |
| Sustainable procurement                      | •         | •         | •                   | •  | •           |  | •         | •      |                   |        | •                                   |           |                      |

<sup>(</sup>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 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 <u>stakeholder section</u> 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.

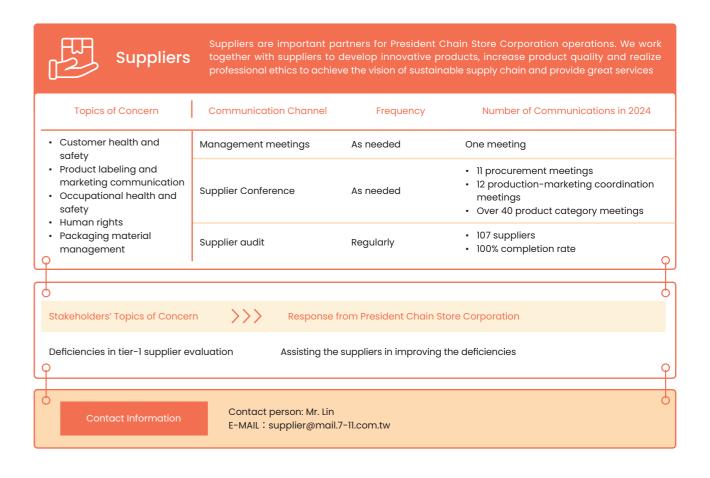


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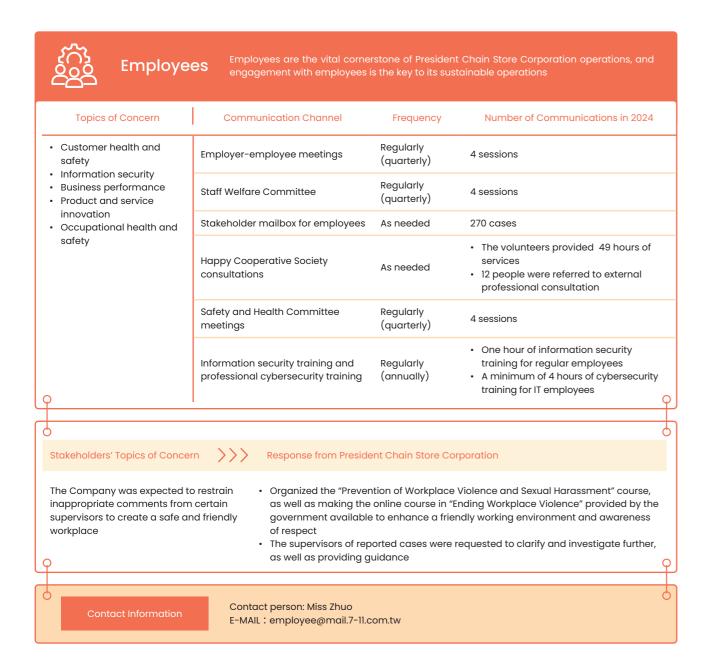
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(Note) 100% of customer letters were replied to on the same day in 2024, and the progress was updated within three working days. The annual case close rate is 100%.



| Franchise Owners  Franchise owners are at the forefront of providing consumer services. Franchise owner engagement is the key to providing assured and high-quality services |  |                     |                                  |
|--|--|---------------------|----------------------------------|
| Topics of Concern  | Communication Channel                  | Frequency           | Number of Communications in 2024 |
| Information safety     Tax strategies     Sustainable procurement     Waste management     Product labeling     and marketing     communications                             | Update the dedicated franchise website | As needed           | Once                             |
|  | Planned district consultant visits     | Regularly (monthly) | 53 times                         |
|  | Monthly publications                   | Regularly (monthly) | 12 publications                  |
|  | Franchise owner forums                 | As needed           | 19 sessions                      |

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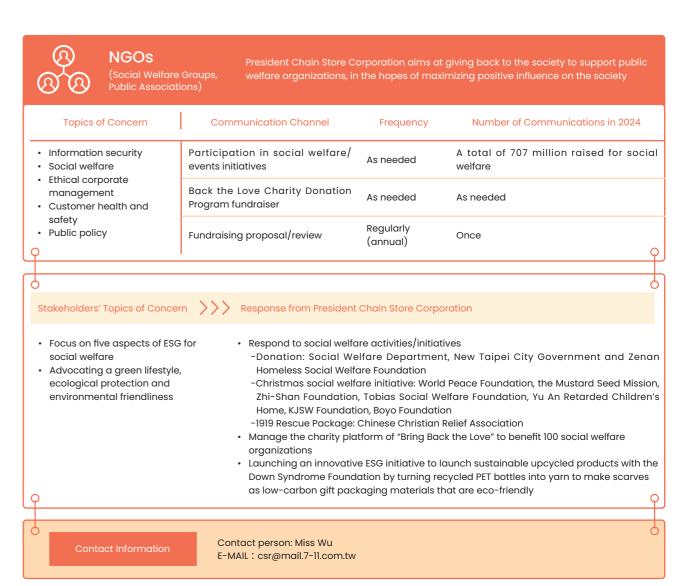
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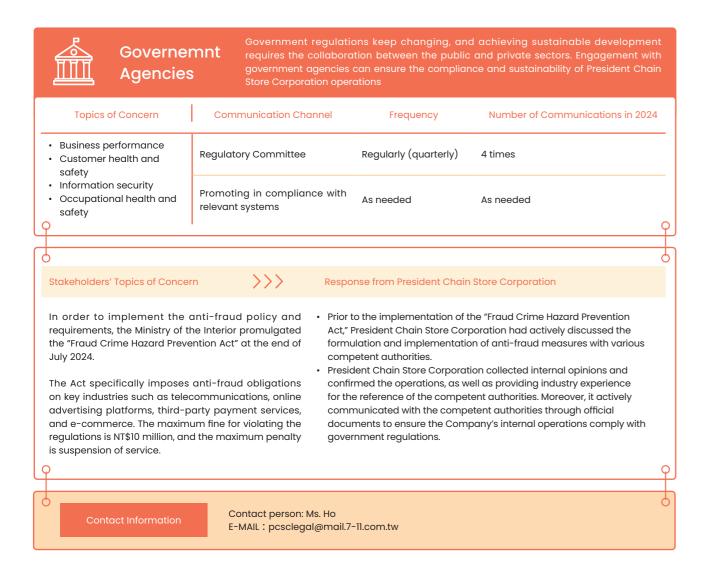
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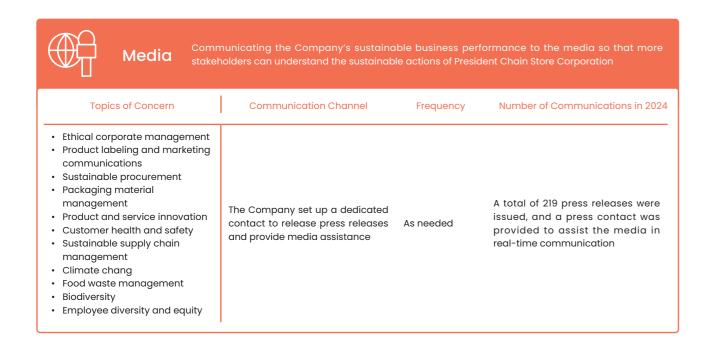
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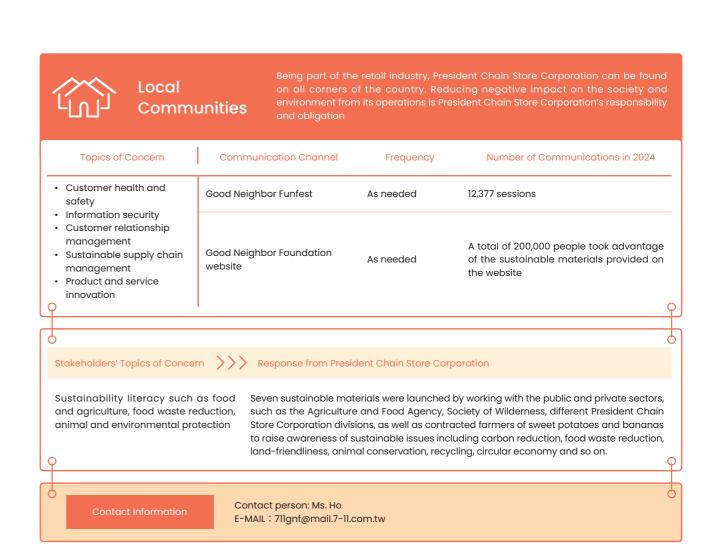
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Sustainable Management

Stakeholders' Topics of Concern Response from President Chain Store Corporation The most outstanding/effective sustainability • Selected by Dow Jones Sustainability World Index (DJSI World) for 6 consecutive projects vears as the only local retailer. • President Chain Store Corporation became the first local retail business to obtain official authorization from the international team of "Earth Hour," calling on more than 440 corporate brands including 7-ELEVEN stores, affiliated companies, supplier partners and social welfare groups across Taiwan to respond. President Chain Store Corporation participated in the 3rd SDG Asia in 2024 together with affiliated companies including 7-ELEVEN, Starbucks, and T-Cat to create the largest sustainable life experience venue for a single enterprise. Contact person: Ms. Liu E-MAIL: csr@mail.7-11.com.tw



## 1.5 Sustainable Value Chain

President Chain Store Corporation is dedicated to creating wonderful retail experience through investing 6 major sourc es 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 th e benefits to enhance the enterprise's sustainable value. In addition to calculating the sustainable value of the six major

capital input-outputs, President Chain Store Corporation also voluntarily complies with the EU Taxonomy Regulation's sustainable economic activity approach by taking stock of relevant business projects and financial data (including operating income, capital expenditure, operating expenses), and explaining item by item their compliance with the EU Taxonomy Regulation in response to international initiatives. Please refer to the official website for more information.

## Six Major Sources of Capital Investment

#### Finance

Creating a return of economic value through a stable financial and management system

- · Capital: NT\$10.4 billion
- · Consolidated operating expenses: NT\$222.5 billion

#### Manufacturing

Store equipment and resources are continuously upgraded and transformed to facilitate sustainable operations

· Annual equipment purchase amount of NT\$12.5 billion

## Innovation

Continuing to invest in innovative research and development of products and services to provide services that meet customer needs

• R&D expenses of NT\$180,571,000

#### Manpower

Strengthening and cultivating the capabilities of talents, allowing them to give full play to their value

- · Employee welfare expenses of NT\$32,090,000
- Training expenses of NT\$86,888,000

## Nature

Practicing energy conservation, carbon reduction and circular economy, and slowing down the consumption of natural resources

- · Total green procurement amount of NT\$2.782 billion
- 94,546 energy-saving action plans introduced in stores

#### Society

Taking advantage of the core ability of the business to exert social influence and move towards a co-prosperous society

• NT\$164,369,000 invested in social welfare

## Sustainable Value Chain Management

# Three Major Themes G

## Three Cores for Management

#### Senior executive support

The President participates in and promotes ESG, as well as requiring senior executives to help each functional committee propose sustainable solutions based on core

operational capabilities

#### **ESG** organization

The Sustainable **Development Committee** regularly convenes to formulate long-term strategies, integrate crossdepartmental resources, and supervise project implementation progress and performance

#### Organizational culture

Set short-, mediumand long-term goals for sustainability issues, regularly reviewing and improving results, as well as continuing to make progress and breakthroughs

## Six Major Aspects of Sustainable Development



green operations

Achieving sustainable production and sales through product quality commitment



Taking advantage of the retail industry to create a convenient life



Energy saving, waste reduction and

Promoting employee welfare and social stability



Social welfare engagement to support diverse groups



Strengthening corporate governance and realizing sustainable management

## (A)

Seven Major Capabilities of Sustainable Operations



## Fifteen Material Topics in Sustainability



03,0

NGOs



Government

agencies











communities •

## Fifteen Material Topics in Sustainability

- 1 Customer health and safety
- Information security
- Food waste management
- (4) Human rights Talent attraction

and retention

- Product labeling and marketing communications
- Waste management
- Risk management Social welfare
- **Business** performance
- (11) Climate change
- (12) Packaging material management
- (13) Occupational health and safety
- (14) Sustainable supply chain management
- (15) Sustainable procurement

## Output and Sustainable Value

#### inance

- Consolidated revenue: NT\$337.9 billion
- Earnings per share: NT\$11.10

#### Manufacturing

- 7,077 stores in total
- 7-ELEVEN opened the 8th X-STORE as part of its smart retail initiative

#### Innovation

- 18 million OPENPOINT members
- 98 plastic-reducing products have been developed so far
- Private-label products account for 25% of total revenue

## Manpower

- 3,954 new employees
- A total of 9.186 employees
- · Average training hours per employee: 14.66 hours

## Nature

- · Energy-saving measures in stores saved a total of 447,307.84 GJ
- · iLove Food reduced food waste by 17,866.94 metric tons
- · The waste removal volume of each store decreased by 25.63% compared with the base year

#### Society

- Collaborated with more than 100 social welfare organizations (charity fundraising and social services)
- A total of NT\$707 million raised in charity donations
- More than 12,000 Good Neighbor Funfest sessions were held

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