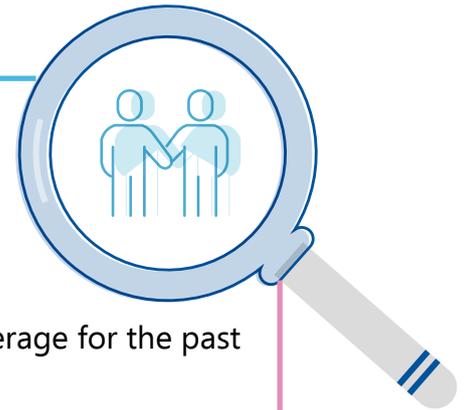




President Chain Store Corp.- Joyful Work Environment

2018 KPI

- The service center's online real-time processing rate reached **82%** for the first time
- Frequency-Severity Indicator below the retail industry average for the past three years in Taiwan (**0.4** average for 2015-2017)
- Zero serious work safety incidents every year
- 2018 franchise store human rights audit **100%** complete
- Held **3** symposiums on traffic and commuting



2017 KPI

- Below the **0.39** average retail standard in Taiwan for the past three years (2013-2016 average)
- Zero serious work safety incidents every year
- **74%** of employees underwent physical examination

Percentage of Target Reached

100%

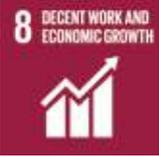
2016 KPI

- Below the **0.38** average retail standard in Taiwan for the past three years (2013-2015 average)
- Zero serious work safety incidents
- Increase the percentage of employees to attend physical examinations from the previous year (54% in 2015)

Percentage of Target Reached

100%



SDGs	SDG Content	2017 SDG Performance
 <p>Decent Work And Economic Growth</p>	<ul style="list-style-type: none"> Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services 	<p>In 2017, over 5,200 stores, 89% of which are franchises, provided diverse products and services and continued steady growth.</p>
	<ul style="list-style-type: none"> By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value 	<p>Diversity and equal employment policies provide stable employment and opportunities for independent living.</p>
	<ul style="list-style-type: none"> By 2020, substantially reduce the proportion of youth not in employment, education or training 	
	<ul style="list-style-type: none"> Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment 	<p>Focused on providing a safe work environment and obtained certificates for Automated External Defibrillator and breastfeeding rooms.</p>

We have always believed that only happy employees can relay PCSC’s values and only happy employees can provide superior service to surpass customers’ expectations. PCSC invites all employees, franchisees, and partners to work together to achieve this goal. Through our humanistic management governed by selfless innovation, sufficient authorization, and bold efforts, we ensure that employees are flexible and active and whole-heartedly encourage all coworkers. Our comprehensive career planning, diverse education and training, healthy work environment, and generous benefits package also help to give all our partners a sense of pride and accomplishment so that they are willing to work with us and continue to achieve new milestones for PCSC.

5.1 Embracing various backgrounds

To execute 7-ELEVEN’s spirit of service anytime, anywhere and give feedback to all retail locations and customers, eight Operations Centers were established across Taiwan along with the headquarters in Taipei. As of December 31, 2017, PCSC employed 7,877 people; expanding this number to include all franchise and subsidiary waged workers, there are over 30,000 people in our family. In addition to giving 7-ELEVEN employees a place to grow, we provide plenty of part-time opportunities to retirees and students as we require a large number of people to work on the front line and interact with customers because retail locations nationwide are open 24 hours 365 days a year. We also cooperate with general and vocational high schools, providing programs where students can earn credits while earning pay and gaining valuable experience.

With regards to waged employees, no person under the age of 15 is hired in accordance with the Labor Standards Act. Hiring is conducted under the principle that employment is the most direct way to support disadvantaged people living on their own. As such, we provide work opportunities to those with physical or mental disabilities. A total of 267 disadvantaged people (3.39% of employees) were hired at the headquarters and chain retail locations in 2017, 3.39 times more than required by law. PCSC also hired another 102 aboriginals (1.29% of employees), further expanding our multicultural work environment

○ Employee information (numbers as of Dec. 31, 2017)

Number of employees (by location)		Number of employees (by employment type)		Number of employees (by contract type)				
								
Northern Taiwan	2,403	2,807	Retail worker	2,385	3,266	Full-time	1,861	2,130
Central Taiwan	453	530	Management	204	56	Part-time	1,706	2,180
Southern Taiwan	711	973	Non-management	978	988			
Total	3,567	4,310						

○ Employee age distribution (numbers as of Dec. 31, 2017)

Employee type		Retail worker	Management	Non-management	Total
<30	Male	1,404	0	119	1,523
	Female	1,594	0	161	1,755
30-50	Male	919	132	758	1,809
	Female	1,541	48	770	2,359
>50	Male	62	72	101	235
	Female	131	8	57	196
Total		5,651	260	1,966	7,877

○ Proportion of business-related female managers (numbers as of Dec. 31, 2017)

2017	Store manager	Regional consultant	Regional manager	ZONE manager	Total
Male	71	536	68	8	683
Female	417	205	2	0	624
Total (male + female)	488	741	70	8	1,307



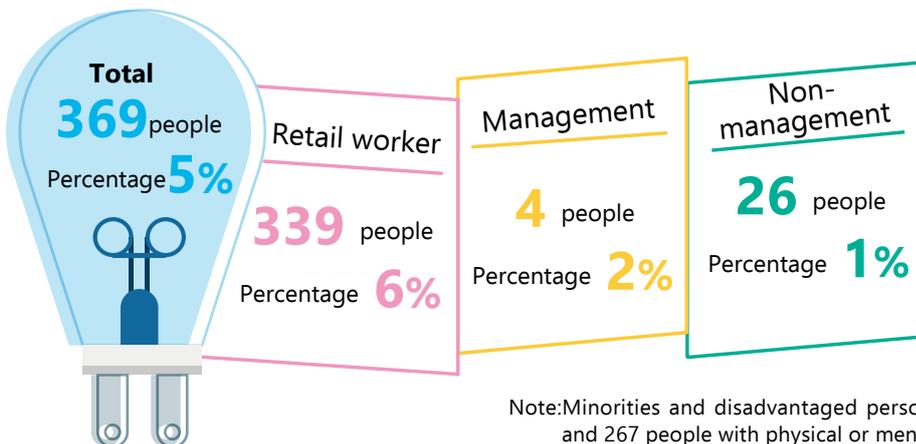
Number and percentage of new full-time hires in 2017

Gender	Age	Northern Taiwan (N1,N2,N3,Taoyuan, Hsinchu)	Central Taiwan (Changhua, Taichung, Fengqing)	Southern Taiwan (Chiayi, Tainan, Kaohsiung, Pingtung, Yilan, Hualien)	Total
	<30	47	23	14	84
	31-50	45	8	10	63
	>51	1	1	0	2
Percentage of new employees (Number of new hires in 2017; numbers as of Dec. 31, 2017)					1.89%
	<30	36	1.89%	27	85
	31-50	21	8	9	38
	>51	1	0	0	1
Percentage of new employees (Number of new hires in 2017; numbers as of Dec. 31, 2017)					1.57%

Number and percentage of full-time employees who left in 2017

Gender	Age	Northern Taiwan (N1,N2,N3,Taoyuan, Hsinchu)	Central Taiwan (Changhua, Taichung, Fengqing)	Southern Taiwan (Chiayi, Tainan, Kaohsiung, Pingtung, Yilan, Hualien)	Total
	<30	54	11	8	73
	31-50	74	12	14	100
	>51	1	0	1	2
Attrition rate (Number of employee who left in 2017; numbers as of Dec. 31, 2017)					2.22%
	<30	23	9	10	42
	31-50	48	5	12	65
	>51	11	0	5	16
Attrition rate (Number of employee who left in 2017; numbers as of Dec. 31, 2017)					1.56%

Minorities and disadvantaged groups (numbers as of Dec. 31, 2017)

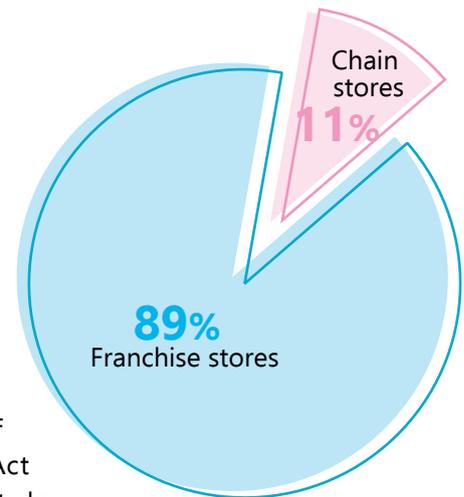


Note: Minorities and disadvantaged persons include 102 aboriginals and 267 people with physical or mental disability

Franchisee operation

There are over 5,200 retail 7-ELEVEN locations across Taiwan; 89% of these are franchised and we have a total of 3,481 franchisees.

PCSC works alongside and shares benefits with all franchisees in order to take care of our franchisees and protect their profits. We also constantly monitor the soundness of each policy. From 2016 to 2017, PCSC invested NT\$360 million in response to the increased labor costs due to the government's adjustment of the minimum wage and amendment to the Labor Standards Act granting workers One mandatory day off and one flexible rest day. Beginning in January 2017, profit distributions for franchised stores and licensed stores increased 1%, further creating an environment promoting the creation of businesses with stable profits. We expect franchisees to work with PCSC to create an outstanding network of convenience stores. Moreover, we created a learning growth platform to help franchisees improve their business management skills. Franchisees are extremely important stakeholders in PCSC for whom we continuously express our concern; in 2017, our franchisee relations team visited 73 retail locations, attended 21 franchisee seminars, and held face-to-face meetings at 283 retail locations in order to interact, listen to their opinions, and provide feedback.



The franchisee learning growth platform not only improves their professional skills, but also helps to plan for health exams and leisure activities to create a positive franchise environment. Over NT\$10 million is invested annually to provide lectures through the platform, recognize outstanding store managers, organize a franchisee elite college, and encourage franchisee growth. In 2017, NT\$4.64 million was set aside as subsidies for franchisee vacations and other benefits. Franchisees over the age of 40 with at least 10 years partnership are also offered a NT\$16,000 health check once every two years; the 2017 budget for these health exams was NT\$9.42 million. As franchisee spouses also put tremendous effort towards managing the stores, applications are accepted to transfer these health exam subsidies to spouses. A total of 156 transfer applications were filed in 2017, of which 26.3% were approved. For other benefits offered, please see the following table:





○ Franchisee insurance and benefits

Insurance

Group insurance	● In addition to store employees, franchisee family members can also be covered so that franchisees do not have to worry about their families.
Employer's Liability Insurance	● Added medical insurance for employees who work night shifts.
Personal Guarantee Insurance	● Compensation for any losses incurred by franchisees due to employee actions at work.
Franchisee/franchise store employee association	● Assistance program between franchise stores to help pay for funeral costs for direct family members.

Benefit

Group movie tickets	● 20% subsidy for group purchases of movie tickets up to 60 tickets per year.
promotions with affiliated companies	● Discounts on products from affiliated companies.
Discounts on leisure activities	● Provides franchises with opportunities for exercise, beauty treatments, and leisure. (Discounts at Uni-resort, BEING sport, and BEING spa)
Franchisee trust fund	● A tool to help franchisees save money or put away for retirement that provides investment bonuses.
Health check subsidies	● Franchisees over the age of 40 with at least 10 years partnership are also offered a NT\$16,000 health check once every two years. (Starting in 2017, applications can be filled out to transfer this incentive to spouses)

Creating a joyful atmosphere

Providing our coworkers with a comfortable, supportive, and cheerful work environment is of the utmost importance to PCSC. We hope that attentive programs, health promotion events, environment considerate of expectant mothers, and great benefits allow our partners to gain a sense of accomplishment, joy, and pride in being a part of PCSC.

Happiness Cooperative

The Happiness Cooperative was founded in 2010 to care for our coworkers, providing them with immediate and effective help and helping them build healthy habits in order to reduce work stress and health problems associated with overwork. The Happiness Cooperative helps with issues such as problems interacting with others at work, problems adjusting to work, problems at home, or problems with members of the other sex. Referrals to professional services can also be made in special circumstances or for cases that require additional care. Since 2010, 18 affiliated companies have joined the Happiness Cooperative and 22 new volunteers were trained in 2017.



Training volunteers allows them to more empathetically aid workers during consultations and cuts down on costs of referring them to Dr. Chang at an outside clinic; the estimated investment benefit is 2.0¹. There were 470 cases opened with a total of 332 hours logged in 2017. Cumulatively, 2,213 hours of consultation time has been logged from its inception until the end of 2017.

- 2016 Ratio of workers who sought help vs. volunteers who sought workers who need help:



Health improvement plan

A Health Management Plan was executed in 2013 where professional nurses were stationed in offices to provide health consultations and an infirmary was set up in the headquarter office where employees could check blood pressure, receive cold or hot compresses, receive first aid, and seek consultation. Employees were also given Health Passports, electronic bulletins, and health seminars on health education in order to encourage them to manage their health and to create a healthy, friendly, and safe work environment.

Health tracking and medical care



- Health checks are provided to employees each year. In 2017, 6,368 people participated in the health check; employee satisfaction was 4.3 and participation was 82%.
- Full-time employees over the age of 36 and with 5 years of seniority receive a NT\$16,000 health check subsidy every two years. 1,858 employees were allowed to apply in 2017.



- Health services were introduced in 2013 (once every two months), providing employees with individual health care and consultations.
- The frequency of services was increased in 2017 to 18 times per month.
- Doctors were on-site for 424 hours and met with 363 people for one-on-one consultations. Satisfaction was 4.9
- PCSC began to employ nurses to provide health services in 2013; currently, there are four nurses on staff.
- In 2017, the nurses offered their services to 985 employees and satisfaction was 5.

¹Investment efficiency = cumulative investment efficiency from 2010 to December 2017 (ratio of volunteer training costs and costs of consultation by Dr. Chang). Outside consultation by Dr. Chang costs NT\$1,960/hour * (2,213 total hours of consultation time as of 2017)/volunteer training costs (NT\$1,924)



5

Health promotion events:

Health Passport



- The one-of-a-kind “My Health Passport” continued in 2017, emphasizing health management and maintaining a work-life balance. Seven diverse health promotion events were also designed with the Health Passport in mind: health checks, health knowledge, exercise, BMI, emotional growth, games, and leisure. Participation in 2017 was 31.3%.



Weight loss events



- The weight loss events continued in 2017 along with a new weight increase competition. Incentives were arranged at different BMI intervals to encourage those over-weight and obese to lose weight. This year, 1,045 employees participated in the events and a total of 1,102.3kg was lost (47.3kg more than last year).



Motherhood handbook



- Provides nutritional tips and advice for expectant mothers during each trimester, a healthy pregnancy app, and information on company subsidies and policies to help mothers enjoy raising their child. 35 handbooks were distributed in 2017.



Other



- Seven other events were held sporadically: health lectures, health newsletters, contracted hospitals, vaccinations, blood drives, smoking cessation, and physical fitness. Satisfaction with the events were 4.5.

Special PCSC benefits

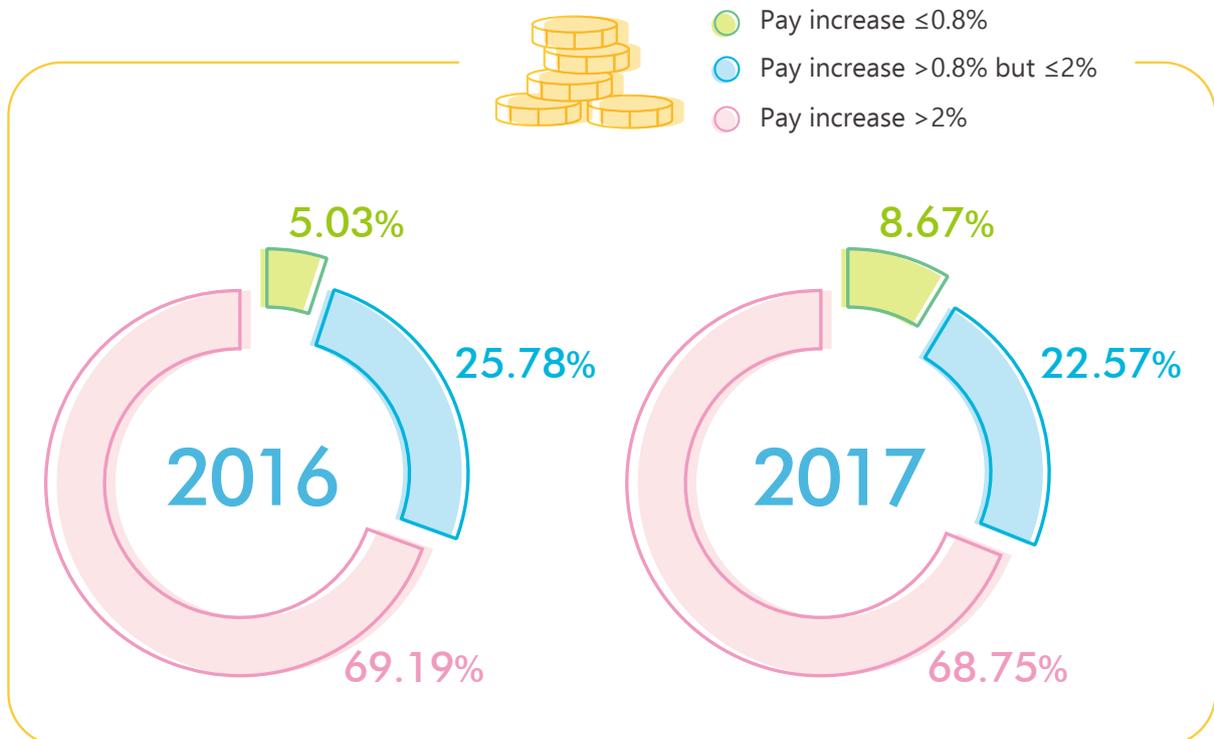
We provide our partners with competitive salaries and wages and ensure that base pay is greater than the national standard for each year through salary and benefit surveys (remuneration for new office employees (college graduates) and labor base pay (NT\$21,009) is 1.55 times higher; remuneration for advanced degree holders is 1.84 times higher; beginning pay for college graduates is based on standard salaries for current market conditions). In addition, men and women in the same position are offered the same base pay to promote equality; salary and benefits do not differ according to gender or age. A labor-management conference is held every quarter, as required by law. Five representatives from each parties negotiate matters related to benefits and administration to ensure a harmonious and friendly work environment. There was no marked difference in salary ratios for men and women in 2017, with less than 10% difference for all positions. Compared to 2016, the number of employees who received raises was about the same. The complete list of benefits is provided in the 2017 annual report².

- Proportional salary comparisons for men and women:

Employee type	Men (Multiplier)	Women (Multiplier)
Retail worker	0.92	1
Management	1.09	1
Non-management	1.09	1

Note: Salaries compared are base salaries for 2017 plus annual bonuses.

- Percentage of salary increases for full-time employees:



Note: As an example, the percentage of employees who received raises $\leq 2\%$ was calculated as: Percentage = (Number of employees who received raises $\leq 2\%$)/Total number of employees.



Reinstatement and retention rates after parental leave:



	Men	Women	Total
Number of employees with the right to ask for unpaid parental leave in 2017	182	268	450
Number of employees who took unpaid parental leave in 2017	5	61	66
Number of employees estimated to be reinstated after unpaid parental leave in 2017	5	44	49
Actual number of employees reinstated after unpaid parental leave in 2017	0	17	17
Actual number of employees reinstated after unpaid parental leave in 2016	0	22	22
Number of employees still employed 12 months after reinstatement from parental leave in 2016	0	12	12
Reinstatement rate (%)	0.00%	38.64%	34.69%
Retention rate (%)	0.00%	54.55%	54.55%

Note:

1. Reinstatement rate: Actual number of employees reinstated after unpaid parental leave / number of employees estimated to be reinstated after unpaid parental leave
2. Retention rate: [Previous period] Number of employees still employed 12 months after reinstatement from parental leave / [Previous period] Actual number of employees reinstated after unpaid parental leave

5.2 Friendly and harmonious work environment

Creating a good work environment

In order to ensure all employees work in a safe and sanitary work environment, we have organized an Occupational Safety and Health Committee and established an Occupational Safety Office in accordance with the Occupational Safety and Health Act. Meetings are held every quarter chaired by the Vice President and attended by upper management from each department and labor representatives. There are a total of 24 committee members, 5 (21%) of whom are labor representatives, who discuss company safety and health matters. Quarterly reports are written by the Occupational Safety Office and nurses to ensure workplace safety.

Four plans for preventing overloading, preventing harm due to human error, preventing illegal physical or emotional harm, and protecting maternal health were enacted in 2017 to guarantee coworkers' health and safety through prevention and recognizing risk. PCSC strives to provide a better workplace and has proudly earned certificates for workplace safety and breastfeeding rooms.

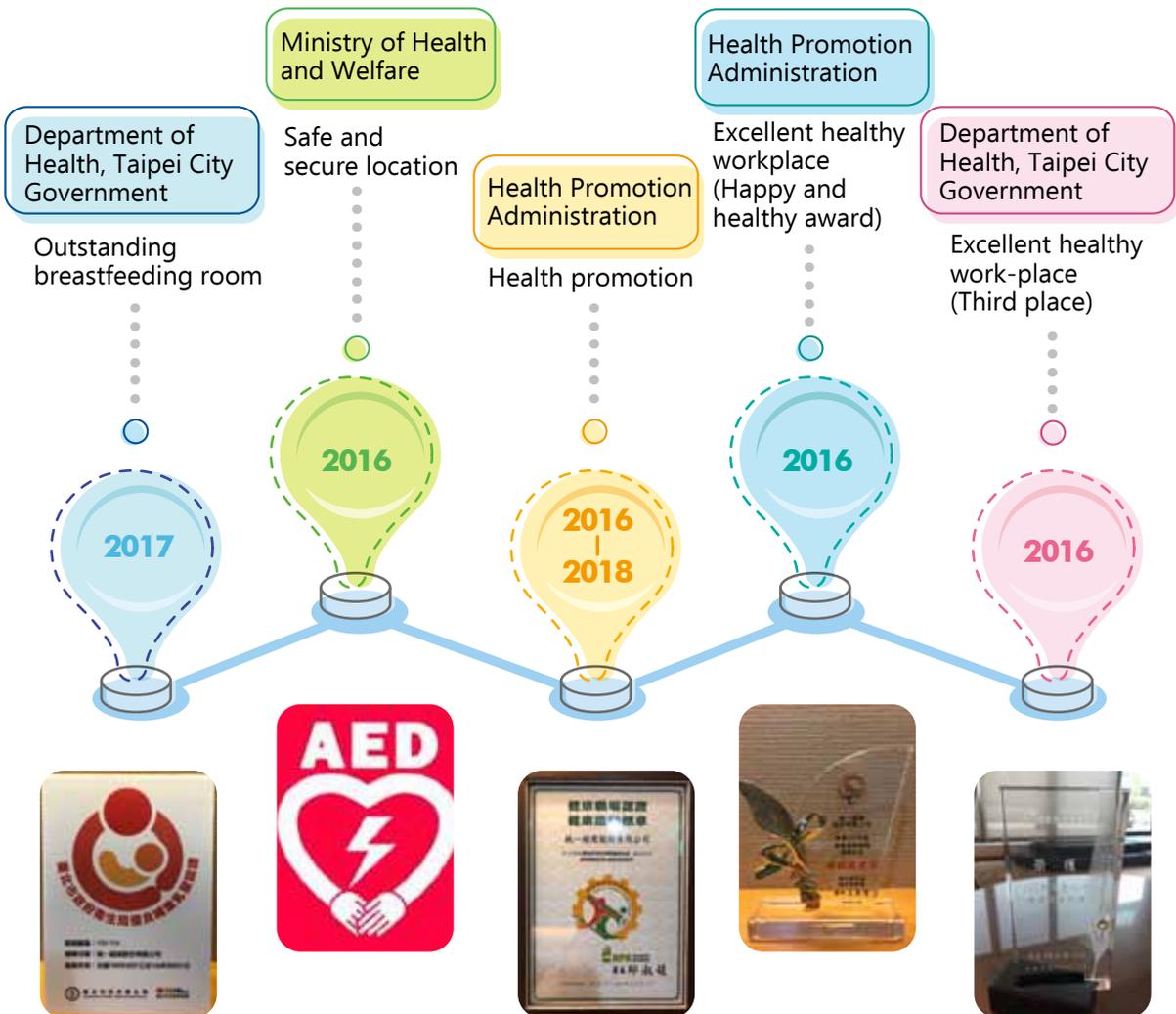


2017 occupational safety preventative plans

Preventing overloading	Preventing harm due to human error	Preventing illegal physical or emotional harm	Protecting maternal health
45 cases of interview and intervention for employees at risk for stroke due to overwork in 2017.	Risk identification for logistics, office, and accounting employees at all locations in 2017.	Promote and establish a workplace violence prevention plan and promote an online training course. (All logistics employees completed training in 2017; one incident was reported and handled)	Regulations for protecting and managing women's health were established in 2017; 55 cases of interview and intervention for pregnant women and new mothers.



Health certificates and healthy workplace competitions





Execution of occupational safety and health measures

Item	Description
<p>1 Establish health and safety organization:</p>	<ul style="list-style-type: none"> The Occupational Safety Office holds a meeting for the Occupational Safety and Health Committee every quarter to promote matters related to health and safety.
<p>2 Health and safety training and drills:</p>	<ul style="list-style-type: none"> Trained new and current employees on health and safety matters and holds emergency evacuation drills every year to ensure safe evacuation. Held 44 training courses for Level C occupational safety certification, 40 training courses for first aid certification, and 1 evacuation drill. Approved and distributed an Occupational Safety and Health Management Handbook to retail locations.
<p>3 Conduct risk assessment and safety audits:</p>	<ul style="list-style-type: none"> Conducted 2 evaluations of employee work safety at high risk locations; inspected 19 high risk operations and implemented improvement measures. 59 workplace inspections were completed in 2017; 135 infractions which were corrected, suggestions for improvements were made and 100% were adopted. Electricity safety was assessed at retail locations: 4 electrical safety and preventative measures were implemented—low voltage testing, circuit breaker box dividers, fire resistant cable sleeves, leakage circuit breakers Tested indoor air quality, water quality, and lighting and regularly cleaned and sanitized work spaces.
<p>4 Health and safety events:</p>	<ul style="list-style-type: none"> An occupational hazard example is published every two months to remind employees of the importance of health and safety. Promoted Family Day to remind employees of the importance of work-life balance.
<p>5 Event safety management</p>	<ul style="list-style-type: none"> Safety management procedures ensured safety for all internal and external company events; zero public safety accidents occurred. 5 events were managed in 2017 with 620,000 people in attendance; 0 fines and 0 major accidents.
<p>6 Contractor management</p>	<ul style="list-style-type: none"> With source management, construction contracts with retail contractors established safety standards; 100% of projects were completed. 1 contractor organization meeting is held every year. Promoted high risk work inspections: four major work zone risks were determined which were addressed and checked every quarter, effectively improving contractor compliance with work safety 70%.

2017 Occupational hazard statistics

Every year, PCSC strives to reduce the number of occupational injuries by tracking important statistics, including annual occupational injury rate per 1000 workers, disabling injury frequency rate, disabling injury severity rate, and frequency-severity indicator (see the following table for details). According to the 2017 statistics, the disabling injury frequency rate was 1.82; considering the size of PCSC, a rate between 1 and 2 is considered normal. The main reasons this figure rose from last year are the establishment of an injury reporting mechanism and increased knowledge of and concern from managers for employee injury; as such, more incidents were reported. Along with the safety and health management plans, 2017 marked the fourth consecutive year with zero deaths or critical injuries. The frequency-severity indicators have all been less than half of those for companies in the same industry. We will continue to provide a zero workplace injury environment.

Occupational injuries irrelevant of occupation type

Traffic + other



103

2017(no. of cases)

Occupational injuries relevant to occupation type

Extreme temperatures



0

Ladders



3

Floors



10

Tools



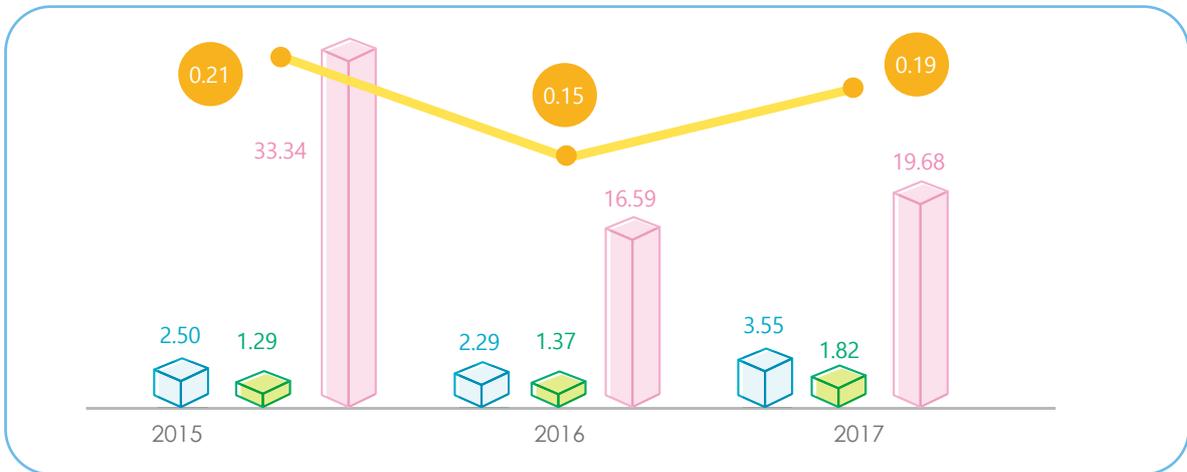
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Cargo shipments



7

Yearly disability statistics (excluding traffic accidents)



Note: Formulas for calculation are shown below:

$$1) \text{Annual occupational hazards per 1000 workers} = \frac{\text{Number of occupational injuries}}{\text{Number of employees}} \times 1,000$$

$$2) \text{Disabling injury frequency rate} = \frac{\text{Total number of injuries and deaths}}{\text{Total number of work hours for all employees}} \times 10^6 \text{ (per million hours of work)}$$

$$3) \text{Disabling injury severity rate} = \frac{\text{Total number of days disabled}}{\text{Total number of work hours for all employees}} \times 10^6 \text{ (per million hours of work)}$$

$$4) \text{Frequency-Severity Indicator} = \sqrt{\text{Disabling injury frequency rate} \times \text{Disabling injury severity rate} \div 1000}$$

Annual occupational injuries per 1000 workers

Disabling injury frequency rate (FR)

Disabling injury severity rate (SR)

Frequency-Severity Indicator

2017 Absence rate (AR):

No. of days absent **8,837**

Total no. of work days **2,009,792**

Absence rate **0.44%**

Note:

1) Absence rate (AR) = Total number of days absent / Total number of work days x 100%

2) Total number of days absent includes menstrual leave and all types of sick leave (ordinary, extended, injury, and occupational)



Human rights and labor inspections

As more workers are aware of their rights, we began labor inspector training in 2012 in order to corporate social responsibility, ensure that workers' rights meet labor regulations, and reduce operational risk to affiliated companies. Training was offered to all affiliated companies and covered laws such as the Labor Standards Act and Occupational Safety and Health Act to help those in human resources and occupational safety understand the latest developments and changes. In 2016, training was specialized into PCSC Labor Law Training, in hopes of helping affiliated companies more fully understand the laws and how to develop policies; participants learned and grew by sharing their practical experiences. In 2017, 30 companies and 116 people participated in the PCSC Labor Law Training program, helping to build more law-abiding and friendlier work environments.

In order to solidify what they had learned by putting it to practice, inspections were specially organized from 2012 to 2014 where the participants from affiliated companies went to designated companies to conduct audits. The Tanpin Kanri system was adopted in 2015 and 2016, and affiliated companies were given labor conditions and occupational safety checklists so that they could examine their own work conditions and environment and suggest measures for improvement in hopes of improving self-management.

We also audited labor and health insurance compliance, work hours, salaries, and occupational safety for all franchise retail locations; guidance was given for any locations that did not abide by relevant regulations. Inspections were completed periodically for labor and health insurance compliance and occupational safety and annually for work hours and salaries. In 2017, 4,587 stores were audited and 447 stores (9.7%) failed to meet at least one standard, 8.5% fewer stores than 2016. The most common item found in the audits was failure to give accommodation leave because these leave days were not recorded in payroll. Legal guidance was provided to offending locations and they have provided improvement plans. 417 retail locations were improved by the end of 2017; the remaining locations were added to the PCSC self-audit and Capital Inventory Services Corp. inspection bid to ensure retail locations obey the law through constant investigations. Labor law audits will continue to be utilized in the future and the improvements made at individual locations will be compared annually. Retail locations that repeatedly fail inspections for the same item will be disclosed in order to encourage complete legal compliance. Two infractions regarding compensation for overtime work and calculation of time off were found during labor inspections by the competent authority in 2017; a total of NT\$40,000 was fined and correct calculation methods were provided nation-wide.

Clear communication between labor and management

At PCSC, we view all of our partners as part of a whole; it is our mission to integrate our employees' development into our future plans for the company. While PCSC does not currently have a union, we strive to create unity between labor and management, for example, by protecting workers' rights and creating an equal work opportunity environment free of violence, and to provide various channels for communication, such as a service center, dedicated email inboxes, stakeholder area, and internal communication platform, in order to encourage our partners to share their thoughts directly with managers. If any partner has a suggestion or feels that their rights have been violated, they can file a report through any of these platforms. There were 72 reports related to human rights filed in 2017, the majority of which were in regards to payment remittance and overtime pay disputes. All of the reports were handled within the 2017 calendar year. In addition to these communication channels, labor-management conferences are held regularly, as required by law, to ensure and improve timely and effective communication.

2017 Interest and investigative projects:



- Held 12 seminars; 125 people attended each seminar; satisfaction rated 4.6
- Modified film appreciation events and held the first zentangle classes which were very popular.
- KPI: 120 people at each seminar; satisfaction rated 4.5



- Management associates: To improve new employees adjust, a questionnaire was sent every month to new management associates who completed their third month of work; a total of 87 questionnaires were distributed and 15 people received special attention.
- Office workers: Given coffee gift cards and cards to improve manager concern and help new employees adjust and reduce turnover. There were 51 beneficiary.
- KPI: Reduce turnover rate.



- Reminders for long holidays and health checks sent every quarter
- 69% of managers took long holidays and 69% had health checks
- KPI: Percentage of target met: 65%



- Special response to 25 cases (13 office workers/12 retail workers); 63 exit interviews in total
- KPI: Interview conducted within 7 days of resignation notice



- Scheduled once every two years with focus on work stress, internal communication, work structure, and work content; improvements continued this year based on the results from 2015.
- In 2017, we collect and understand possible knowledge gaps and barriers to communication that may arise during inter-departmental cooperation to further help improvements from marketing specialists (MDR); 18 people were interviewed.

PCSC abides by the Labor Standards Act. When a relationship changes, communication is first initiated with the employee: workers who have worked continuously for more than three months but less than one year are notified ten days in advance; workers who have worked continuously for more than one year but less than three years are notified twenty days in advance; and workers who have worked continuously for more than three years are notified thirty days in advance.

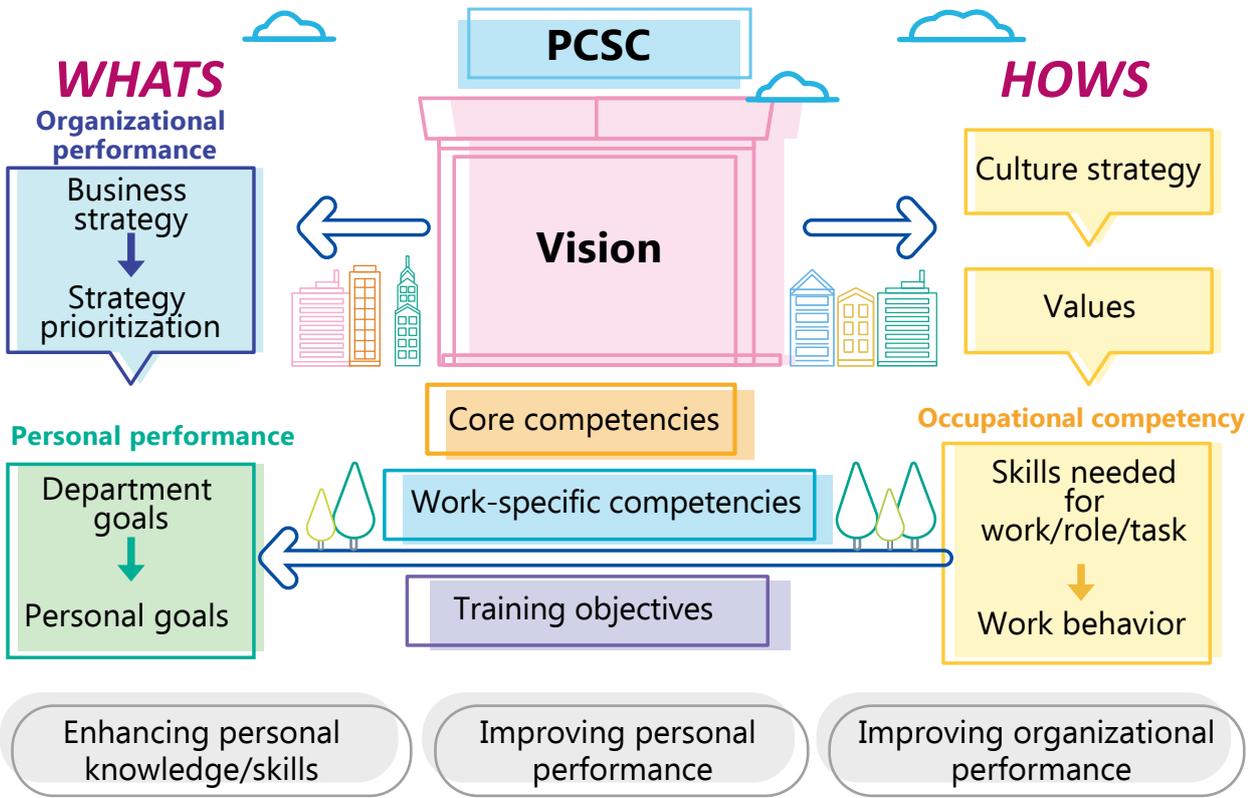
5.3 Expert career planning

Education and training are the driving force behind PCSC’s growth; all of our partners engage in continuing education and self-improvement. We waste no effort to train our employees and provide the same opportunities for men and women to fully support them in gaining new knowledge and skills. We have a complete training program with both hands-on and online learning to help create the premier learning-centric organization.

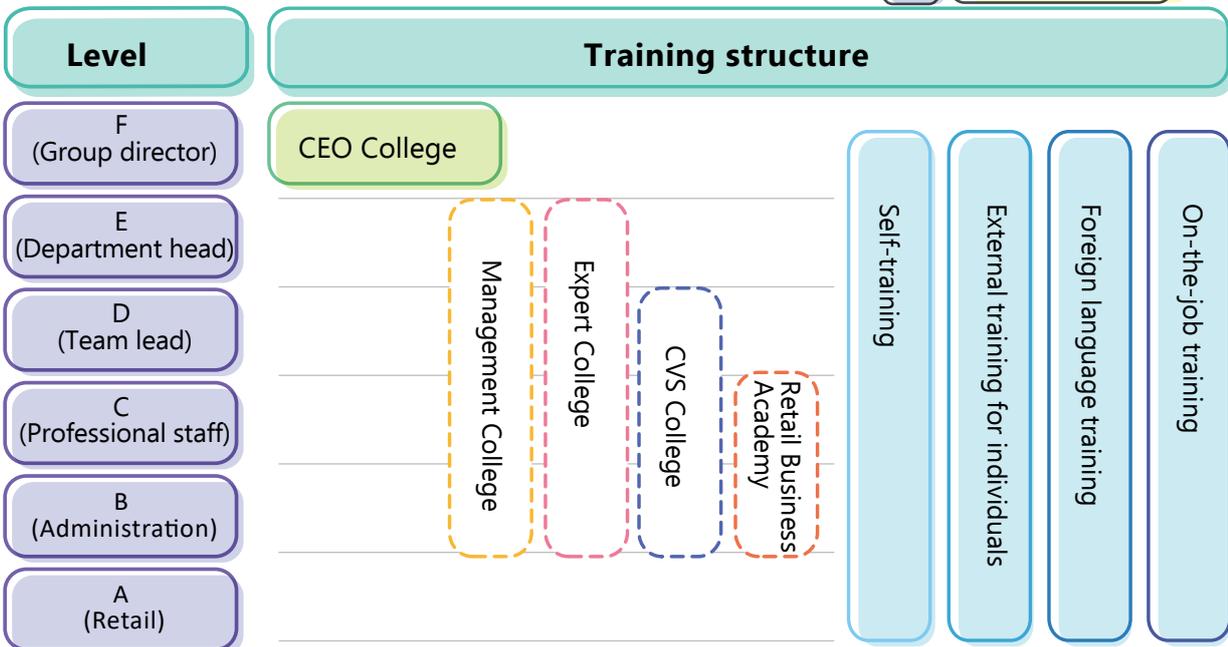
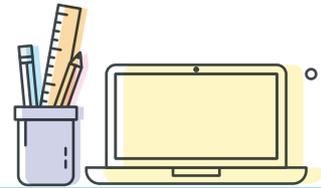
Our diverse learning opportunities foster learning anytime and anywhere. These opportunities include manager and peer guidance, knowledge management systems, outside training, company training, seminars and conferences, online learning, on-site education, on-the-job training, and both brick-and-mortar and online libraries.



Education and training system



PCSC 7-ELEVEN University training structure



PCSC e-learning center:

Education and training involvement

PCSC values employee education and allocates a great amounts of resources to education and training every year. A variety of courses are designed for employees at all levels and in all departments, including new hire training, training for each level, open courses for retail and office workers, general education, and work-specific training. Over NT\$50 million has been allocated to education and training every year for the past 5 years; in 2017, NT\$51,797,000 was spent on education and training, an average of NT\$6,576 per person.

PCSC offers both classroom courses and online courses. On average, each employee dedicates at least 25 hours/year to training; this increased to 30 hours/year/person in 2017. Altogether, 238,789 hours of education and training were logged across the entire company—the highest in the past five years. Courses on self-management and business were the most popular.

Average hours of employee education and training in 2017 (classroom courses)

Employee type	Total hours of training	Number of employees	Average time trained (hours per person)
Upper management	1,477	50	29.5
Middle management	6,878	210	32.8
Professional staff	63,094	1,966	32.1
Technical staff (retail workers)	95,447	5,651	16.9
Total	166,896	7,877	21.2



Average hours of employee education and training in 2017 (classroom and online courses)

Year	Number of employees	Total hours of training	Average hours of training per person
2017	7,877	238,789	30.31
2016	7,850	231,011	29.43
2015	8,274	195,997	23.69
2014	7,737	210,196	27.17
2013	7,696	182,471	23.71

New hire education and training

Training is provided for all new hires—retail and office workers—in order to help them quickly acclimate to the company. In addition to digital courses available to start on their first day to familiarize themselves with PCSC’s core values, vision, and company culture, new hires are given a training passport to provide direction and a mentor is assigned to help adjust to the new environment. Special district consultant training passports and comprehensive courses are provided for district consultants, part of the core business team, for focused and fast learning so that they can help improve retail performance.



Regular individual development evaluations

PCSC employees and their direct supervisors share customized “individual development plans” based on their individual education and background, job needs, performance results, and career goals that lists the courses that would best suit employees and when they should take them. In 2017, the Human Resources department published a “PCSC individual development guide—Trainer edition” for direct supervisors to use during one-on-one meetings with subordinates every six months. Helping supervisors and employees communicate and reach a consensus on their goals helps employees learn, grow, and improve their professional knowledge and skills.

- 2017 Regular individual development evaluation results: completed by 100% of employees.

	No. of people to complete evaluation	Actual no. of people who completed evaluation	%
Upper management	50	50	100%
Middle management	210	210	100%
Professional staff	1,966	1,966	100%
Technical staff (full-time retail workers)	1,914	1,914	100%
Total	4,140	4,140	100%



Shared education

Utilizing Group training resources, PCSC and Uni-President Enterprises Corporation co-sponsored legal education and aesthetics education programs. With Uni-President Enterprises Corporation based in Southern Taiwan and PCSC based in Norther Taiwan, the two hubs provide common, elective courses and educational resources for whole group.

Legal education	Purpose	Increase legal awareness when drafting policies
	Open to	Online and classroom courses designed for all levels of employee. Group department managers or higher must attend 3 hours/year
	Classroom course	<ul style="list-style-type: none"> ● 2017 focused on the Fair Trade Act and the Labor Standards Act. ● 18 classes/lectures; 614 people passed. ● Average satisfaction for the course was 4.52 out of 5.
	Online course	<ul style="list-style-type: none"> ● Legal common sense (Fair Trade Act, Act Governing Food Safety and Sanitation, Labor Standards Act, preventing sexual harassment and workplace violence): 2,398 people completed the course. ● Good faith business and personal information management for new office workers: 245 people completed the course. ● Authoritative decrees (how to legally manage incompetent employees): 105 people completed the course. ● Operation office: preventing sexual harassment and workplace violence (held on 12/08/2017): 222 people from chain stores and 494 people from franchise stores completed the course. ● Trademark Act and intellectual property: developing "7-ELEVEN authorized brand training handbook" with Legal Affairs to help managers and employees understand the conditions for SEI brand authorization and improve knowledge of brand use: 2,267 people completed the course.
Aesthetics education	Purpose	Further career development by studying design through lectures and activities in order to improve Uni-President Group' s overall aesthetic refinement and create a group with moral character, high quality, and good taste. Focusing on 8 major arts and organized using Group resources.
	Open to	All employees can attend; department managers or higher must attend at least 2 hours/year
	Theme/no. of courses	<ul style="list-style-type: none"> ● 5 classes/year (4 in-class and 1 video); 891 people attended ● Average satisfaction was 4.4



Elite program for trainees

The goal of the Elite program is to pre-select talent for management through switching roles, task assignment, and courses aimed at developing management skills and improving readiness and planning.

As these managers act as pillars in the organization, they are a crucial role that helps PCSC achieve its business targets. Therefore, the 70:20:10 Model for Learning and Development is used to help talent take on different roles and complete assignments, provide guidance and feedback to help learn from others, and plan suitable coursework to strengthen development. Evaluations help pinpoint skills that require improvement, draft an individual development plan (IDP), and set development goals. 1-on-1 coaching from managers, counseling records, and a review of the results at the end of training ensure continued and steady improvements. 28 back-up managers were trained in 2017—12 from PCSC, 4 from logistics, and 7 from cosmetics, 5 of whom were promoted. 100% of the training program was completed.

○ Program content:

Stage	Content	Goal
Individual development plan 	Functional evaluation Position rotation Exclusive training and guidance	Determine areas for development Draft development plan
Knowledge and skill improvement 	IDP courses Strategic executive abilities Financial courses Human resources courses Study groups	Increase managerial knowledge Strategically expand planning competency
Motivation 	Initial meeting Elite e-bulletin Talent conference	Improve learning motivation Share new information on education Talent conference
Feedback 	1-on-1 developmental coaching records Review of results	Regular counseling and interaction Examine results of training

The Human Resources Department conducts a training willingness survey approximately every three months. This year, these surveys were given to SET TEAM managers and non-manager employees in order to select those with potential to begin training for future promotion. A total of 1,753 people were surveyed in 2017, among whom 45.5% of SET TEAM managers and 37.2% of non-manager employees were willing to switch roles. In order to encourage employees to switch roles, the job description for team manager and number of openings (29) were posted; 21 PCSC employees were promoted, 5 people rotated positions and 10 people (34.5%) filled the vacancies from other affiliated companies.



❖ Tanpin Kanri - In Store Experience (ISE)

Customized experiences allow logistics managers to understand each store and how plans drafted at the headquarters affect the stores; as such, they can adjust accordingly when exercising future policies and can continuously optimize each retail location. Promoted since 2015 to improve experience quality, 29 facilitators have been trained in design experience and leading questions. The scope of experience managers was expanded in 2017; operation and marketing managers created secondary experiences and mixed groups (business + marketing) were used to increase the flow of ideas and exchange of opinions. 38 exercises were executed in 2017 with 76 managers participating. 102 exercises have taken place since its inception with a total of 199 manager experiences. Average satisfaction was 4.69.

Every year a TK video is filmed to help office employees understand the hard work put in by those on the front line as well as how decisions from each office department affect working on the front line. This helps office employees design systems and tools that better benefit retail locations and increase work efficiency. In 2017, all of our 28 departments watched the video and drafted proposals to help retail locations.



❖ OPEN Studio

All supervisors were invited to share their specialized knowledge or business management experiences. These are edited into online courses to record and disseminate their knowledge and promote a top-down learning culture. Outside lecturers were also invited in 2017 to provide managers and employees with different viewpoints. A total of 9 lectures were given with 484 attendees; average satisfaction was 4.7.

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第四大節 OPEN講

游泳教會我的三件事

游泳是少許為數的運動能令你既強身健體，又令你的心智更靈敏。它亦是一項學問，從中學到很多關於團隊合作、溝通、策略、紀律、耐力的知識...

主講人：何水晃
供應管理 副長

日期：2017年3月16日(四)
時間：16:00-17:00
地點：樓下 205A會議室

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大師 OPEN講

企業文化：組織運作的潛規則

組織文化是組織的靈魂，亦是組織運作的潛規則。它不僅是員工的行為準則，亦是組織的DNA。如何建立一個健康的組織文化，是每個管理者的必修課。本講座將由資深管理專家，以生動有趣的案例，為你揭開組織運作的潛規則，讓你了解組織文化的真正意義。

主講人：劉俊北
總經理辦公室資深副總裁

日期：2017年11月14日(四)
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District manager supply chain training

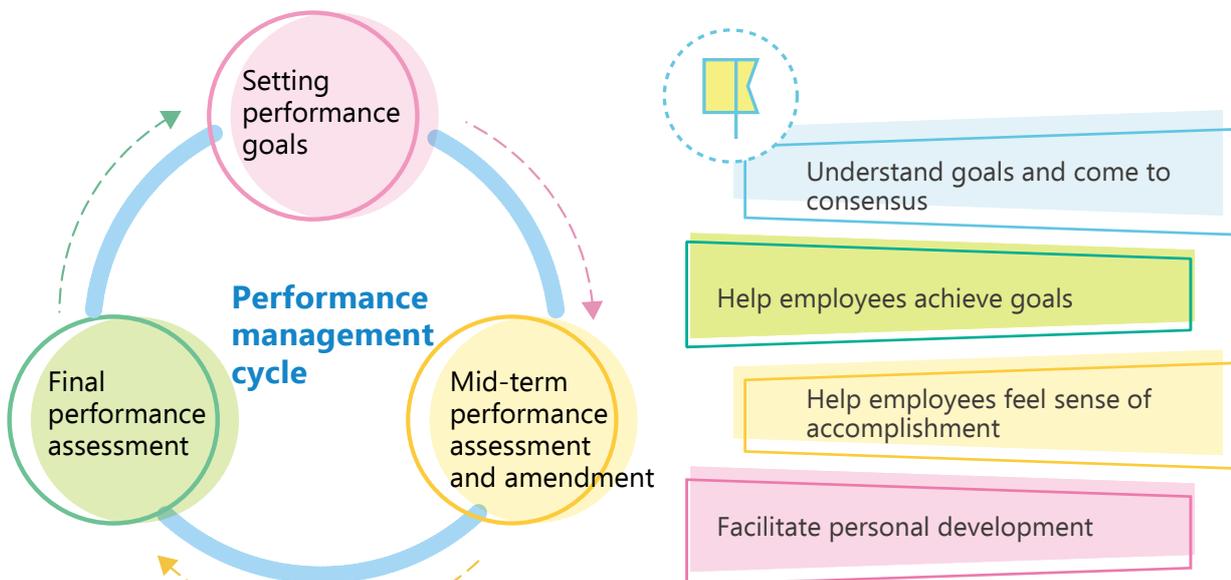
With the help of suppliers, sales, and logistics departments as well as internships opportunities in other sectors (affiliated companies), district managers are able to understand various work procedures and help retail locations develop feasible solutions or select suitable actions. This training program began in 2012 and 2017 marked its 12th session (2017/4/12 - 2017/6/3). Experiences tour were planned for 18 office groups and a retail store; and 6 affiliated companies workshop. Seven district managers participated in the 36-day supply chain training program.



Goal-oriented performance management

Performance management helps our partners gain a deeper understanding of corporate and personal goals and allows us to track how far we have come to achieving these goals. Performance management also allows employees to modify their goals and seek advice from managers in order to aid self-improvement. Performance evaluations and discussions also help our understanding of personal expectations, special skills, and potential so that PCSC can grow together with our employees.

Our performance management system is applicable for all of our partners³. The performance management cycle has three phases. Phase one is "Setting performance goals;" beginning in March, managers and employees discuss and set annual targets and draft personal development plans. Phase two is "Mid-term performance assessment and amendment" which takes place in July and August. Phase three is "Final performance assessment" which is carried out in December.



³Excludes employees paid by the hour, interns, and those who have been employed for less than 275 days