

2020

Corporate Social
Responsibility Report

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2020

CHRISTMAS



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Uni-President

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◀ Message from the Chairman ▶

Embracing a Sustainable Future in the Post Pandemic Era

The sudden hit of COVID-19 in 2020 did not end as quickly as we had hoped. Instead, it has turned the world upside down in a rapid and severe manner, bringing with it unimaginable measures. The outbreak ruthlessly changed the interaction between people and things around the globe as the virus continues to evolve. As the world suffered, our operations at Uni-President also faced an unprecedented impact. During this period, our hundreds of Taiwanese expats and our local partners were forced to be kept apart from their loved ones. Despite the hardship, our colleagues continued to work hard and perform their duties, demonstrating their resilience. Thanks to their dedicated efforts, a record-breaking performance was achieved and we are truly grateful for them.

Although the outbreak was callous, our colleagues, partners and families stuck together as one to support and help each other, making sure that everyone is safe and healthy. With the health of our colleagues being our top priority, their sacrifice in the midst of a crisis for the safety of the entire group has truly shown their commitment. The outbreak may have distanced us, but it did not limit our thinking. Owing to the pandemic, sustainability risks including climate change, population aging, and wealth inequality have become increasingly apparent. We, as a platform that closely links to people's lives, are responsible for providing sustainable products and services. It is our job as a social citizen to put into full play our core competencies to address risks and solve social issues, while also making it easier to for consumers to make better consumption choices for the environment and society. Even though the sudden outbreak has more or less affected the process of Uni-President's layout of plans, we never ceased to invest in the future and moving towards sustainability. Not only have we strengthened the infrastructure and organizational capabilities in a number of markets, but we also continued to enhance the construction of operations systems, cultivation of human resources, improvement of food safety capabilities, as



Chairman

羅智先

well as environmental protection. By providing society with better services to improve life quality, we at the same time create the value and rewards deserved by our stakeholders.

As we are entering a new year, along with the outbreak, we are facing more new challenges. Nevertheless, we are confident that, by persisting on and continuing to maintain sound work habits, as well as adhering to the spirit of “brand, character and taste,” and making an effort on sustainability, we will create a more sustainable future alongside our stakeholders.

◀ Message from the Presidents ▶

Enhance resilience to create a new page

2020 has been a testing year for many of us. With unusual situations including the ongoing global COVID-19 outbreak and Taiwan's rare occurrence of zero typhoons, our "normal" business model has been once again impacted. In response to the impact of the outbreak, we must initiate outbreak prevention measures such as off-site office mechanism, adjustment of business trips in Taiwan and overseas, adjustment of meals in the plant, and employee protection. Moreover, in view of the water shortage crisis in Taiwan in early 2021, we must evaluate and initiate a water shortage response mechanism in a stringent manner to ensure that operations are not affected. With the world changing at an unimaginable pace, operational risks faced by companies are also becoming increasingly impossible to measure. This means that Uni-President must have stronger operational resilience and management flexibility in order for it to continue to operate steadily in a fast-changing environment, so that crises can be turned into opportunities.

As a means to strengthen the effectiveness and appropriateness of our risk management, we officially passed the risk management policy at the board meeting in 2020. Additionally, we have also established a Risk Management Team to ensure the proper management of food safety, environmental safety (environmental risks), work safety (occupational safety), information safety, and financial safety (financial risks). We continue to refine food safety management through our ongoing effort on facilitating a 3-point Food Safety Management, improving product labeling, and supplier audits. As well as doing that, we have also improved the progress in environmental sustainability management in order to face climate change issues. At the same time, we perform climate risk and opportunity identification and assessment from an operational perspective to get a full grasp of possible climate risks and opportunities Uni-President may encounter in the future so as to formulate adaptation strategies in advance. In addition to reducing our own operational risks, we proactively put our influence into play through

Presidents

黃李 釗清 凱田



the promotion of the Safety and Health Family alongside suppliers. By injecting occupational safety and health concepts into our daily lives, we enable our employees and partners to have a secure and safe work environment.

As a result of the pandemic, we are now living in unstable and ever-changing times. Furthermore, with the arrival of post-pandemic era, an organization equipped with operational resilience will be able to effectively break through difficult situations. Thanks to our long-standing management experience and ongoing development of sustainability, our achievements were highly recognized in 2020 – we were selected as one of the top 25 global brands in Taiwan, won TCSA “Taiwan Corporate Sustainability Award,” and Xinshi Plant and Yongkang General Plant received the Occupational Safety Excellence Award for the Safety and Health Family. This is our demonstration of resilience to risks as well as our outstanding sustainability performance.

Adhering to our initial intention of co-prosperity with society, we will continue to elevate our safety management resilience, while expanding our influence in the food industry chain. At the same time, we will also optimize our governance performance regarding all ESG aspects, becoming an enterprise of an outstanding brand image, character and taste.

2020 Key Achievements

Managing a Transparent and Ethical Enterprise

- Awarded as one of the **top 25 global brands in Taiwan** in 2020
- Won TCSA “**Taiwan Corporate Sustainability Award**” in 2020
- Awarded 2020 TCSA “**Corporate Sustainability Report Award**” – Bronze

Shaping a Safe and Healthy Food and Drink Culture

- Food Safety Point 1 – **No anomalies**
- Food Safety Point 2 **decreased by 53%** from the same period last year
- In 2020, 3 new products were added; a total of **12 products have been selected by the Eatender competition**
- In 2020, a total of **22** products attained **the Heath Food Certification Label**
- **5** products won the **Superior Taste Award Certification (ITI)**
- **2** products were awarded the **Monde Selection certification**

Commitment to Environmental Sustainability

- GHG was **reduced by 4,798 metric tons** of CO₂e, saving NT\$28.07 million in energy costs
- Improved water efficiency – this year, **44 million liters of water consumption was reduced**, saving management costs by NT\$1.13 million
- We are committed to R&D of packaging material reduction. Through the adjustment of PP carton structure and optimization of multi-packed film technology, as well as the 4,530mL PE bottle weight reduction, a total of **114.81 tons of plastic materials can be reduced** each year
- Yangmei general plant won the silver medal of the **2020 Energy Saving Benchmark Award by MOEA**

Building a Healthy and Happy Workplace

- 2020 Cheers **Top 20 Most Desired Companies for the New Generation**
- 2020 Cheers **Top 1 Most Desired Company** in Life Manufacturing Industry
- The Safety and Health Family of Xinshi General Plant won the **Occupational Safety and Health Excellence Award** in 2020
- The Safety and Health Family of Yongkang General Plant won the **Merit Award** in 2020

Creating a Healthy and Happy Tomorrow

- A total of **30,000 people participated** in the National Health Day
- 34 celebrities responded to the 80–90 cm Waistline Measurement Day on social media platforms, reaching **12.88 million followers**; **1.14 million** free waistline tape measures were given away; **11,300 people took part** in the Line event
- A total of **NT\$3 million** was invested in the implementation of the afterschool program for schoolchildren in rural areas, benefiting **656** schoolchildren
- In 2020, we initiated e-courses by recovering old computers; a total of **30 computers** and **15 monitors** were donated to afterschool classes in rural areas
- In 2020, nutritional lunch beverages were provided to **230 schools**, benefiting **7,305** disadvantaged schoolchildren
- Promoted community canteens for the elderly – in 2020, the event was conducted in **25** communities, benefiting **1,065** seniors
- The Preloved Clothing scheme joined hands with Baby Dog to raise funds for stray dogs, benefiting **21** NPOs and **9** dog kennels
- Donated **NT\$4.12 million** worth of practical materials and supplies to the social affairs bureaus of **20** counties and cities, benefiting **24,241 families**



Foreword

Sustainable Management



- Material Topic Analysis and Response
- Stakeholder engagement
- We Strive for Sustainable Governance
- Respond to sustainability initiatives in a proactive manner

◀ Sustainable Management ▶

◀ Material Topic Analysis and Response ▶

Uni-President adopts the materiality principle to develop systematic processes in identifying material stakeholders and sustainability issues, as well as to manage and set goals to be used as a basis for the implementation of sustainable development and the response to stakeholder expectations. When we are identifying material topics, we use the following steps

Step	Description	Purpose
Step 1	Identifying stakeholders	Perform an inventory on stakeholders and build an effective communication channel according to the relationship between stakeholders and Uni-President
Step 2	Preliminary inventory on sustainability topics	Summarize global sustainability trends, issues concerning the industry, Taiwan's local policies, and Uni-President's future development strategies and perform preliminary inventories on potential material topics
Step 3	Analysis of the degree of concern around sustainability topics	Conduct an investigation on internal and external stakeholders to understand their degree of concern on each sustainability topic
Step 4	Analysis of the degree of impact of sustainability topics	Carry out internal discussions to analyze the impact of each sustainability topic on the economy, environment and society, and evaluate its degree of impact
Step 5	Confirmation of material topics	Complete identification of material topics
Step 6	Responding to material topics	Respond to material topics for 2020

• Step 1 : Identifying Stakeholders









Based on the following two principles, we have identified eight types of stakeholder :

The degree of influence
stakeholders have over
Uni-President



The degree of
dependence
Uni-President has on
stakeholders



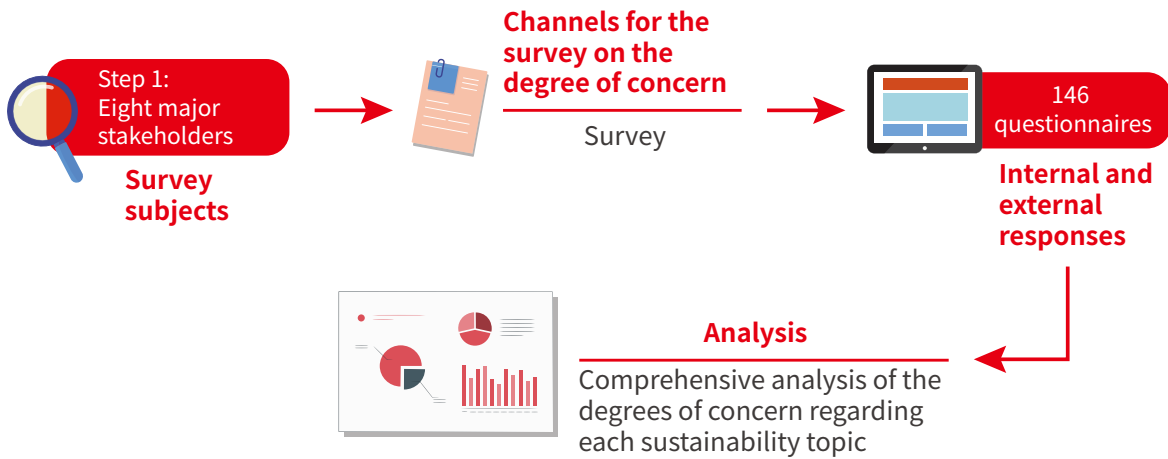
Stakeholder Type	Significance to Uni-President
 Capital Providers (e.g. banks, shareholders, professional investors)	Capital Providers help the business operations and the sustainable development of Uni-President through injections of capital. Uni-President treats all Capital Providers with fairness, and discloses honest and transparent information.
 Consumer	As consumers are our main source of revenue, it is our duty to provide them with safe and delicious food. By utilizing Group resources, we integrate consumers' needs, helping make life better and more convenient.
 Government	Regulations promulgated by the government guide the development of industries through authorities. At Uni-President, we understand and proactively manage all laws and regulations. When the government needs inputs from the industry, we respond proactively.
 Employees	At Uni-President, we regard our employees as the foundation of the Company. In order for the Company to align with the trends of the day, we provide a comprehensive education and training mechanism and a work environment that is based on dignity and equality. We also take workplace safety seriously to attract more outstanding people in order to nurture them for future development needs, so that they will grow and thrive with the Company.
 Suppliers	As suppliers are key partners for Uni-President to develop a food safety mechanism, they are selected through various types of internal assessments. We also provide the food industry's with food safety awareness through the coaching of suppliers.
 Third-party certification authorities	Third-party certification authorities are important partners for us to examine our performance. Uni-President has attained third-party certifications in terms of financial, environmental or food safety performance so as to gain information credibility. We also continue to improve and refine our internal operations through third-party certifications.
 Academic units	The academic unit is one of our partners when it comes to innovation and research and development. We continue to keep a sound and close relationship with academic units so that we can continue our academic research and implement it in the industry.
 Public interest groups	As a part of society, profitability is not only our top priority. We also take responsibility in enhancing the prosperity of society as a whole. We utilize our core functions and strive to support public charities, while increasing the public's awareness on health.

• Step 2 : Preliminary Inventory on Sustainability Topics

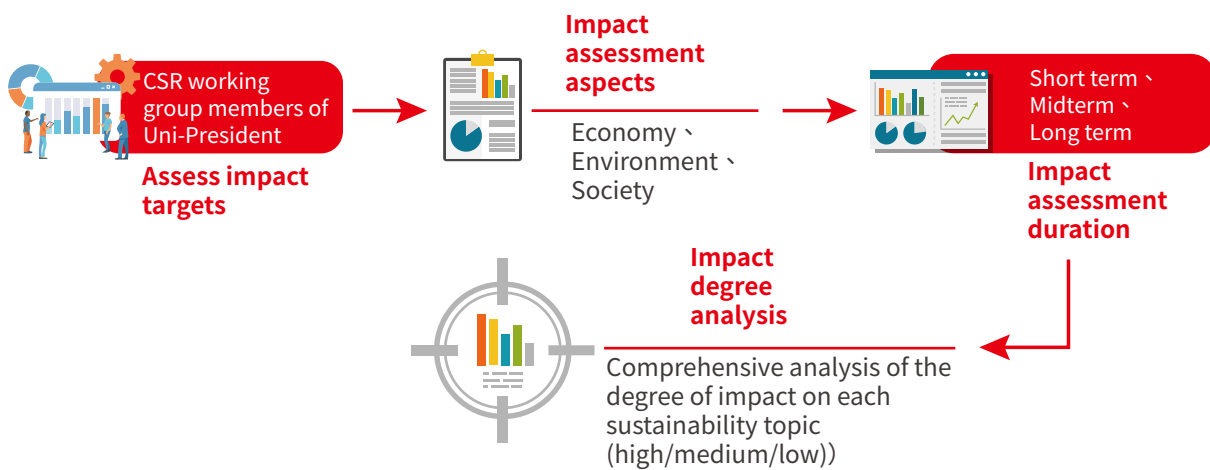
 United Nations Sustainable Development Goals (SDGs)	Potential material sustainability topics <ul style="list-style-type: none"> ● Ethical management ● Talent development and management ● Corporate governance ● Packaging Material Management ● Supplier management ● Climate change ● Regulatory compliance ● Operational environment management ● Nutrition and health ● Community welfare and charity ● Economic performance ● Occupational health and safety ● Responsible marketing and labeling ● Customer Health and Safety 
 Topics of GRI Standards/special topics for the food industry	
 Sustainability Accounting Standards Board (SASB ¹) – Food industry standard	
 Material topics for the food industry in Taiwan and overseas	
 Value chain influence	
 Uni-President's sustainability vision and strategy	

Note : Sustainability Accounting Standard Board.

• Step 3 : Analysis of the Degree of Concern on Sustainability Topics

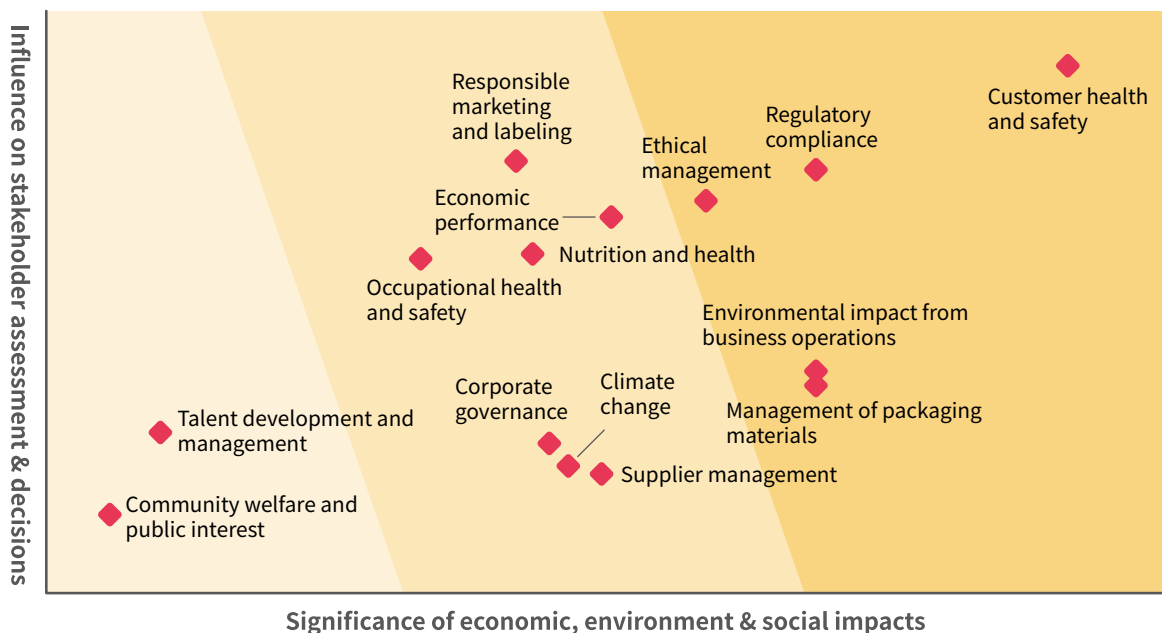


• Step 4 : Analysis of the degree of impact of sustainability topics



• Step 5 : Complete Material Topics

2020 Uni-President's Material Topics








Issues Levels	Issues	Its meaning for Uni-President	Corresponding Chapter	Page No.
High degree of material sustainability topics	Customer Health and Safety	Assessment of the impact of products on consumer health and safety, food safety management systems, food safety education and training, product tracking and traceability, and food safety laboratory	2.1 Food Safety Commitment 2.2 Food Safety Management 2.4 Responsible Production	Page 39 Page 40 Page 51
	Regulatory compliance	Including regulatory compliance in relation to economic, environmental and social factors	1.1 Transparent and Ethical Enterprise Commitment 1.4 Regulatory Compliance 3.1 Environmental Management Responsibility	Page 27 Page 32 Page 59
	Ethical management	We perform business activities based on the principles of fairness, honesty, trustworthiness and transparency. Meanwhile, we also assess corruption risks, anti-corruption policies and actions, so as to establish a corporate culture and a control mechanism for ethical management	1.1 Transparent and Ethical Enterprise Commitment 1.3 Ethical Management	Page 27 Page 31
	Operational environment management	The management and status of the consumption and recovery of the Company's energy and raw materials use in operations, as well as the emissions and water recourses. These include wastewater, waste status and management actions, GHG emissions and reduction	3.1 Environmental Management Responsibility 3.3 Water Resources Management 3.4 Pollution Prevention	Page 59 Page 73 Page 78
	Packaging Material Management	Package procurement, standard, use and packaging material reduction policy	3.5 Packaging Material Management	Page 80
Medium degree of material sustainability topics	Responsible marketing and labeling	Accurate product or advertising promotional information and labeling as well as clearly labeled ingredients	2.6 Responsible Marketing and Labeling	Page 56
	Economic efficiency	The status of the Company's operating profitability, including financial information on the Company's operations, expenses and profitability, and government financial subsidies	About Uni-President	Page 24
	Nutrition and health	Related management measures related to food health and nutrition, and sustainable food and nutritional care, diet, and culture promotion	2.5 Product R&D and Innovation	Page 53
	Occupational health and safety	Occupational safety and health management, including accident investigation and handling processes, work safety inspections, employee examinations, Occupational Safety Committee management status, employee occupational safety training, and case study promotion	4.2 Occupational health and safety	Page 88
	Corporate governance	Governance framework, duty, system, and composition, selection of the governance unit, functions of directors, and performance assessment	1.2 Corporate Governance	Page 28
	Climate change	The impact on the Company's operations brought on by climate change, identification of risks and opportunities, management strategies and response actions of climate change	3.2 Climate Change and Energy Management	Page 63
Potential material sustainability topics	Supplier management	Management policy for new suppliers, including assessment standards in relation to the environment and society	2.3 Supplier Management	Page 47
	Talent development and management	Talent cultivation plans and their implementation, including training programs or courses covering functions, self-enlightenment, physical and spiritual growth and stimulation of innovative ideas	4.1 Talent Development Management	Page 83
	Community welfare and charity	Development and impact of operational activities imposed on local communities, communication and assessment, social welfare and care activities	5.1 Preventive Medicine and Nutritional Care 5.2 Care for the Disadvantaged 5.3 Connecting Uni-President Group to Expand Influence	Page 96 Page 100 Page 103

• Step 6 : Responding to Material Topics

After analyzing the materiality of topics, each material issue was confirmed by the internal units of Uni-President. Each responsible team then assessed the completeness, scope of impact, boundary and the collection and reporting period. By doing this, we have met and responded to the important information and performance concerned by stakeholders. Each department prepared this report with respect to the principles of completeness, responsiveness, and stakeholder inclusiveness to ensure that the information regarding material issues is accurately disclosed in the report.

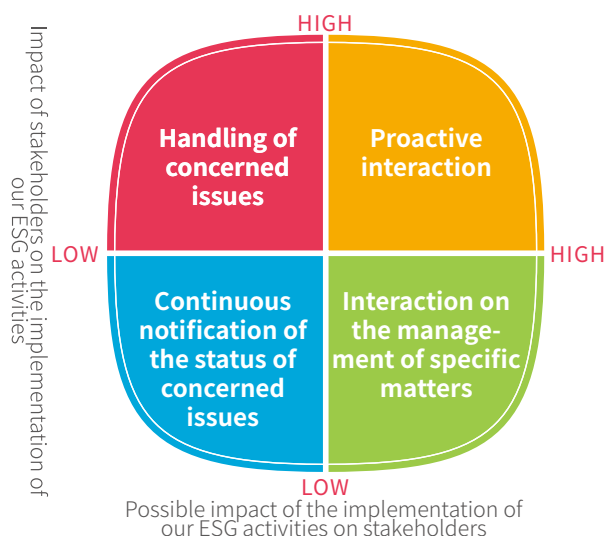
After preparing the report, departments continue to examine and review the report to ensure that the information and performances contained in this report are not inappropriately or unfaithfully presented. Departments also prepare the report for the following year with reference to the review result of this report.




The Impact of Material Sustainability Topics to the Value Chain of Uni-President






Material Topic	Within the organization	Outside the organization							GRI Topic
	Employees	Consumer	Capital Provider	Government	Suppliers	Certification authorities	Academic units	Public interest groups	
 Customer Health and Safety	●	●	●	●	●	●	●	-	GRI 416 : Customer Health and Safety
 Regulatory compliance	●	●	●	●	●	-	-	-	GRI 307 : Environmental Compliance GRI 419 : Socioeconomic Compliance
 Ethical management	●	●	●	●	●	●	●	●	GRI 205 : Anti Corruption
 Operational environment management	●	-	●	●	-	●	-	-	GRI 302 : Energy GRI 303 : Water and Effluents GRI 305 : Emissions GRI 306 : Effluents and Waste
 Packaging Material Management	-	●	●	●	●	-	●	-	-

Stakeholder engagement

Responding to the needs of stakeholders is the foundational for Uni-President to implement sustainable development. This year, we have identified eight types of stakeholder. According to their influence on Uni-President's ESG activities and the degree of influence by Uni-President's ESG activities, we have proposed four major engagement approaches. By doing this, we effectively respond to issues concerning stakeholders and have acquired their suggestions. The communication status of each stakeholder was reported at the board meeting held on 2021/5/12. The following table is this year's material sustainability topics, sustainability topics that are of priority or concern to shareholders, as well as the performance of the engagement of stakeholders.



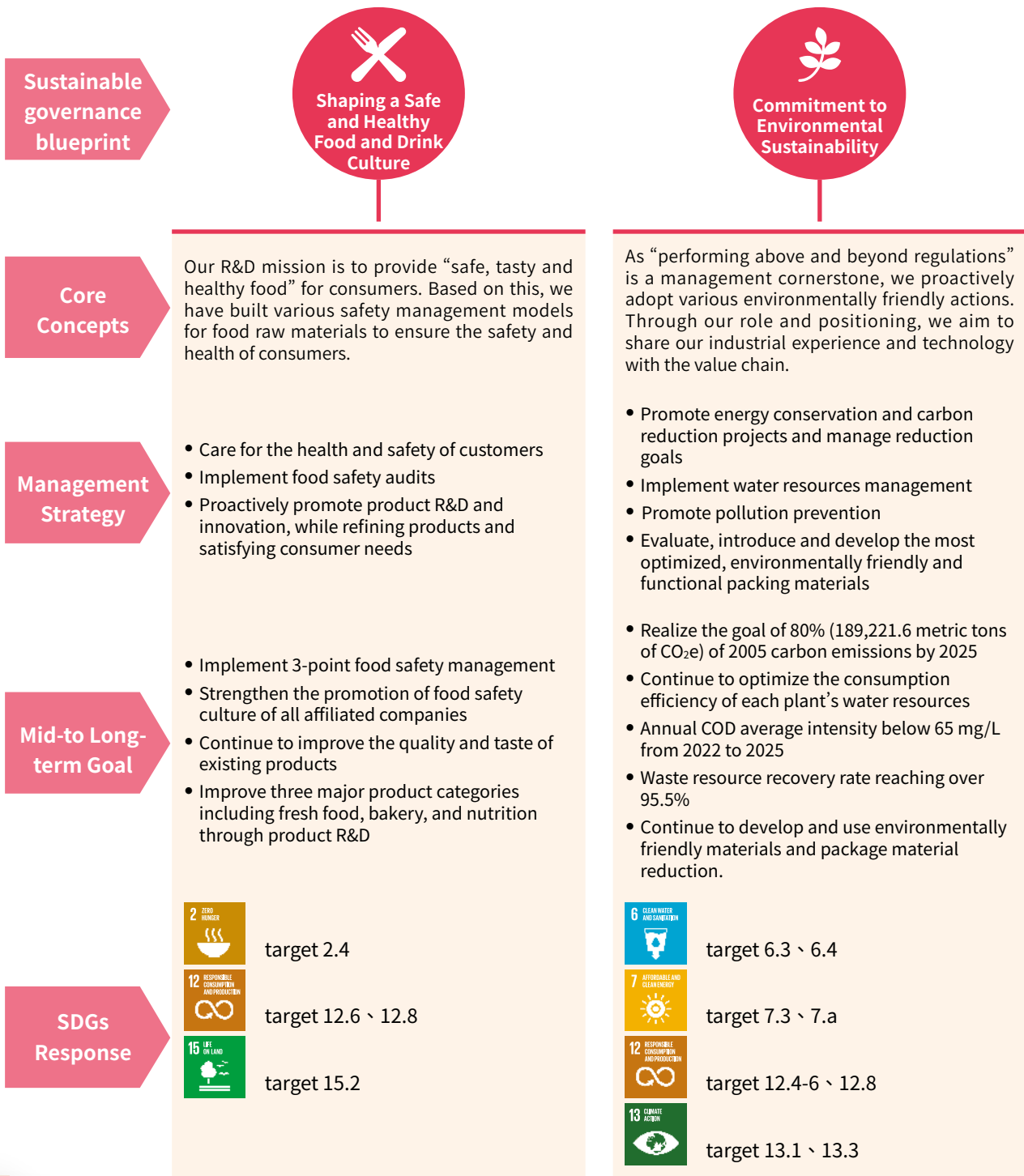
Stakeholders	Prioritized Concerned Sustainability Topics	Communication Frequency and Method	2020 Communication Performance
 Capital Providers	<ul style="list-style-type: none"> Business performance Ethical management Customer Health and Safety Regulatory compliance 	<ul style="list-style-type: none"> Hold a shareholders meeting each year Occasional investor conferences Announce major information as required by the competent authority Regularly publish financial statements/annual reports/CSR reports Official website information disclosed Contact Investor Relations Department : Mr. Fang Tel : 06-253-6789 ext. 6510 Corporate Relations Management Team : Ms. Ou Tel : 02-8786-6888 ext. 2536	<ul style="list-style-type: none"> Released financial statements each quarter 78 major pieces of information released 6 domestic and international investor conferences 1 shareholders meeting CSR report published each year; the 2019 CSR report has been published
 Consumer	<ul style="list-style-type: none"> Responsible marketing and labeling Customer Health and Safety Ethical management 	<ul style="list-style-type: none"> Official website and brand marketing network Consumer Service Center (customer hotline/0800-037520, E-mail service) Regularly announce CSR reports 	<ul style="list-style-type: none"> Satisfaction survey of the Consumer Service Center reached 98.14 points CSR report published each year; the 2019 CSR report has been published
 Employees	<ul style="list-style-type: none"> Customer Health and Safety Economic performance Responsible marketing and labeling 	<ul style="list-style-type: none"> Labor-management meeting and occupational health and safety meeting Official website information disclosed Contact : Human resources : hr@mail.pec.com.tw 	<ul style="list-style-type: none"> 4 labor-management meetings 4 Occupational Safety and Health Committee meetings Trade union participation rate reached 99% Released 12 Uni-President monthly magazines

Stakeholders	Prioritized Concerned Sustainability Topics	Communication Frequency and Method	2020 Communication Performance
 Suppliers	<ul style="list-style-type: none"> Customer Health and Safety Ethical management Responsible marketing and labeling Regulatory compliance 	<ul style="list-style-type: none"> Communication meetings from time to time Assessment, plant visit and counseling mechanism/audit management e-Procurement system announcement Supplier grievance channels Regularly announce CSR reports Reporting E-mail for ethical violations https://www.uni-president.com.tw/other/service/box_2.asp 	<ul style="list-style-type: none"> Performed occasional visits on 23 suppliers Performed annual assessments on 142 suppliers Performed food safety risk inspection on 51 internal plants, outsourcing plants and QC/research units
 Government	<ul style="list-style-type: none"> Corporate governance Ethical management Regulatory compliance 	<ul style="list-style-type: none"> Participate in policy promotion meetings of the competent authorities from time to time and conduct supervision and inspection accordingly Regular compliance audits Assist in the formulation of related regulations Regularly announce CSR reports Contact : Media Contact of the Public Affairs Office : Mr. Yao TEL : 06-253-6789 ext. 6297 	<ul style="list-style-type: none"> 436 products were established on the track and trace system as required by food safety-related laws and regulations Release a CSR report each year
 Public interest groups	<ul style="list-style-type: none"> Ethical management Regulatory compliance Nutrition and health 	<ul style="list-style-type: none"> Regularly hold the campus seminar “Value Concept Conveyance” Regularly hold health medicine promotion activities and seminars Regularly release Foundation reports The Social Welfare Foundation of Uni-President TEL : 06-2536789 ext. 8332 E-mail : noraliu@mail.pec.com.tw The Taiwan Millennium Health Foundation contact TEL : 02-87860996 E-mail : healthinfo@1000-love.org 	<ul style="list-style-type: none"> 6 “Value Concept Conveyance” campus seminars Emergency aid provided to 710 families Organized 80–90 cm Waistline Day event and 1.14 million free waistline tape measures were given away A total of 30,000 people participated in the National Health Day Released the annual Foundation report
 Third-party certification authorities	<ul style="list-style-type: none"> Customer Health and Safety Regulatory compliance Packaging Material Management 	<ul style="list-style-type: none"> Regular compliance audits Regular communication meeting Audit management Reporting E-mail for ethical violations https://www.uni-president.com.tw/other/service/box_2.asp 	<ul style="list-style-type: none"> Annual audit meeting
 Academic units	<ul style="list-style-type: none"> Customer Health and Safety Nutrition and health Ethical management Regulatory compliance Responsible marketing and labeling 	<ul style="list-style-type: none"> Participate in external ratings Participate in research programs / seminars Official website / brand marketing network communication Regularly announce CSR reports Reporting E-mail for ethical violations https://www.uni-president.com.tw/other/service/box_2.asp 	<ul style="list-style-type: none"> Participated in the TCSA Sustainability Report Awards in 2019 and won a Bronze Award for dining and food industry Organized the online program “Celebrity Physician / Nutritionist Online Luncheon” 7 preventive medicine seminars were organized

◀ We Strive for Sustainable Governance ▶

• Building a Sustainable Value Chain Based on the Uni-President Spirit

As “integrity and hard work, innovation and improvement” is our management motto, we handle matters adhering to the principle of “integrity” and follow our corporate spirit of “hard work.” At Uni-President, we constantly “innovate and improve” our products and management system. By providing consumers with well-thought-out and comprehensive products and services, we have laid the foundation for the development of a corporate sustainable business. Whether it is raw material traceability, food production and packaging, logistics and distribution, or customer health, we are committed to integrating the spirit of sustainable governance into our daily operations and rely on the joint cooperation of all our stakeholders. By taking this approach, we have built a sustainable value chain and achieved the vision of “a lifestyle industry that is inseparable from the people” with the key element being “everyone doing their part in the management of Uni-President.”





Building a Happy and Healthy Workplace

Adhering to the motto of “professional cultivation, career development and lifelong learning,” we create a reasonable, safe and fair work environment. Meanwhile, we also share management results with our employees.

- Implement work safety – self-protection, mutual protection, and guardianship
- Build a learning atmosphere in the organization to improve the health of employees and increase human capital
- Implement employee equal care
- Diversified talent in Uni-President
- Create a reasonable and fair workplace
- Disaster-free workplace



target 3.d



target 5.1



target 8.5, 8.8



Creating a Healthy and Happy Tomorrow

We integrate our core competencies to create a better life and society with “caring for the socially disadvantaged” and “promoting the prevention of lifestyle disease concepts” as our starting point.

- Through the Uni-President Social Welfare and Charity Foundation, we aim to promote the 6 major objectives: disability, emergency relief, medical care, schooling, childcare, and elderly care.
- Through the Taiwan Millennium Health Foundation, we advocate for health medicine, nutritional care and preventive medicine programs.
- Promote the support program of the disadvantaged based on the six major objectives : disability, emergency relief, medical care, schooling, childcare, and elderly care to fulfill corporate social responsibility
- Raise the awareness of prevention over treatment to reduce the risk of chronic diseases



target 1.5



target 2.1, 2.2



target 4.5



target 10.2

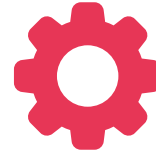
Uni-President 2020 Sustainable Governance Performance



3-point Food Safety Management for Customer Complaints



Drug residue management



Product Innovation and R&D

2020 Goals

- Food Safety Point 1 – No anomalies
- Food Safety Point 2 decreased by 30% from the same period last year
- Public sector audit – No violations

Residue in finished products – No anomalies

Technical research on the mechanism of delicious products

R&D of technology for new bakery, fresh food and high nutrition healthy products and processes

2020 Performance

- In 2020, food Safety Point 2 decreased by 53% from the same period last year

• Public sector audit – No violations

- Researched the high value plant milk technology research and product development
- Soybean reduction and reuse application technology introduced
- Matcha Bubble Milk Tea launched at 7-Eleven

- Savory bread and refined pastry developed
- Launched the “Fresh Dried Noodles” and “Fresh Beef Noodles”
- Planned of advanced lipid modulation certificate for Metamin
- Developed LP33 anti-allergy capsules which are stored under room temperature

Achieved

Achieved

Achieved

Achieved

2021 Goals

- Customer complaints on Food Safety Point 1 – No anomalies
- Points for food Safety Point 2 decreased by 10% from the same period last year
- Public sector audit – No violations

• Residue in finished products – No anomalies

- Light bakery products developed
- New delicious yoghurt developed
- Sugar-free grain milk products developed
- Freshly brewed tea developed to meet to the need of consumers

- Developed delicious strong tea technology
- Upgraded pastry refinement technology
- Healthy baked products
- Developed fresh food pouch products



Energy Conservation and Carbon Reduction



Improve Water Efficiency



Pollution Prevention

Enhance Environmental
Friendliness of Packaging
Materials

2020 Goals

- The annual average power saving rate of each general plant is >1%
- 90% of the steam source was from natural gas or biomass fuels
- The average target for each plant in 2020 was 117.75 kg CO₂e/ton production
- Supervision of water condition to ensure stable production
- Enhancement of the efficiency of water consumption
- Annual COD average intensity below 70 mg/L
- Waste resource recovery rate reaching over 95.5%
- Reduction of air pollutant emissions
- Evaluate, introduce and develop the most optimized, environmentally friendly and functional packing materials

2020
Performance

- Power saving rate in all plants was >1%
- 92.55% of the steam source was from natural gas or biomass fuels
- Average CO₂ emission intensity was 116.32 kg/ton, with an annual target achievement rate of 101.21%
- Continued to promote energy conservation and carbon reduction projects
Carbon reduced by 4,798 metric tons CO₂e
Saved power by 5,085 kwh
Saved fuel oil and diesel oil by 26 kiloliters
Saved natural gas by 631 m³
- Yangmei general plant won the silver medal of the 2020 Energy Saving Benchmark Award by MOEA
- No production loss due to water scarcity in 2020
- Saved water by approximately 44,000 tons, saving NT\$1,129,000
- In 2020, the COD concentration was 32.68 mg/L; the COD reduction equivalent reached 7.355 kilotons (98.58%)
- Waste resource recovery rate was 95.93%
- Yangmei plant completed the replacement of natural gas boilers
- Through the adjustment of PP carton structure and the 4,530 mL PE bottle weight reduction, a total of 114 tons of plastic materials can be reduced each year

Achieved

Achieved

Partially Achieved

Achieved

2021 Goals

- The annual average power saving rate of each general plant is >1%
- 93% of the steam source was from natural gas or biomass fuels
- Units that reached the target last year use average carbon emissions intensity reduction of 1% as the target for 2020; units that did not reach the target last year use average carbon emissions intensity reduction of 2% as the target for 2020
- Monitor water conditions and continue to optimize response measures and management mechanisms
- Continue to optimize the efficiency of water consumption in each plant and introduce water saving programs
- Annual COD average intensity was below 65 mg/L
- Waste recycling rate above 95.5%
- Yongkang plant completed the replacement of natural gas boilers
- Continued to introduce optimized, environmentally friendly and functional packaging materials



2020 Goals

Build a Disaster-free Workplace

- 0 occupational disasters
- 0 general injuries
- 0 accidental disasters
- 0 occupational safety violations

Cultivate talent capital

- Create a reasonable and fair workplace
- Diversified talent in Uni-President

Create a Good Life and Society

- Support the disadvantaged
- Promotion of the prevention of lifestyle disease concepts

2020 Performance

- 0 occupational disasters and occupational safety violations
- The budget for work safety in 2020 reached NT\$65.2 million
- The Safety and Health Family of Xinshi General Plant won the Occupational Safety and Health Excellence Award in 2020
- The Safety and Health Family of Yongkang General Plant won the Merit Award in 2020

- Optimized internal management regulations and procedures
- Recruited business partners or foreign employees
- 2020 Cheers Top 20 Most Desired Companies for the New Generation
- 2020 Cheers Top 1 Most Desired Company in Life Manufacturing Industry

- Nutritional lunch beverages were provided to 230 schools, and community canteens for the elderly project was conducted in 25 communities benefiting 7,305 disadvantaged schoolchildren and 1,065 seniors.
- 6 schools were visited, reaching approximately 3,000 students and teachers
- 7 preventive medicine seminars were organized, with a total of 1,900 participants
- 30,000 participants in measuring waistline and blood pressure all over Taiwan in National Health Day

Partially Achieved

Achieved

Achieved

2021 Goals

- 0 occupational disasters
- 0 general injuries
- 0 accidental disasters
- 0 occupational safety violations

- Create a reasonable and fair workplace
- Diversified talent in Uni-President

- Support the disadvantaged
 - More afterschool classes and school talent programs were added, benefiting classes, schoolchildren, and schools
 - Sponsored 5 NPOs for the physically challenged
- Promotion of the prevention of lifestyle disease concepts
 - Continuously organize the National Health Examination Day, 80–90cm Waist Measurement Day, and Health Care Service on Campus
 - Organize the online and physical program of the preventive medicine seminar
 - Continuously Organize the online and physical program to announce the Balanced Diet

◀ Respond to sustainability initiatives in a proactive manner ▶

At Uni-President, we make every effort to promote sustainable enterprise development – not only did we join Taiwan Corporate Sustainable Forum (TCSF) as a founding member in 2008 to implement sustainability for local businesses, we at the same time also value the importance of CSR management. We use certified packaging materials endorsed and supported by the non-profit international organization FSC™ (Forest Stewardship Council™) as well as adopting responsible raw material procurement. Moreover, the packaging for our MineShine beverages were the first aseptic carton packaging in Taiwan to be certified by the FSCTM. Also, we began to purchase soybeans certified by the Soy Sustainability Assurance Protocol (SSAP) in 2018.

Initiative/Participated Projects	Description
Participate in the Taiwan Corporate Sustainability Forum	The Taiwan Corporate Sustainable Forum (TCSF) is a flexible platform jointly organized by 24 representative enterprises; members of the Forum regularly communicate and organize forum activities on sustainability issues beyond the regulations to promote cross-industry learning and industrial integration. This Forum focuses on providing the latest global CSR news and building a Taiwan Vision 2050 Project. The Taiwan Vision 2050 Project was put together by the World Business Council For Sustainable Development (WBCSD). Members of the TCSF set up various workshops from local perspectives, and discussed with experts, scholars and internal employees.
Support the use of packaging materials certified by FSC™	The standard of the international non-profit organization FSC™ (Forest Stewardship Council) is currently recognized as the highest standard for the sustainable sourcing of wood fiber and measures whether a forest operation is properly performing “responsible forest management.” The purpose is to assure consumers that the wood fibers in the aseptic cartons can be traced from the supply chain all the way back to the forest, and that the paperboard used in the aseptic cartons comes from FSC™ certified forests and other controlled sources. The FSC™ trademark is supported by all sectors, including NGOs and corporations, which all provide mechanisms and standards corresponding to green consumption, ensuring the sustainable development of resources.
Procurement of soybeans certified by the Soy Sustainability Assurance Protocol (SSAP)	The U.S. Soybean Sustainability Assurance Protocol (SSAP) is a U.S. system that is audited by third parties that verifies sustainable soybean production. The third-party sustainability certification for management practices is based on a national system of sustainability and conservation laws and regulations combined with careful implementation of best production practices by the U.S.'s 302,963 soybean farms. The guidelines involve six major aspects including crop rotation, soil turning reduction, and land conservation, which can also achieve multiple effects such as energy saving, carbon reduction, as well as water and soil conservation.



About Uni-President

To achieve the goals of rooting ourselves deeply in the Asian market and enter the global market, a stable operation is a vital foundation. Based on this notion, we will continue to expand markets and improve profit through robust long- and short-term business plans. Furthermore, we will continue to strengthen corporate governance and risk management, while at the same time supporting and implementing long-term development strategies to boost our core advantages.

Company profile



Business Strategy

A comprehensive financial and economic foundation is one of the cornerstones of a company's sustainable development, it is also one of the key points of concern for stakeholders. At Uni-President, we divide our business strategy into short-term and short-term plans. In terms of our short-term business strategy – we continue to build our position in the industry by strengthening brand value, optimizing production benefits and allocating highest value-added product structures and marketing resources to enhance profitability. In the meantime, we will also ensure we have a full grasp of stakeholders' needs, while implementing ethical management and corporate social responsibility. In terms of long-term operational development, the Company continues to adopt the business strategy of “One Core and Four Pillars” With “lifestyle brand” being the strategic core, we have set “creating maximum operational value for the Company” as a long-term management goal, and “manufacturing plus R&D,” “trading plus logistic,” “experience plus retail,” and “association plus M&A,” as development directions.

Financial Information (Including Tax)


Unit: NT\$ million

	2017	2018	2019	2020
Consolidated revenue	399,861	431,446	447,978	447,320
Consolidated gross margin	132,741	145,285	153,963	154,030
Consolidated net income after tax	59,965	26,945	28,484	30,801

Tax Governance

As tax governance is our top priority, we abide by all relevant tax laws and regulations. Moreover, we have especially established the “Tax Policy” and related tax management duties. Our tax governance guidelines are filing tax with honesty, assessing and responding to tax risks, keeping open and honest communication, as well as information transparency. Our income tax expenses for the past three years are as follows; our Tax Policy is available for download on the [Company's website](#).

Unit : NT\$ thousand

 Individual income
tax expense paid

2017	2018	2019	2020
314,578	62,312	830,834	749,961

• Economic performance

Unit : NT\$ thousand








Type	2019	2020
Direct economic value generated		
Revenue ^{Note 1}	56,674,917	60,177,018
Direct economic value generated		
Operating costs	25,348,413	25,949,759
Employee wages and benefits	7,772,599	8,238,454
Payments to providers of capital ^{Note 2}	14,706,682	14,661,101
Payments to the government by country	3,604,470	2,186,486
Community investments	14,481	15,496
Economic value retained	5,228,272	15,496

Note 1 : Including operating income, interest income, dividends, rents, royalty income, and share of profits and losses of subsidiaries, affiliated companies and joint ventures recognized under the equity method in 2020 (NT\$19,113,378,000).

Note 2 : Including the distribution expenses of earnings and dividends of NT\$14,205,039,000 in 2020.

• Product Revenue Ratio

Uni-President's products are mainly divided into seven groups, including Provisions Group, Instant Food Group, Dairy and Beverage Group, General Foods Group, Baking Business Group, Technical Group, and others. Among them, the Dairy and Beverage Group and the Instant Food Group are our main products which accounted for 71.15% of total revenue.

Year	 Dairy and Beverage Group	 Instant Food Group	 Provisions Group	 General Foods Group	 Baking Business Group	 Technical Group	 Other
2019	59.33%	11.40%	7.37%	3.80%	9.96%	4.33%	3.81%
2020	59.25%	11.90%	6.92%	4.04%	10.21%	3.84%	3.84%

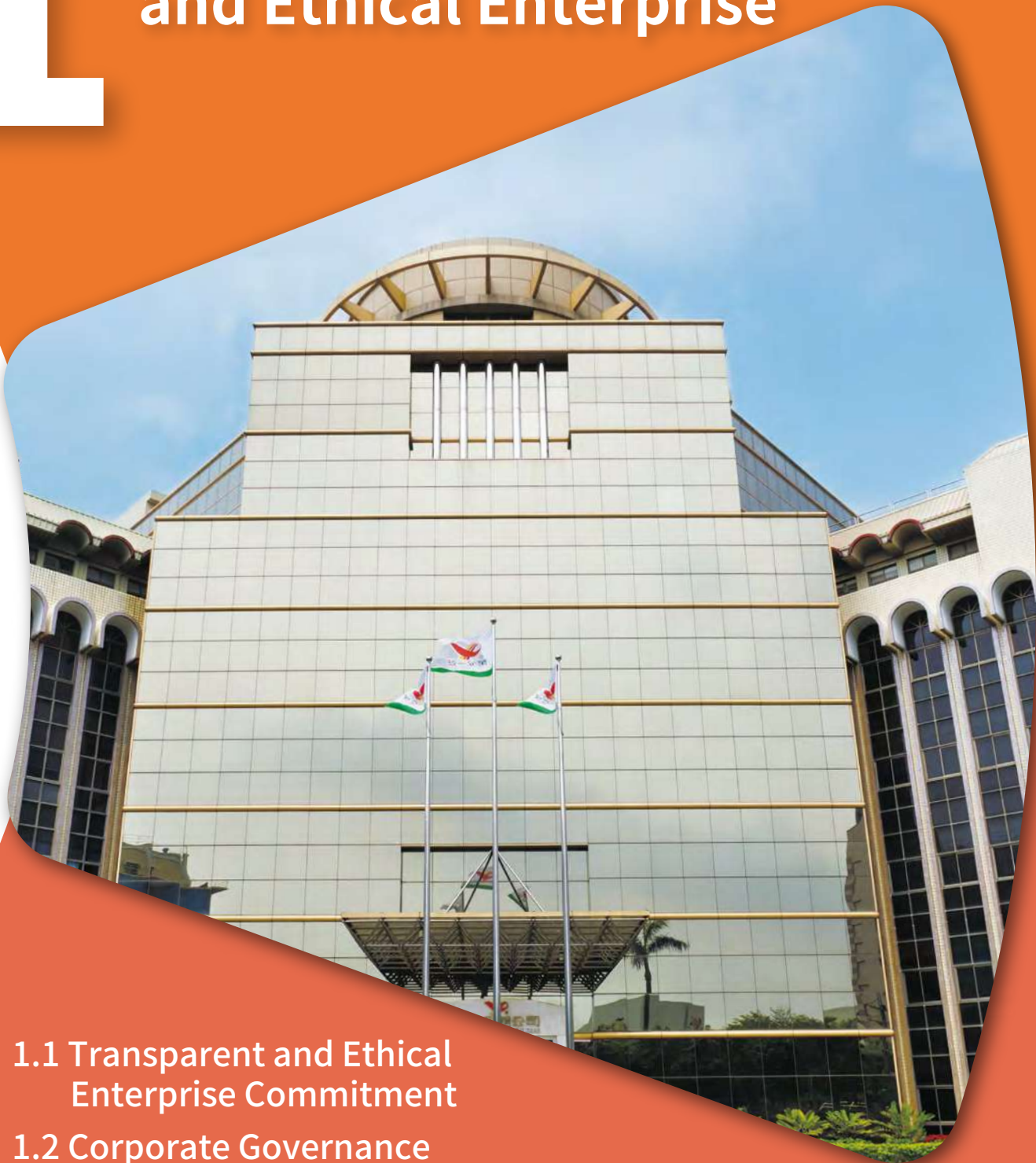
• Participation in Foundations and Associations

Uni-President proactively participates in a total of 52 business associations and international organizations, such as the Straits Economic & Cultural Interchange Association, Taiwan Quality Food Association (TQF), BCSD Taiwan, and the Taiwan Flour Mills Association. In addition to serving as a general member, we are also a director, executive director, member of the council and supervisor of some business associations and organizations, and proactively attend meetings to exchange ideas with our peers in the industry to build up a relationship of mutual support and cooperation.



1

Managing a Transparent and Ethical Enterprise



- 1.1 Transparent and Ethical Enterprise Commitment
- 1.2 Corporate Governance
- 1.3 Ethical Management
- 1.4 Regulatory Compliance
- 1.5 Risk Management

Managing a Transparent and Ethical Enterprise

1.1 Transparent and Ethical Enterprise Commitment



Material Topic

Ethical management and regulatory compliance



Policy and Commitment

- Carry out business activities based on integrity as well as the principles of fairness, honesty, trustworthiness and transparency
- Abide by the laws and regulations of the countries and regions in which we operate our businesses, with regulatory compliance being the minimum standard



Goal

- Deeply plant the ethical corporate management principles into the Company's corporate ethics and culture to enhance its reputation, while pursuing sustainable management
- Create a sound regulatory compliance culture, and uphold integrity and discipline so as to foster the Company's robust operations



Responsibility and Resource

- Form an Ethical Management Team as the dedicated unit
- Plan sufficient manpower and financial resources to promote ethical management



Action Plan

- Set up a corporate culture and adequate risk control mechanism based on ethical management, and formulate corporate management principles, conduct guidelines and Uni-President's management outline for prevention of insider trading
- Proactively focus on the development of abroad and local ESG measures and regulations, and adjust the Company's internal systems and business operations accordingly
- Pay attention to internal and external ethical management-related cases and strengthen related inspections and promotions when necessary
- Enhance the promotion of ethical management and implement it in daily task execution
 - To the board of directors : Routine annual promotion at the board meeting
 - To all employees : Launch related courses at the Uni-President Corp. Training Institute to reinforce regulatory compliance concepts. At the same time, the Ethical Management Practice Team sends ethical management-related measures and cases to all employees through emails. Also, related promotions are carried out through Uni-President Monthly



Evaluation Mechanism

Report to the board of directors on the implementation status of ethical management and regulatory compliance on an annual basis



Grievance Mechanism

An independent internal reporting mailbox and hotline has been set up for internal and external personnel

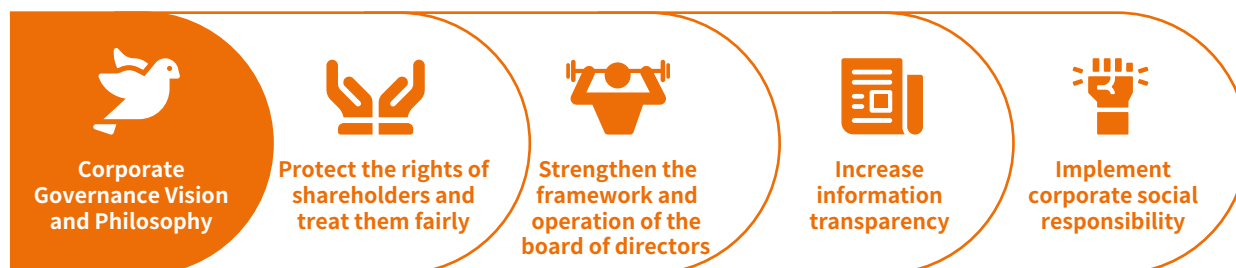
1.2 Corporate Governance

The Importance of Corporate Governance to Stakeholders and Uni-President

A company's competitiveness is based on a sound framework of board of directors, transparent, timely financial information, and an ethical corporate culture and effective internal audits. Stakeholders place emphasis on whether a company is equipped with robust corporate governance implementation so as to enhance the company's performance, and balance each stakeholder's interests while also protecting the rights of shareholders. A sound corporate governance system will help a company reduce its operational risks, enhance its competitiveness, as well as creating the basis for sustainable business operations.

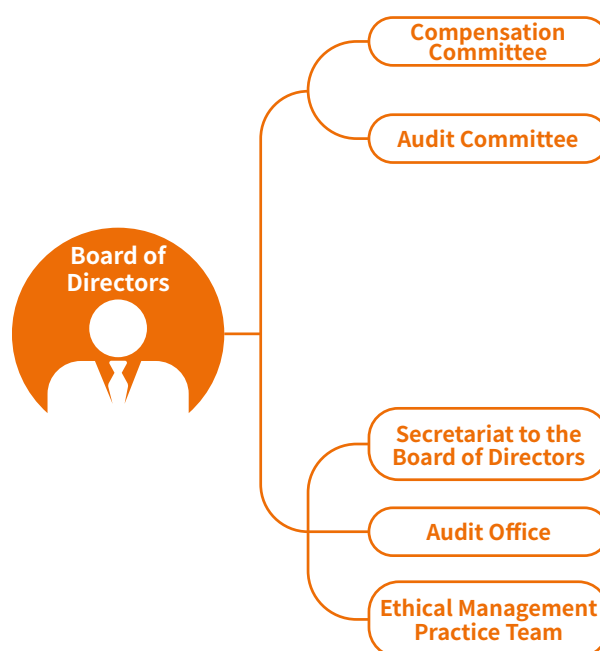
In a bid to create a sound corporate governance system, we have formulated Uni-President Corporate Governance Best-Practice Principles with reference to the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies jointly promulgated by the Taiwan Stock Exchange and Taipei Exchange. By doing this, we aimed to strengthen and implement corporate governance, while regular performing reviews and updates of the contents of the Principles in response to the development trend of international and Taiwan's corporate governance system to improve the effectiveness of corporate governance.

【Uni-President Corporate Governance Best-Practice】



1.2.1 Corporate Governance Mechanism

In order to improve supervision and strengthen the management function, all members of the board come from a diverse background. Moreover, a Compensation Committee and Audit Committee have been set up under the board of directors to help the board perform their supervisory duties to implement corporate governance. In addition, to improve the effectiveness of the board, we set up a "Corporate Governance Supervisor" in 2018 as the top supervisor in charge of corporate governance-related affairs. The Supervisor's duties include handling matters associated with board and shareholders meetings in accordance with laws, preparing minutes of board and shareholders meetings, assisting in at least six hours of continuing education of each director and providing information required for directors to carry out duties. In 2020, the Corporate Governance Supervisor took a total of 17.5 hours of corporate governance courses. By doing this we can not only improve and enhance the professional corporate governance knowledge of the Supervisor, but it also helps lead Uni-President build and put corporate governance into practice. For more information on the Corporate Governance Supervisor, please see Corporate Governance Framework Disclosure on Uni-President's official website on <https://www.uni-president.com.tw/invest/index.html>



Board of Directors

Our board members consist of diverse expertise spanning operations management, accounting and finance, business and economic, crisis management, international marketing, leadership, and decision making. Board members continue their education each year targeting corporate governance, business operations, regulations and finances. Their courses include : The Board's Response to Corporate Governance Evaluation and its Application, the Group's Governance and Performance Management, and How to Prepare for the Next Decade of Talent Transformation in the Face of Digital Economy.

Number of Board of Directors

13 members

- Including 10 general directors (2 female directors), 3 independent directors (1 female independent director)



For more information on the background of board member, please see the Company's 2020 Annual Report. Available for download at <https://www.uni-president.com.tw/invest/index.html>

Continuing Education Hours of Directors in 2020

- **126** hours of education
- An average of **9.69** hours per director

Board Meetings

- A total of **8** meetings were held
- The average attendance rate of all directors was **95.19%**

(Period : from 2020/1/1 to 2021/3/31)

Compensation Committee

According to its expertise, the Compensation Committee formulates and regularly reviews the policies, systems, standards and frameworks of the performance evaluation and remuneration of directors and managerial officers. Based on the Company's business performance and the impact of the organization's management on the social environment, the remuneration for directors and managerial officers are regularly evaluated and formulated to deepen Uni-President's corporate ethics and culture, pursuing sustainable management.

Compensation Committee Meetings

- A total of **3** meetings were held
- Actual attendance rate of the convener and members was **100%**

(Period : from 2020/1/1 to 2021/3/31)

Audit Committee

The main duty of the Audit Committee is to assist directors in fulfilling their roles in compliance with the Company Act, the Securities and Exchange Act and other related laws. It also assists directors in improving the supervision of the Company's accounting, financial reporting and internal control practices.

Audit Committee Meetings

- A total of **6** meetings were held
- Actual attendance rate of the convener and members was **100%**

(Period : from 2020/1/1 to 2021/3/31)

Secretariat to the Board of Directors

The duty for the Secretariat to the Board of Directors is to convene annual general meetings, board meetings, Audit Committee meetings, Compensation Committee meetings, as well as their elections, operations and related affairs concerning corporate governance.

Audit Office

The Audit Office proposes an annual audit plan based on the risk assessment results to ensure the effective continuous operation of the internal control system, strengthen corporate governance and establish corporate risk assessment and risk management mechanisms. The Audit Office conducts monthly audits and produces an audit report consisting of working drafts and related information, while also promoting corporate governance from the perspective of sustainable corporate development.

Ethical Management Team

The Ethical Management Team is primarily responsible for summarizing and reviewing the execution status of each unit's ethical management, and reporting the status to the board of directors each year. It has also set up a communication channel and reporting mechanism to ensure that whistleblowers are properly treated.

Real-time Disclosure of Important Information

As the operation of Uni-President is closely linked to the overall social economy, aiming to protect the rights and interests of the Company's related stakeholders, transparency and integrity are extremely important. At Uni-President, we do our utmost to provide multiple channels and information for dialogue with stakeholders, while publishing important information in a diverse, transparent and timely manner to improve the connection and communication between the Company and stakeholders. Open, transparent and timely financial and non-financial information are disclosed in both Chinese and English, enabling language-barrier-free access for all stakeholder to the Company's information.



Financial Information

A financial report is published on a quarterly basis in both Chinese and English; it is also disclosed on the MOPS. Annual reports, shareholders meeting handbook and shareholders meeting minutes are available in both Chinese and English for stakeholders.

Please refer to the website :
<https://mops.twse.com.tw/mops/web/t146sb05>

Non-financial Information

Non-financial information is compiled in accordance with the GRI Standards and the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies. The Chinese version is disclosed on the MOPS and the English versions on the Company's dedicated CSR website for all stakeholders.

Please refer to the Company's website :
<https://www.uni-president.com.tw/invest/index.html>

Other

We prepare both Chinese and English versions of important resolutions from the board of directors and the Company's rules and measures (e.g. Charter, election method of directors) and disclose them on the Company's official website for users' reference.

Please refer to the Company's website :
<https://www.uni-president.com.tw/invest/index.html>

1.3 Ethical Management

The Importance of Ethical Management to Stakeholders and Uni-President



If a company is engaged in unethical conduct, it may lead to low operational efficiency, loss of capital, affecting the trust of stakeholders, and further damaging its sustainable management. Given this, Uni-President is based on integrity, and takes ethical management and anti-corruption issues seriously. We carry out business activities on the basis of fairness, honesty, trustworthiness and transparency, and set up a corporate culture and adequate risk control mechanism based on ethical management. We also deeply plant the ethical corporate management principles into the Company's corporate ethics and culture to enhance its reputation, while pursuing sustainable management.

To establish a corporate culture and a sound risk control mechanism based on ethical management, Uni-President keeps a close eye on changes in the business environment, while reviewing and amending principles, operating procedures and conduct guidelines related to ethical management on par with the government's policy. Through emphasizing international cases by education, training and emails, we implement the promotion of ethical management concepts into our daily operations. In 2015, a dedicated Ethical Management Team was formed to report to the board of directors the implementation status of ethical management on an annual basis. An independent internal reporting mailbox and hotline have been set up for internal and external personnel.

Ethical Corporate Management Best Practice Principles



Procedures for Ethical Management and Guidelines



Summary for Uni-President Enterprises to handle disclosure of material inside information



To ensure there is no corruption, prior to engaging in a business activity, Uni-President evaluates the necessary integrity records of its business partners. Moreover, the contract entered into with the business partner specifies ethical conduct clauses, such as no offering and receiving bribes, and that if an ethical management conduct is violated, the contract may be terminated or cancelled. In 2020, 3,938 suppliers (including raw materials, maintenance, repair and operation services) and 777 engineering plants signed the contract. In terms of the effectiveness of audits and internal control – in 2020, there were a total of 73 ethical management-related audit reports; improvement plans were proposed and preventive measures established for 44 audit reports; the remaining 29 were regular audit reports which the Audit Office is regularly following up on their improvement. In 2020, there were no reports of any facilitation fees or political contributions received by the Audit Office. In 2020, 59,712 internal employees received ethical management-related internal and external education and training, totaling 144,027 hours.

2020 Signing of the Letter of Commitment for anti-bribery	2020 Inspection of compliance with prevention of the unethical conduct program	2020 Internal and external education and training related to ethical management issues ^{Note}
<ul style="list-style-type: none"> Singed with 3,938 suppliers (including raw materials, maintenance, repair and operation service suppliers) Signed with 777 engineering plants 	<ul style="list-style-type: none"> A total of 73 ethical management-related audit reports -Improvement plans proposed for 44 audit reports -The remaining 29 were regular audit reports In 2020, there were no reports of any facilitation fees or political contributions received by the Audit Office. 	<ul style="list-style-type: none"> A total of 59,712 employees received training 144,027 training hours

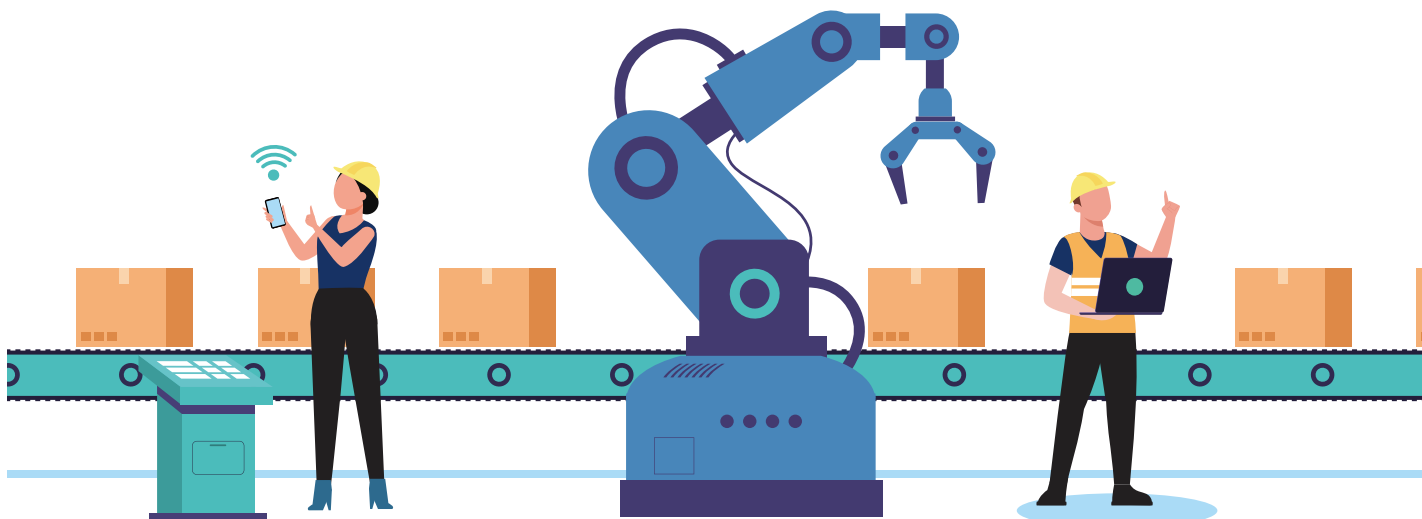
Note: The course content includes to integrity management and compliance, food safety and hygiene management and inspection, accounting system and internal control, etc.

1.4 Regulatory Compliance

At Uni-President, we take ESG regulations very seriously, while also adjusting the Company's internal systems and business operations accordingly. We abide by the laws and regulations of the countries and regions in which we operate our businesses, with regulatory compliance being the minimum standard. At the same time, we take priority over "Five Safety" (food safety, occupational safety, environmental safety, information security and financial safety) requirements in order to create a sound regulatory compliance culture, and uphold integrity and discipline so as to foster the Company's robust operations.

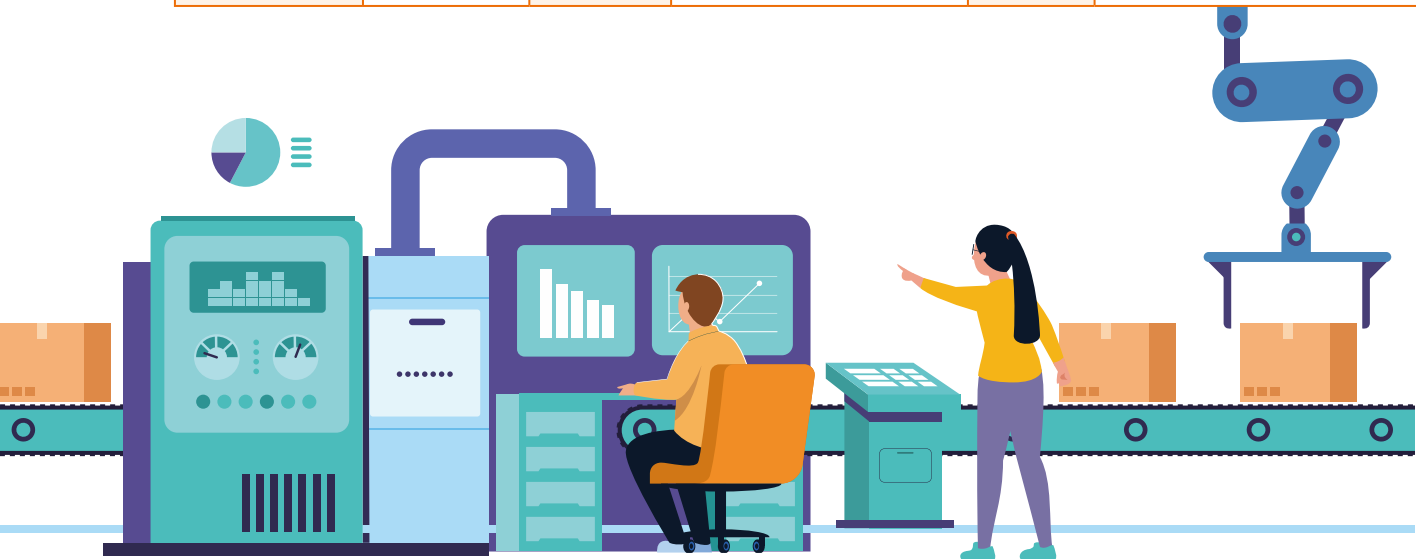


Changes in regulations in 2020 that were closely related to our operations include : labeling of the place of origin of pork and its edible parts, modifications on the scope of use and limit of food additives and specification standards, modification on pesticide residue standards and modification on food products containing dioxin and PCBs treatment specification. In the face of changes in laws and regulations, we uphold the spirit and attitude of "compliance with the laws is our minimum effort." As we get hold of information, we first assess the impact and adopt corresponding management measures.



Violations and Subsequent Improvement in 2020

Violation Aspect	Violation of Regulations	Plant	Reason	Fine	Improvement
Environment	Waste Disposal Act	Yongkang Plant	2020/10/22 the storage area for construction mixture (R-0503) stated in the Waste Disposal Form of Liuying Forage Biotechnology Plant was used to stack plastic canvas for production, inconsistent with the Waste Disposal Form.	NT\$6,000	<ol style="list-style-type: none"> Level 2 inspection around the plant is carried once each month from 2020/11. The construction mixture storage area stated in the Waste Disposal Form has been removed. On 2020/12/1, a Waste Disposal Form from the Department of Environmental Protection was received and the area was removed on 2020/12/2.
		Yangmei Plant	A dedicated employee at Yangmei Plant left their position, but no qualified person was assigned to succeed within 90 days as required by the Waste Disposal Act.	NT\$6,000	<ol style="list-style-type: none"> The centralization of the management of certificates and licenses will be included in the calendar for monthly confirmation; completed on 2020/10/30. Listed as key audit items for environmental protection level 1 and 2 audits.
		Yangmei Plant	The quantity of sludge lifted by the Department of Environmental Protection was not consistent (difference of 0.5 metric tons) with the quantity reported in 2019/3, violating the reporting regulations of the Waste Disposal Act.	NT\$6,000	<ol style="list-style-type: none"> After monthly reports are printed, they are verified by engineers and submitted to the supervisor for future reference. The environmental protection inspection management standards have been amended and the matter has been listed as a main item of environmental protection level 1 audit; completed on 2020/12/14.



1.5 Risk Management

1.5.1 Risk Management Mechanism

Risk Management Organization

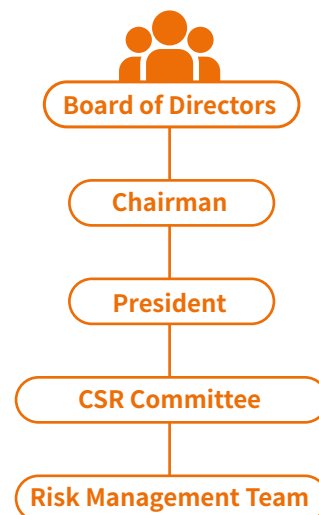
In 2020, the board of directors passed the “Risk Management Policy” to be used as the basis for Uni-President’s risk management.

Board of directors : It is the top unit of the Company’s risk management, in charge of approving, reviewing and supervising the Company risk management policy. Its objective is to ensure the effectiveness of risk management in accordance with laws and regulations, while promoting and implementing overall risk management.

CSR Committee : The Committee is responsible for overall risk management. It sets risk control priorities according to internal and external changes and resolutions made by the board of directors. It is also responsible for reporting the implementation status of the risk management policy to the board of director each year, as well as proposing necessary advice for improvement.

Risk Management Team : The Team reviews the risk control report of all units and follows up the progress of implementation and improvement. It also summarizes the execution status of each unit’s risk management and submits a report to the CSR Committee.

Risk Management Organization




Risk Identification and Assessment Process




Our risk management covers governance, environmental and social aspects. According to potential risks of each related unit, we identify, analyze and measure risks so as to be able to further respond to them through adequate management methods. By supervising and improving the risk management plan, risk control is centrally managed and hierarchically executed according to the characteristics of risks and their impact levels, ensuring that they are effectively controlled at all times.





Risk Management Scope and Management Measures

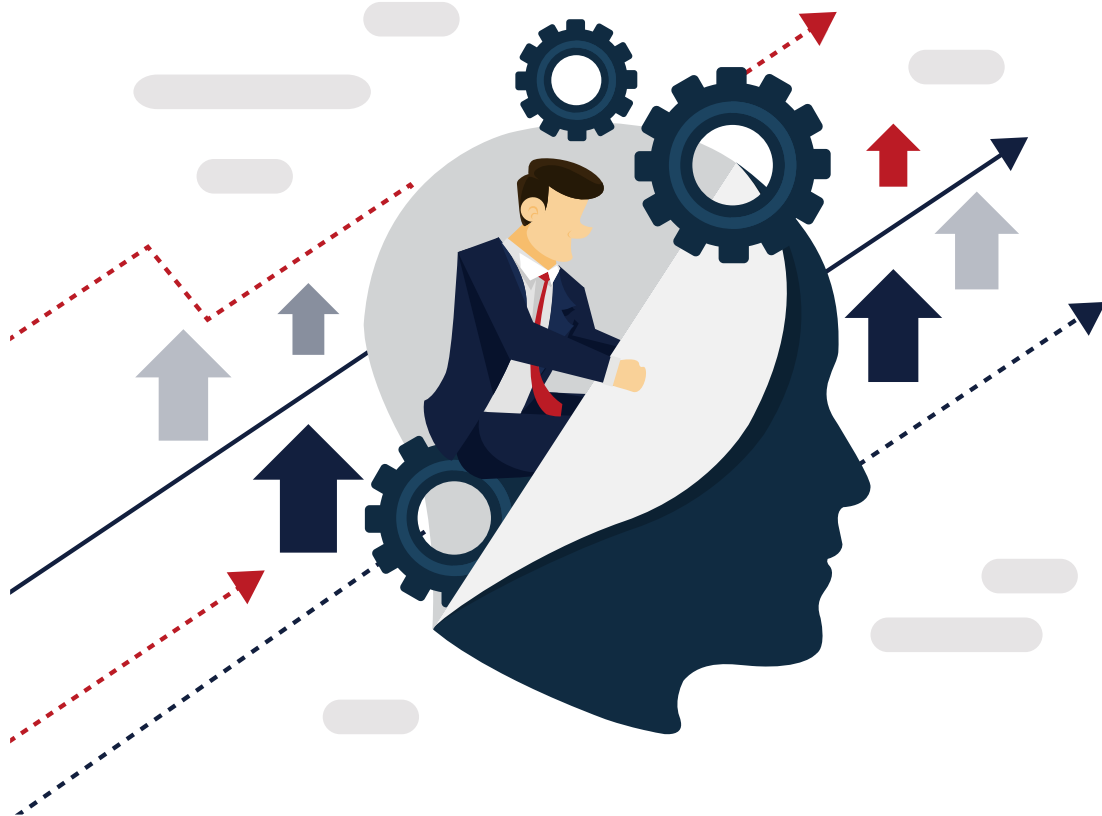
The risk management policy of Uni-President manages all potential strategic, operational, financial and hazard risks that may affect operations and profitability. The management scope includes but is not limited to the following categories : operational risk, market risk, food safety risk, environmental and industrial safety risk, legal compliance risk, financial risk, human resources risk.

Risk Category	Risk Description	Risk Management	Corresponding Chapter
 Market Operation	<ul style="list-style-type: none"> Not being able to respond to changes in consumer behavior in a timely manner, impacting performance. If the business model does not progress on par with trends, new generations of consumers or retailers will be lost, posing an unfavorable situation to the company’s sustainable business operation. 	<ol style="list-style-type: none"> Disease outbreaks (e.g. influenza, avian influenza, dengue fever, SARs and COVID-19) have brought about changes in people’s buying habits and increased demand for e-commerce and home delivery sales. Apart from sales behaviors of existing distribution systems and physical shops, mobile shops and e-commerce business (to develop online shopping businesses or work with e-commerce platforms) must be increased to ensure stable revenue and growth. Master the difference of each consumer group and region in the market and develop and select suitable fast moving consumer goods to meet the needs of consumers. Change the business model of the retail industry to respond to the technology development on youth consumption by introducing a new retail ordering system in the channel distribution system and provide end-consumer online shopping choices. 	About Uni-President Enterprises, 2020 Annual Report “Operation Highlights”

Risk Category	Risk Description	Risk Management	Corresponding Chapter
 Food Safety	<ul style="list-style-type: none"> Fail to properly control food safety and hygiene that leads to potential hazards to consumer health and safety. Fail to update information associated with food laws and regulations that leads to the labeling of food packaging not complying with legal regulations. 	<ol style="list-style-type: none"> A Food Safety Committee is in place to hold regular meetings to review and resolve issues related to food safety and quality management. Strengthen food safety risk control – from 2018, Uni-President proposes customer complaint classification tracking and drug residue management goals. Formulate an inspection policy for affiliates to improve their food quality management. Install the Food Safety Center Rapid Alert System (FSCRA) to collect related information on the Company's products. All responsible units are notified immediately so that a response can be made in advance. We have formulated the "Management Procedures for Regulatory Changes in Products" to assess impacts of changes in food-related laws and regulations. This ensures all products are in compliance with regulatory requirements to prevent damage to consumer health and the Company's reputation. 	Chapter 2. Shaping a Safe and Healthy Food and Drink Culture
 Environmental Risk	<ul style="list-style-type: none"> Fail to comply with environmental protection regulations, posing a negative impact on the Company's production and sales. A major violation of environmental protection regulations will impact the image of the enterprise and brand. 	<ol style="list-style-type: none"> Conduct education and training and issue related information promotion to increase environmental protection awareness. Implement internal environmental inspections in three levels, and make improvement on issues concerning air pollution, wastewater, waste, toxic chemicals, and drinking water to ensure regulatory compliance. Meet pollution prevention requirements through engineering and management approaches to improve the operating environment and the use of raw materials. Promote various energy conservation and waste reduction projects to achieve air pollution, waste and wastewater management goals, reducing the impact of operations on the environment. 	Chapter 3. Commitment to Environmental Sustainability
 Occupational Safety (industrial safety)	<ul style="list-style-type: none"> Fail to comply with the Standard Operating Procedures (SOP) that results in employee injuries. Fail to comply with the requirements stipulated in the Occupational Safety and Health Act. The infectious disease COVID-19 has affected the Company's normal operations. 	<ol style="list-style-type: none"> Introduce ISO 45001 and CNS 15506 occupational safety and health management systems to ensure the management of the employee's safety and health. Promote different types of occupational safety education and training, as well as case promotion to increase the employee's awareness of occupational safety. Occupational Safety Office and General Plant/ Industrial Park conduct an industrial safety inspection on a periodic basis to jointly prevent occupational hazards through guidance and inspections. Regularly implement inventories on safety and health-related regulations. By doing this, the requirements or related matters of amendments to regulations are conveyed to each unit to perform regulatory identification for amendments to related standards. After the Taiwan Centers for Disease Control declared the "COVID-19" disease as a statutory communicable disease on January, 15, 2020, Uni-President formed a "COVID-19 Crisis Task Force" in accordance with the "Crisis Handling Principles." During the outbreak, meetings were regularly convened for coordination and to give commands to each relevant department. Real-time outbreak information is collected and mastered and preventive measures promoted. According to the government's policy/outbreak development, we also formulated countermeasures as well as announcing precautions during the crisis and tracking the implementation status of preventive management measures. 	Chapter 4. Create a Healthy and Happy Workplace



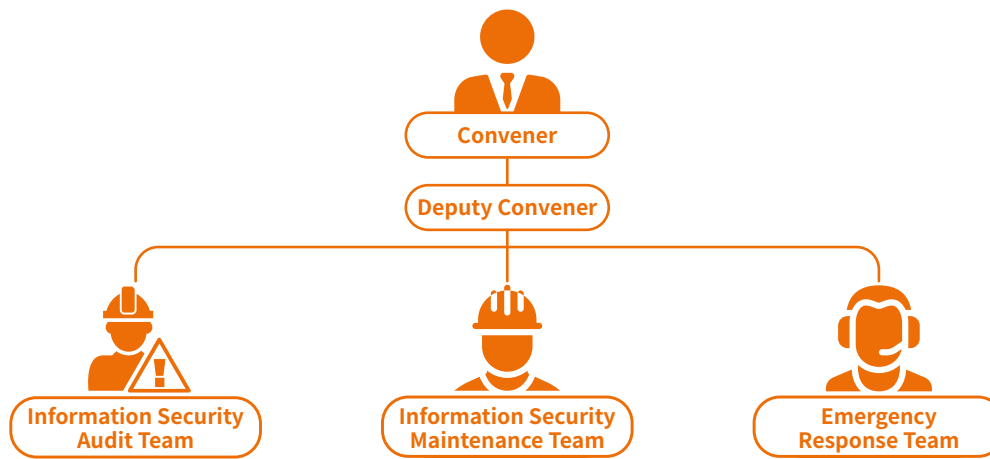
Risk Category	Risk Description	Risk Management	Corresponding Chapter
 Information Security	<ul style="list-style-type: none"> Systems or devices with EOS lead to hacking, causing company losses. Abnormalities of information security equipment or system authority, or lack of awareness of personnel lead to information security protection mechanism vulnerability. 	<ol style="list-style-type: none"> Set up an information security management mechanism and obtain certification from a third party verification company. Establish and announce the information security policy and form an "Information Security Team," in which the manager of the Information Department serves as the convener. An Information Security Audit Team, Information Security Maintenance Team and Emergency Handling Team are also in place to strengthen information security protection. Information risk management is conducted according to the information security risk assessment and management operating procedures on an annual basis to identify and analyze information security risks and evaluate their levels. Improvement plans are also proposed for high-risk items. Replace systems and devices with EOS. Perform backup exercises and account inventories to ensure the effectiveness of the information security protection mechanism. 	1.5.2 Information Security, p.143 on the 2020 Annual Report
 Financial Risk (Financial Safety)	<ul style="list-style-type: none"> Market risk, credit risk and liquidity risk may pose adverse effects on the Company's financial status and financial performance. 	<ol style="list-style-type: none"> There are written principles for the board of directors for overall risk management; there are also written policies for specific areas and matters. The Finance Department implements the risk management policy approved by the board of directors and works closely with the Company's internal operating units to assess and manage financial risks. We adopt a prudent manner regarding changes in interest rates and exchange rates and keep a close eye on the trend of domestic and foreign market interest rates as well as capital needs. We also allocate a floating/fixed financing ratio and pay close attention to exchange rate fluctuations, while controlling foreign currency exposure in a stringent manner. 	1.5.3 Financial risk, p.380 on the 2020 Annual Report



◀ 1.5.2 Information Security ▶

At Uni-President, we have built an information security management system and constructed a four-step information security management to manage documents used a basis for the current information security management operations. Our management system is in compliance with ISO/IEC 27001:2013 information security management standard which was certified by a third-party verification company. In July 2012, we formulated and announced the information security policy. With ISO 27001, we have also established the information security management system, while forming an “Information Security Team” in which the manager of the Information Department serves as the convener. An Information Security Audit Team, Information Security Maintenance Team and Emergency Handling Team are also in place to strengthen information security protection. Furthermore, we implement information security risk assessment and management operating procedures to ensure the confidentiality, integrity and availability of the Company’s information assets as well as protecting personal data.

Information Security Team Organization



We conduct information risk management according to the information security risk assessment and management operating procedures on an annual basis to identify and analyze information security risks and evaluate their levels. If the acceptable level is exceeded, risk handling and improvement measures are adopted to reduce possible risks. According to the results of the information security risk assessment carried out in December 2020, there were no significant operational risks.

As the promotion of information security concepts is our priority, to enhance our colleagues’ understanding regarding information security, we employ a consulting company to perform education and training on a regular basis. By taking this approach, we raise the awareness of information security to our employees and implement information security control. Our employees are provided with information security education training each year. In 2020, information security education and training received by our employees totaled 2,675.5 hours.

The total number of training hours for information security education in 2020 is **2675.5** hours

◀ 1.5.3 Financial Risk ▶

Uni-President’s daily operations are affected by a number of financial risks, including market risk (exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk. In view of financial risks, we have established an overall risk management policy. We focus on unpredictable issues in the financial market and seek solutions to mitigate potential adverse effects on its financial situation and financial performance. In accordance with the policy approved by the board of directors, risk management is carried out by the Finance Department through working closely with the Company’s internal operating units to identify evaluate and hedge financial risks. There are written principles for the board of directors for overall risk management; there are also written policies for specific areas and matters such as exchange rate risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments, as well as investment using surplus liquidity. We also allocate a floating/fixed financing ratio and pay attention to exchange rate fluctuations, while controlling foreign currency exposure in a stringent manner. For more information on financial risks, please refer to the p.380 on the 2020 Annual Report.

2

Shaping a Safe and Healthy Food and Drink Culture



- 2.1 Food Safety Commitment
- 2.2 Food Safety Management
- 2.3 Supplier Management
- 2.4 Responsible Production Management
- 2.5 Product R&D and Innovation
- 2.6 Responsible Marketing and Labeling

Shaping a Safe and Healthy Food and Drink Culture

2.1 Food Safety Commitment

	Customer Health and Safety
Material Topic	
	“Zero Food Safety Risk” is Uni-President’s core value and commitment
Policy and Commitment	
	Establish 3-point food safety management and drug residue goals to strengthen food safety and quality management (For goal achievements, please refer to the Uni-President’s 2020 Sustainable Governance Implementation Performance)
Goal	
	<ul style="list-style-type: none"> Set up a Food Safety Center (FSC) and organize a Food Safety Committee that connects the food safety control of all departments to reduce food safety risks
Responsibility and Resource	
	<ul style="list-style-type: none"> Establish a quality control laboratory and a food safety laboratory, while proactively gaining TAF and TFDA certifications to strengthen food safety testing capabilities Formulate a supplier management policy and improve supplier management through on-site assessments and raw materials supplier visits Each production plant runs international food safety management systems such as ISO 22000 and FSSC 22000 certification to improve the management capabilities of plants
Action Plan	
	<ul style="list-style-type: none"> Form a Food Safety Audit Team to periodically perform internal food safety risk monitoring inspections, ensuring the implementation status of food safety controls Continue to maintain the validity of international food safety management systems and laboratory certifications Promote satisfaction surveys on customer complaint handling Comply with food-related laws and regulations
Evaluation Mechanism	
	<ul style="list-style-type: none"> Establish a Consumer Service Center and provide consumers with multiple channels (0800 hotline, official website, service mailbox and retailer feedback) for product inquiries and complaints Set up an internal food safety project to provide employees with a channel for product-related reporting or complaints
Grievance Mechanism	

Management Goal	Achievement Rate	2020 Key Achievement	2021 Goal	Mid-to Long-term Goal
3-point Food Safety Management for Customer Complaints				
<ul style="list-style-type: none"> Food Safety Point 1 – No anomalies The number of weighted points for Food Safety Point 2 issues decreased by 30% from the same period last year. Public sector audit – No violations 	Achieved	<ul style="list-style-type: none"> Food Safety Point 1 – No anomalies The number of weighted points for Food Safety Point 2 issues decreased by 53% from the same period last year 	<ul style="list-style-type: none"> Customer complaints on Food Safety Point 1 – No anomalies The number of weighted points for Food Safety Point 2 issues decreased by 10% from the same period last year Public sector audit – No violations 	<ul style="list-style-type: none"> Strengthen the promotion of food safety culture of all affiliated companies Implement 3-point food safety management
<ul style="list-style-type: none"> Residue in finished products – No anomalies 	Achieved	<ul style="list-style-type: none"> Zero residue in finished products Public sector audit – No violations 	<ul style="list-style-type: none"> Residue in finished products – No anomalies 	

2.2 Food Safety Management



The Importance of Food Safety Management to Stakeholders and Uni-President

Food is a necessity for all mankind, and food safety issues alone are enough to cause a stir in society. We have been established for over five decades, not only do our affiliates span the upper, middle and down streams of the food industry chain, but we also play a leading role in the development of the industry. Society and consumers hold higher expectations of food business operators. As a food sector leader, we took up this responsibility by adopting a group management system on food safety, and have set up consistent management standards for the Group. From the perspective of the value chain, we ensure the safety of our products for the public in terms of raw material traceability, manufacturing, retail channels, and consumer services. By taking this approach, we hope to make a difference and lead the positive development of the industry.

2.2.1 Food Safety Management Mechanism

At Uni-President, we ensure food safety. The Food Safety Management Committee coordinates group management and perform audits on affiliates with the Group's system. In addition, we integrate food safety-related information through the FSC Rapid Alert System (FSCRA) and the Regulatory Identification System. At the same time, we also have a dedicated food safety hotline in place to encourage colleagues to jointly implement the safety and quality of all food products.

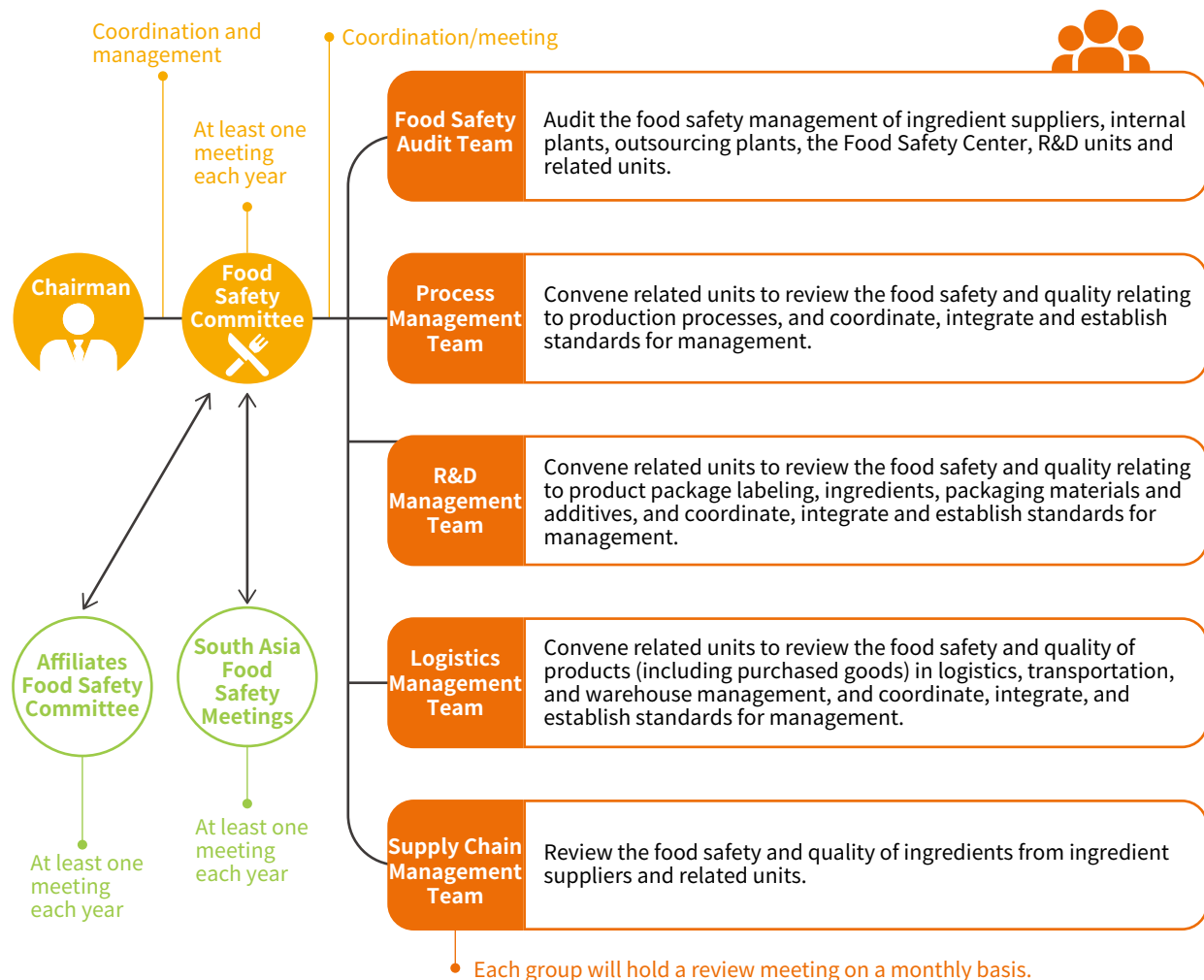


Food Safety Management Committee

As a means to strengthen food safety controls, we have established the Food Safety Committee, in which the Chairman of Uni-President serves as the convener. Supervisors of the Food Safety Center, Procurement Department, Logistics Group, Central Research Institute, Technical Group, each business unit, Food Safety Audit Team, and Public Affairs Office are members of the Committee. The Committee has five working groups and holds at least one food safety meeting each month to discuss and resolve matters related to food safety and quality management. Uni-President establishes operating procedures of the Food Safety Committee in accordance with the “Organizational Structure and Operating Procedures of the Food Safety Committee,” which covers 100% of our product types.

The Food Safety Committee held 40 food safety meetings in 2020 (including one for the Uni-President Group.)

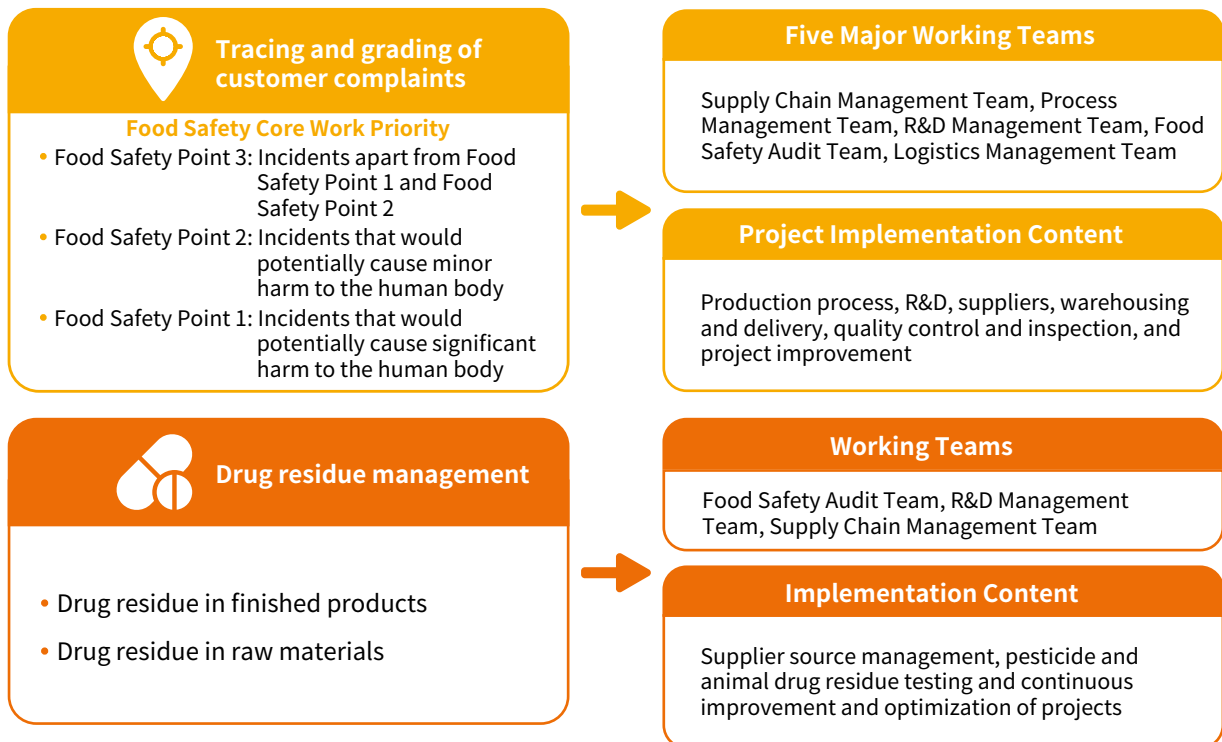
Procedures, Teams and Responsibilities of the Food Safety Committee



Food Safety Core Work Priority

Since 2018, Uni-President has set goals each year for tracking and grading customer complaint incidents as well as drug residue management. These goals are distributed into five working groups to implement management targets and performance tracking. To allow more accurate management performance inspection, since 2019, the frequency of incidents have been included in the weighted calculation as a management evaluation indicator. This improves the security control risk caused by the target setting of the number of incidents in the past. In 2020, there were no anomalies for Food Safety Point 1, the number of weighted points for Food Safety Point 2 issues decreased by 53% from the same period last year, which is an improvement on the 30% decrease set for the same period of the previous year. In addition, there were no residues in finished products and no violations for public sector audits, reaching the target set for food safety core work priority.

Food Safety Core Work Priority Management Method

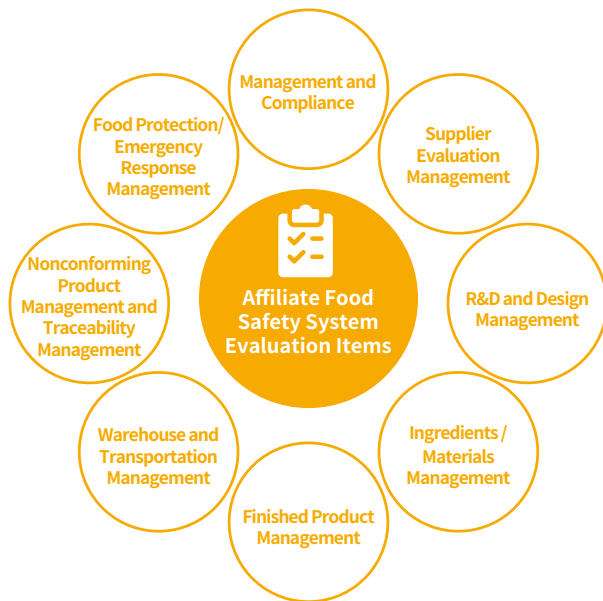


Audits on Affiliates

In addition to coordinating Uni-President Group’s management system by the Food Safety Committee, we also perform audits of affiliates to help with their improvements. Thus, we prepare an annual audit plan for affiliates at the beginning of each year, and these audits are performed in accordance with the “Affiliate Food Safety System Evaluation Items.” In 2020, Uni-President’s seven affiliates were audited, including President Chain Store Corporation, Uni-President Organics Organization, President Natural Industrial Corporation, President Pharmaceutical Corporation, President Nisshin Corporation, Kikkoman Inc., and Tait Marketing and Distribution Co., Ltd. With the promotion of our food safety core work priority, affiliates and suppliers have gradually strengthened their management measures. In 2020, the score received by each affiliate was higher than that of 2019. All deficiencies found during the audit were tracked by the FSC and have been improved in the first quarter of 2020.



Affiliate Food Safety System Evaluation Items

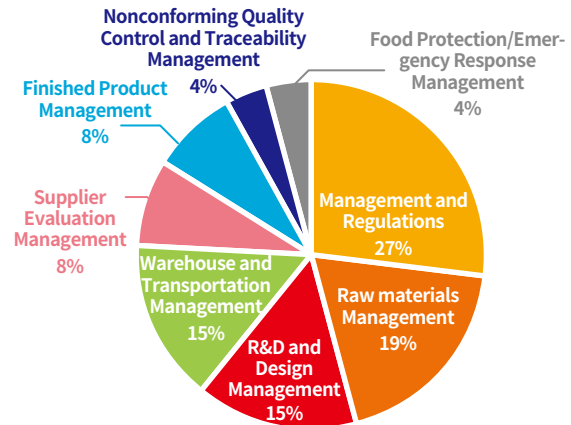


2020 Audit Results of Affiliates

The total score for audits performed on affiliates increased

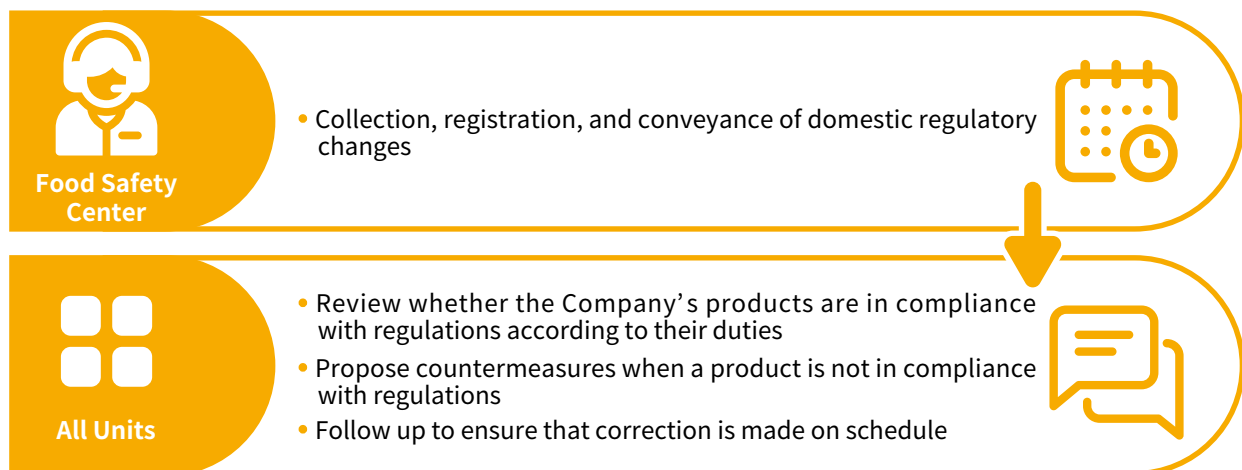
by **0.47** points from 2019.

Statistics of Audit Defective Items



Regulatory Identification System

Making timely responses to regulatory changes is important for food safety risk management. In a bid to get a hold on constantly changing food safety regulations, we have set up a “Product Regulatory Change Management Process.” Moreover, we perform identification and inventory with the Regulatory Identification System through the FSC and related units. At the same time, we evaluate the impact of regulatory changes in relation to safety, hygiene, quality, and testing methods and propose countermeasures to ensure all products are in compliance with laws and regulations. By doing this, we are able to prevent damage to consumer health and the Company’s business reputation.



In 2020, the Food Safety Center supervised 93 cases of regulatory changes, which covers all product categories (100%).

The Food Safety Center initiated 91 regulation identifications in accordance with regulatory changes. Two regulatory identifications were not completed as the regulatory changes were not in effect at that time. These were continuously tracked, and will be completed before they become effective.

The Act Governing Food Safety and Sanitation and its enforcement rules proclaimed by the Taiwan Food and Drug Administration, Ministry of Health and Welfare, are the major laws and regulations applicable to Uni-President products. Please visit the TFDA website for details regarding related laws and regulations (<https://www.fda.gov.tw/TC/law.aspx?cid=62>).

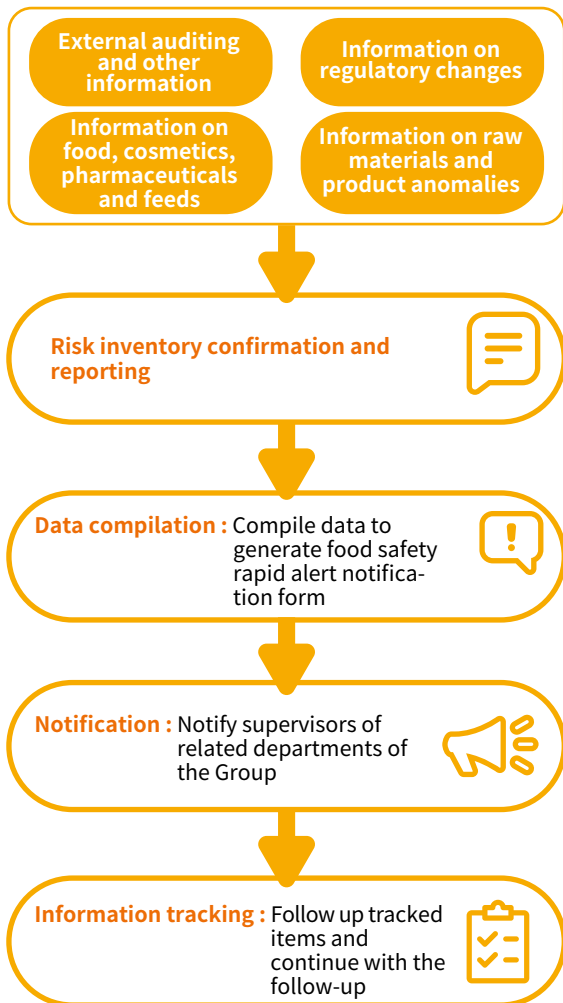


In 2020, there were no fines or penalties imposed for violation of the “Act Governing Food Safety and Sanitation” and its related enforcement rules, measures and guidelines.

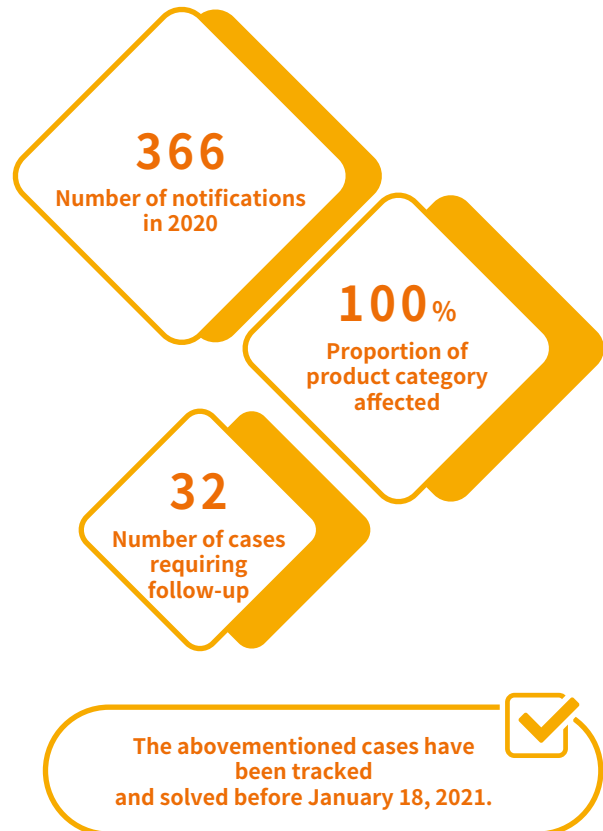
The Food Safety Center Rapid Alert System (FSCRA)

In order to implement good communication on food safety and maintain the efficiency of the plant management mechanism, we have, since 2015, established the Food Safety Center Rapid Alarm (FSCRA) system. The FSCRA system collects information associated with our products on a daily basis and notifies all response units in real time. Through the FSCRA, related units are able to respond quickly in advance and manage the safety of food/cosmetics/pharmaceuticals/feeds.

Operating procedures



List of notifications from the Food Safety Center Rapid Alarm System (FSCRA) in 2020

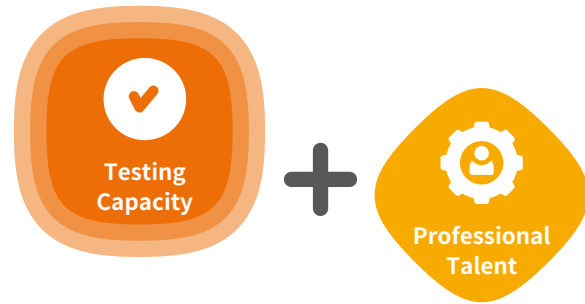


Food Safety Hotline

For product safety and label content, Uni-President has established “Employee Participation in Product Safety Measures” to encourage employees to report any concerns regarding advertisement, labels, ingredients, and legal inconsistencies of current Uni-President products through the hotline or mailbox. These reports are processed by the Audit Office, after which, the Food Safety Committee will conduct an investigation alongside related units. Depending on the significance of the report, the responsible units will review and take the necessary actions. Furthermore, we provide protection and rewards to the employee making the report. The maximum reward can be up to NT\$5 million. Employees can express their opinions on all company food products (100%) on the food safety hotline. In 2020, there were no cases of employee feedback on the food safety hotline.

2.2.2 Food Safety Professional Capacity

At Uni-President, we invest high standard resources and professionalism into food safety, and do our utmost when it comes to improving food testing capacity and enhancing professional talent. We hope this will elevate our food safety standard to an international level. Apart from strict internal food safety, we also provide testing services to external parties to help spread our influence of food safety to the outside world, contributing to food safety standards in Taiwan.



Certified Laboratories and Testing Items

Uni-President has set up quality control laboratories in each production plant, while the FSC has set up a Food Safety Laboratory to jointly perform testing on raw materials and finished products. If an item fails to reach the accepted criteria, it shall be judged as unqualified by the QC Section, and the procurement unit shall be informed to return the product, or it shall be suspended from use. In addition, the procurement unit would require the supplier to propose improvement plans and recurrence prevention measures in order to enhance the stability of supply quality.

As a means to strengthen the control capacity of food safety, we continue to invest in equipment to improve our testing capabilities, while proactively acquiring the certificates of the TFDA (Taiwan Food and Drug Administration) and TAF (Taiwan Accreditation Foundation). For more details of the certified laboratories, please refer to the ESG Information Table in the Appendix.

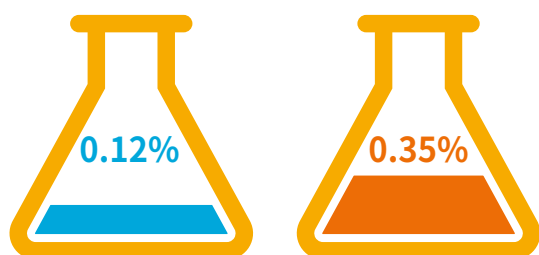
In 2020, the QC Section and Food Safety Laboratory compiled a total of 214 groups of practical testing items (excluding the test items for projects commissioned by external clients) for ingredients, materials, and finished products. These items include the physical and chemical properties and safety factors. All testing methods have been certified by the TFDA or the TAF. In addition, testing is conducted with respect to the methods established by the Ministry of Health and Welfare and the Bureau of Standards, Metrology & Inspection or internationally accepted test methods (e.g. AOAC).

As of December 31, 2020, up to **616** testing items of Uni-President's laboratories have been certified by the TAF and TFDA as food-related testing items.

Note: Please refer to the "List of TFDA- and TAF-Certified Items" in this report for certified items.



Anomaly Form of Finished Products and Ingredients/ Materials Inspection in 2020

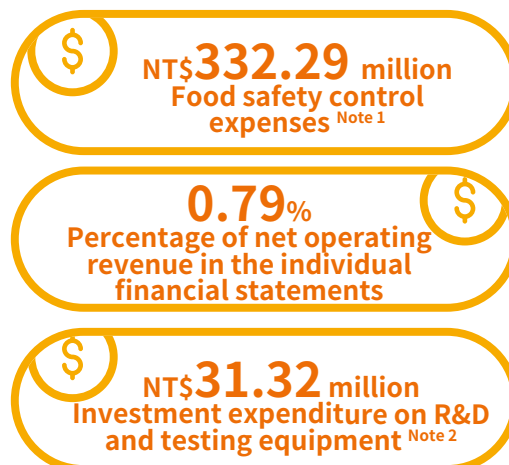


Anomaly rate of final products

Anomaly rate of ingredients/materials

Note: Anomaly rate = Number of anomalies/total number of tested pieces

2020 Food Safety Management Expense Statistics

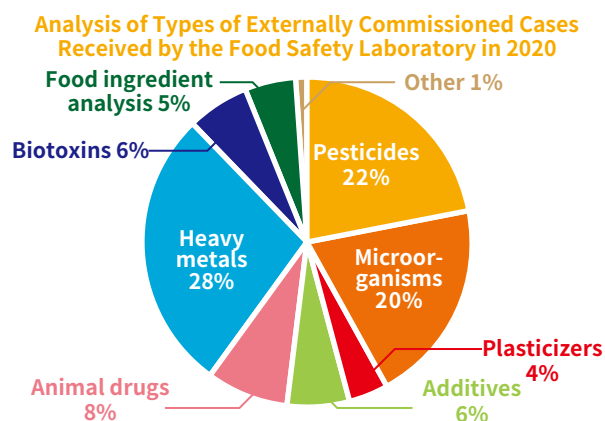


Note 1: Food safety control expenses include laboratory expenses and external testing fees

Note 2: Expenditure includes the equipment investment of the Central Research Institute, Food Safety Center, and Technical Group

Expand Food Safety Testing Influence

In order to meet the requirements of food safety in Taiwan, not only do we apply strict measures on ourselves within the Company, but we also share lab technology and resources in related industries by undertaking testing from external units, including food manufacturers, suppliers, schools, catering industry, and agricultural associations. Of these external testing cases commissioned in 2020, most were for heavy metals, pesticides and microorganisms. Uni-President will continue to improve its lab software and hardware facilities as well as the professional testing capabilities of its employees, further contributing to Taiwan's food safety.



Cultivate food safety talent

Uni-President attaches great importance to professional food talent and encourages employees to acquire relevant food licenses to improve their knowledge in the food industry. We have established the "Rewards and Allowances for License and Certificate Acquisition," which applies to all Uni-President employees. As of December 31, 2020, a total of 132 employees obtained food safety certifications. Furthermore, to increase food safety awareness and enhance the food safety knowledge of our employees, we continue to arrange courses related to food safety, hygiene management and testing. In 2020, the number of participants in food safety training reached 14,840, with a total training of 31,146 hours.

No. of employees attaining food-safety related licenses compared to 2019
Increased by **6.5%**

2020 Food Safety Education and Training
14,840 employees received training
Total **31,146** training hours

Note: For analysis of professional licenses and certificates attained in the last three years, please refer to the ESG Information Table in the Appendix.

2.3 Supplier Management

The Importance of Supplier Management to Stakeholders and Uni-President

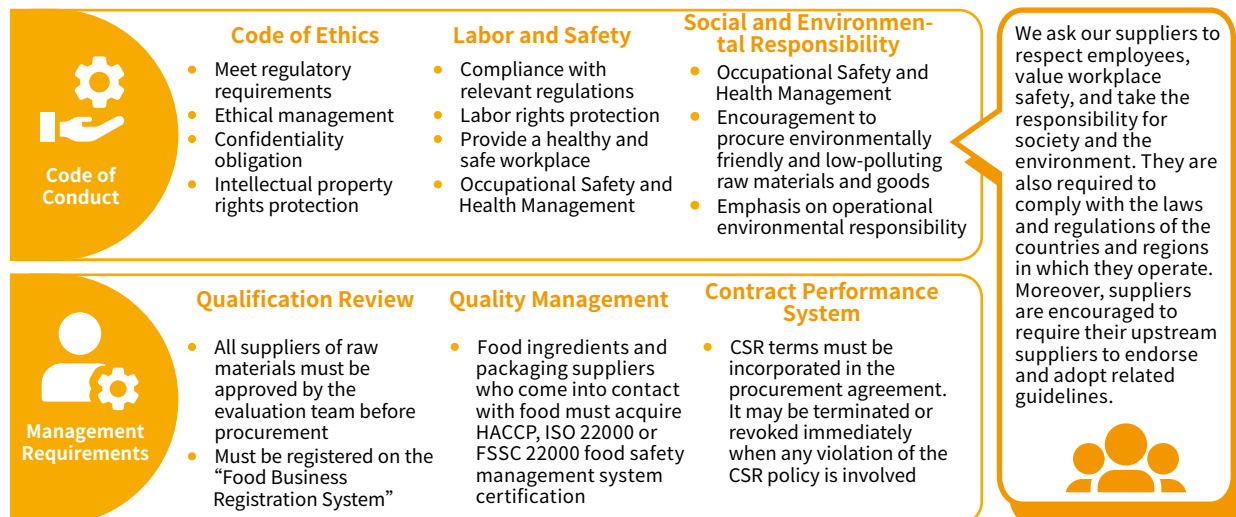


Uni-President produces a wide variety of products with complex compositions of raw materials. In providing consumers and society with quality and safe food products in mind, we proactively reduce food safety hazards while at the same time maintaining the integrity of our products. In addition, we also minimize the use of materials and additives, and effectively reduce food safety risks through comprehensive traceability and tracking, supplier management, as well as audit systems.

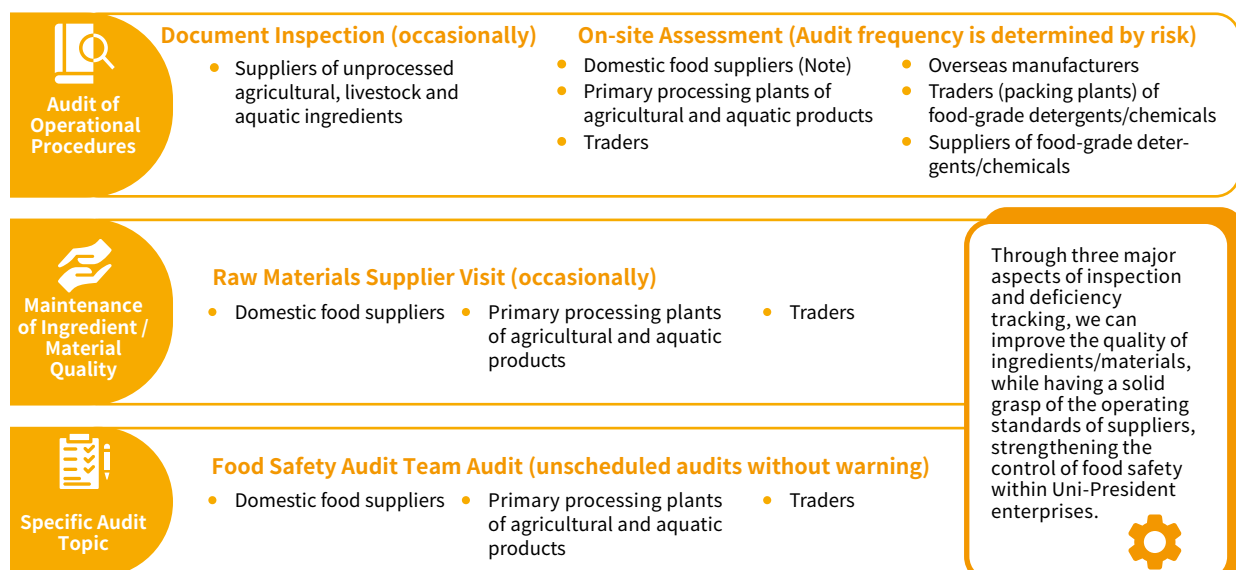
2.3.1 Supplier Management Mechanism

Uni-President produces a wide variety of products with complex raw materials. To maintain the flavor of a product while decreasing harmful materials in food is the key to food safety risk control. Thus, we not only minimize the use of ingredients and additives, but have also established the Supplier Code of Conduct and management requirements. Moreover, we effectively reduce food safety risks through on-site assessments, raw materials supplier visits and supplier traceability checks, as well as a comprehensive track and trace system.

Supplier management strategy



Supplier Management Mechanism

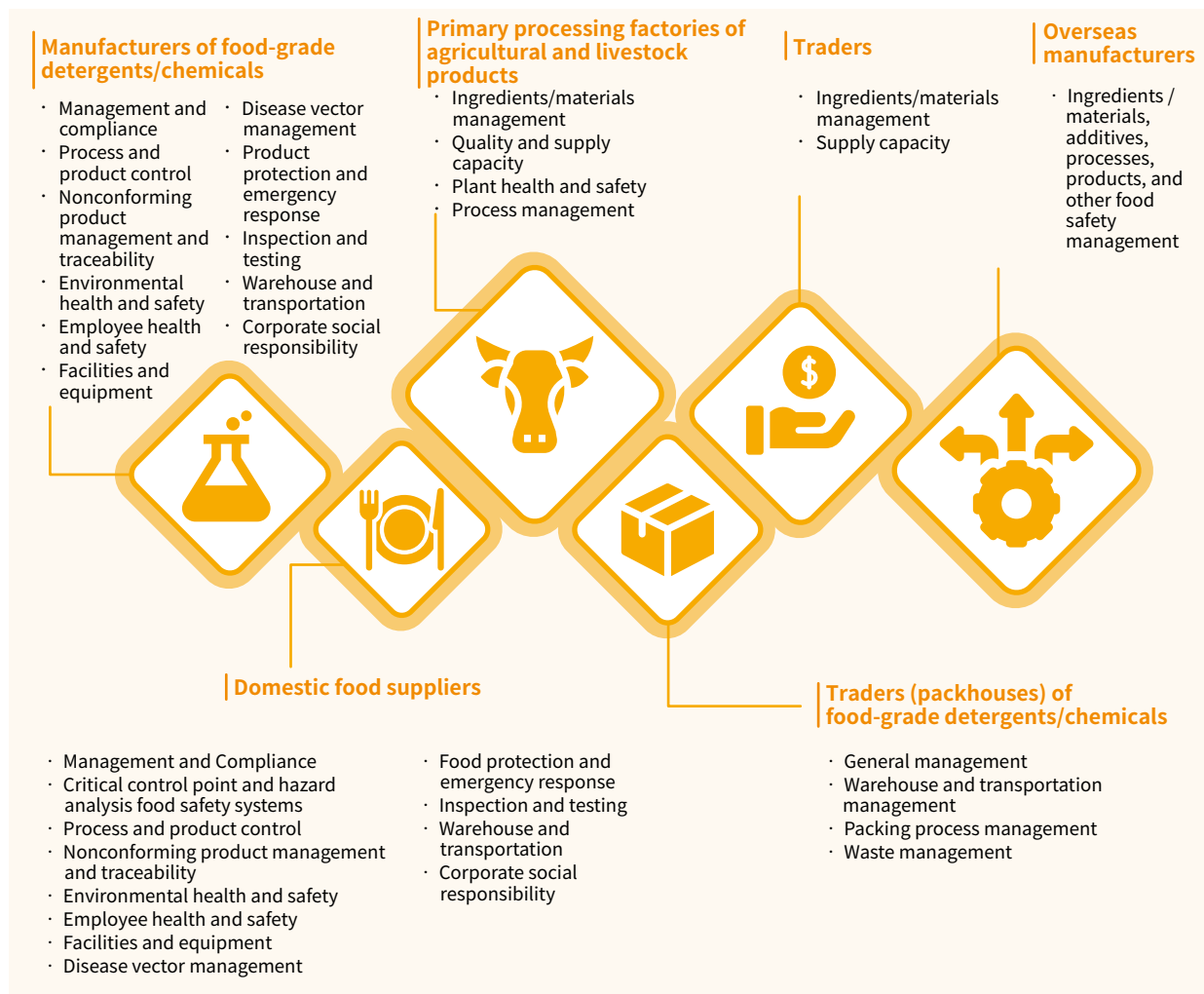


Note : Including outsourcing packaging suppliers with direct contact with foods (products).

On-site Evaluation

We have formulated the “Supplier evaluation Procedures” in accordance with the “Regulations on Good Hygienic Practice for Food” and the “Regulations on Food Safety Control System.” Evaluation items of these Procedures are applied based on the type of supplier.

Supplier Evaluation Items



In 2020, 135 out of 540 suppliers (Note 1) applicable to the Supplier Evaluation SOP completed the on-site evaluation (Note 2), a 25.0% evaluation completion rate. A score over 60 and without significant deficiencies is required to pass the evaluation. Evaluation items include whether the food safety and hygiene management systems are ineffective and whether the food has immediate safety hazards and can be improved immediately. A total of one supplier failed the evaluation. The Project Team evaluated and proposed improvement plans for deficiencies, hoping to reduce related the recurrence of related incidents.

Note :

1. Food ingredient/material suppliers who had business dealings with the Company in 2020 included suppliers not subject to the Supplier Assessment Procedures.
2. Excluding suppliers of raw milk (dairy farms), packaging materials that do not come into direct contact with foods, wheat suppliers, and the number of OEMs that import wheat.

After the evaluation, suppliers are requested to fill in the “Raw materials Suppliers Onsite Guidance and Improvement Follow-Up Form” and report the improvement of deficiencies within one week. Suppliers not listed in the qualified supplier list after the review may be subject to another evaluation based on the root cause of deficiencies and follow-up result of the improvement. They may be listed as new suppliers when approved. Suppliers punished (including fines) for violation of related laws and regulations will be rejected for reassessment.

On-site evaluations performed on overseas suppliers were completed in 2016, with each one passing the evaluation. According to Risk Control Principles, as there were no recent major risk incidents, on-site evaluations were not required for overseas suppliers in 2020. When necessary, on-site evaluations will be proposed for overseas suppliers in the future.

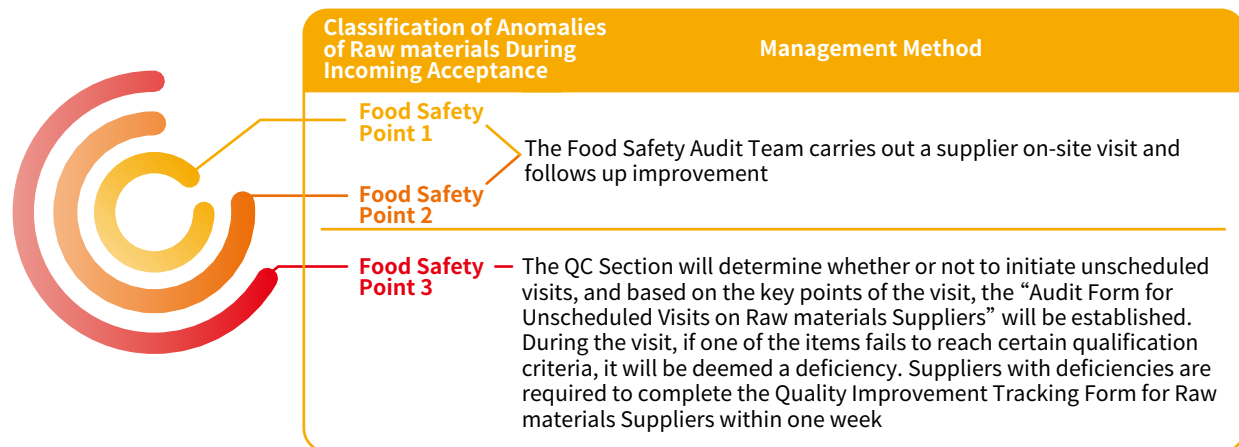
2020 On-site Evaluation Percentage



Note: The frequency of on-site evaluations for suppliers is based on the type of supplier and their risk level. On-site assessments are performed each year, every two years or every four years.

Raw materials Supplier Visits

We periodically perform on-site assessments not only to evaluate whether the operating procedures of suppliers are in compliance with Uni-President's standards, but we have also classified anomalies in raw materials during incoming acceptance into Food Safety Point 1, Point 2 and Point 3, while conducting corresponding management and tracking.




Results of Raw materials Supplier Visits in 2020




Supplier Traceability Check


With reference to the “Food Trace and Track System,” the Food Safety Audit Team formulated the “Inventory of Traceability on Level 2 Raw materials and Production Inspection Measures for Suppliers.” Traceability and production audits are conducted based on the type of manufacturers and traders.

 **Audit Topic**

Including:

- Production history check
- Production process check (for manufacturers)
- COA of testing report check
- GHP (Good Hygienic Practices) management (including warehousing) check 

Among these, the production history check refers to the raw materials used by suppliers in production, meaning traceability check for level 2 raw materials.

Inventory items include import declarations, import licenses, certificates of ingredient/material origin, COA (Certificate of Analysis), shelf-life, food safety testing reports. 

In 2020, the Food Safety Audit Team audited **304** suppliers on-site in **702** visits. Good Hygiene Practice (GHP) was the main defect. Corrections of all defects were all completed by January 30, 2021.

Construction of the Food Trace and Track System

With reference to the “Regulations Governing the Trace and Track System of Foods and Relevant Products” promulgated by the Ministry of Health and Welfare, we require food operators to record and trace the supply source or product flow of food and related supply processes. Uni-President has already established traceability data in the written or digital format from raw materials suppliers to outgoing shipments of the finished products on the next level. Uni-President has conducted traceability in accordance with the “Food Traceability Management System” established based on internal regulations, which covers 100% of our product types (excluding animal and aquatic feed).

In 2020, Uni-President has developed the Food Traceability Management System with a total of 436 products, accounting for 100% of all Uni-President food products (excluding feed for livestock and aquatic animals). We also achieved 100% development of the Food Traceability Management System and use of electronic receipts according to the legal requirements. The complete data has been uploaded to the Ministry of Health and Welfare’s “Food Traceability Management System (Ftracebook)” (<http://ftracebook.fda.gov.tw>).



2.4 Responsible Production Management

Given that production management is important for reducing food safety risks, Uni-President has set up a sound food safety management system and supervises the management effectiveness of each production plant by attaining various production management verifications. We also implement food processing hygiene management in each plant through the self-audit mechanism and monitoring of the Food Safety Audit Team.

2.4.1 International Food Safety Management System

Our food production plants have attained various international food safety management certifications. In addition to TQF being the basic certification system required by each plant, based on the foundation of the FSSC 22000, ISO 22000 has higher specification requirements and is a management mechanism endorsed by the Global Food Safety Initiative. Uni-President's food plants have all attained the FSSC 22000 verification apart from essential oil plants, which have attained the ISO 22000 certification.

Uni-President's food production plants have attained the following certifications:



- ✓ HCCP (Hazard Analysis and Critical Control Point)
- ✓ CAS (Certified Agricultural Standards)
- ✓ ISO 9001 (Quality Management System)
- ✓ TQF (Taiwan Quality Food Association)
- ✓ ISO 22000 (Food Safety Management System)
- ✓ FSSC 22000 (Food Safety System Certification)

For detailed product certifications of each plant, please refer to "The plants' food products certified by ISO 22000 and FSSC 22000 in 2020" in the appendix list.



In 2020, food products certified by FSSC 22000 accounted for **99.99%** of Uni-President's total food products.

Note : Product certification proportion = Annual production of certified food products / total annual production of food products (unit: the minimum unit of each product)

2.4.2 Plant Self-inspection System

Not only do we improve management standards of all plants through the food safety management system, but we have also established a self-audit system based on the type of the production plants to minimize production risks.

2020 Self-audit Standards and Achievements

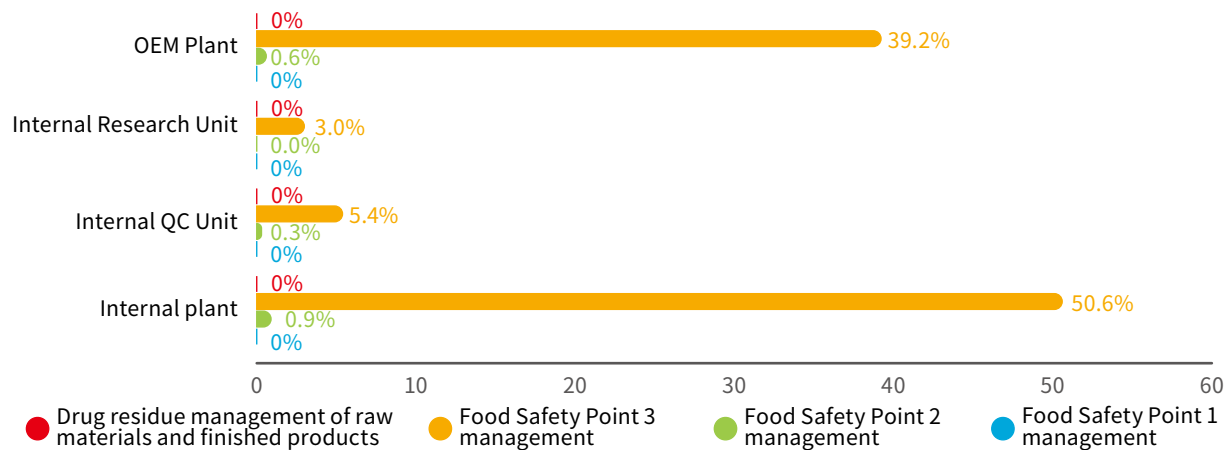
Plant Type	Management Standards	Inspection Status
 Food Plants	We have established the "Internal Food Plant Quality Audit SOP" based on the "Regulations on Good Hygiene Practice for Food" to implement a three-level management audit mechanism. <ul style="list-style-type: none"> • Level 1 : Plant self-audit • Level 2 : Audits on all food plants are performed by general plants • Level 3 : The Technical Group reviews the audit of all general plants and evaluates the need for spot checks based on the risk 	2020 Level 2 Audits <ul style="list-style-type: none"> • Total number of food manufacturing factories : 23 • Number of audited manufacturing factories : 23 • Proportion between the number of audited factories and affected products : 100%
		2020 Level 3 Audits <ul style="list-style-type: none"> • Number of production plants spot checked by the Technical Group : 19
 Feed plants	We have established the "Internal Quality & Food Safety Audit Procedures" in reference to ISO 9001 and ISO 22000.	100% ^{Note}

Note : In 2020, there was only one feed production plant, which has completed the internal audits.

2.4.3 Food Safety Risk Monitoring Audit

In addition to the self-audit of each plant, we also conduct food safety risk monitoring and audits for internal plants, OEM plants and QC/research units by the Food Safety Audit Team combining the Group's food safety core work priority. By doing so, we can ensure the implementation of food safety control of each production and QC/research unit. The implementation status is reported directly to the President's office, hoping to achieve the goal of zero food safety risk. As of the end of 2020, a total of 51 units were audited, with 334 deficiencies found, which have all be corrected.

2020 Food Safety Risk Audit on Production and QC Research Units



2.4.4 Process Optimization

Products in the food industry are manufactured through complex processes. Effectively improving manufacturing efficiency and reducing the number of human operations are the key approaches to keeping food safe. Based on this notion, we review the product and packaging processes of each plant and have introduced automation technologies in the hope of reducing excess operations, while improving process yield rate and the quality. In 2020, we introduced two projects, including packaging and transportation automation and automatic box opening equipment.

	Conveyer automation for small packing products at Food Plant	Automatic unpacking equipment at ice product plant
Optimization Description	<ol style="list-style-type: none"> The existing packing machine motor was changed to an inverter type from a conventional type. An encoder has been added for synchronous tracking. A programmable logic controller (PLC) has been installed to control the synchronization & speed of two packaging machines. 	Introduced automatic unpacking equipment.
Amount Invested	NT\$ 3 million	NT\$ 958,000
Optimization Benefits	Personnel no longer required to arrange packets, achieving automatic arrangement.	Improves repetitive manual unpacking operations. The unpack speed is increased by 33.3% and manpower is preserved.
Photos		

2.5 Product R&D and Innovation

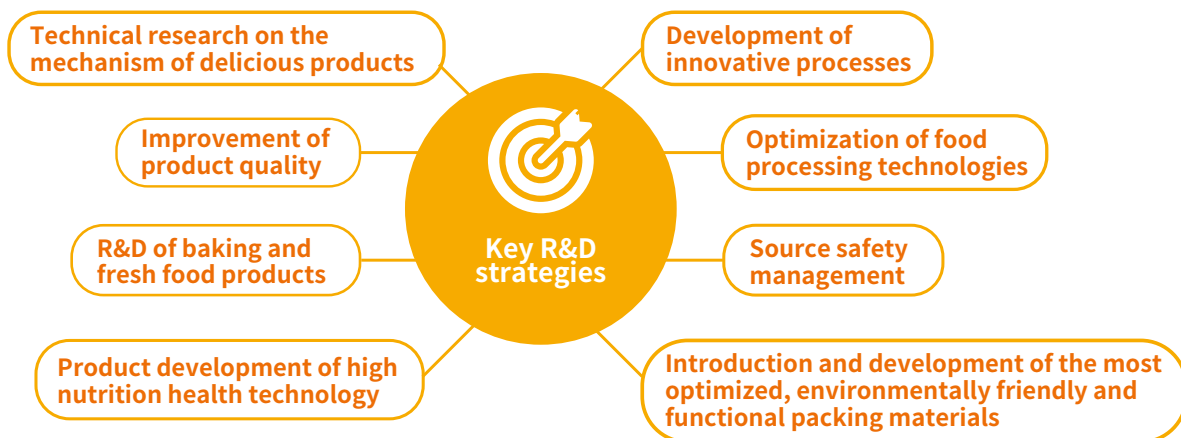
2.5.1 R&D Strategy and Goal

“Putting consumers in a relaxed and healthy mood while enjoying their food” is Uni-President’s core value in R&D. For business strategies, we will adopt a safety management model for raw materials in consideration of food safety risks and the public’s awareness on health and environmental protection in recent years, ensuring food safety for consumers. Uni-President further combines core R&D resources, in the hope of achieving a leading position in the food industry and guiding Taiwan’s food industry towards innovation and technology development. Not only do we create new types of products which are integrated with the current environmental awareness, but we also proactively reduce the environmental impact of our products.

2020 results

Invested **437.486** million
in research and development
expenses

Obtained **76** patents



Product R&D and Management Goals for the Coming Year

Management Goal	2020 Achievement Status	2020 Key Achievement	2021 Goals	Mid-to Long-term Goal
 Technical research on the mechanism of delicious products	 (Achieved)	<ol style="list-style-type: none"> 1. Researched the high value plant milk technology research and product development 2. Soybean reduction and reuse application technology introduced 3. Matcha Bubble Milk Tea launched at 7-Eleven 	<ol style="list-style-type: none"> 1. Light bakery products developed 2. New delicious yoghurt developed 3. Sugar-free grain milk products developed 4. Freshly brewed tea developed to meet to the need of consumers 	Development towards product refinement and continuous improvement of product quality and flavor
 R&D of technology for new bakery, fresh food and high nutrition healthy products and processes.	 (Achieved)	<ol style="list-style-type: none"> 1. Development of the savory bread and delicate pastry 2. Development and launching of “Fresh Dried Noodles” and “Fresh Beef Noodles” 3. Plan of advanced lipid modulation certificate for Metamin 4. Development of LP33 anti-allergy capsules which are stored under room temperature 	<ol style="list-style-type: none"> 1. Development of delicious strong tea technology 2. Upgrade of pastry refinement technology 3. Healthy baked products 4. Fresh food pouch product development 	Meet consumer demands and improve three major product categories including fresh food, bakery, and nutrition through product R&D










U-Best Lutein + DHA Algal Oil

Awarded the gold medal for the Japan Tokyo World Innovative Genius Conference and Invention Exhibition; from 2018 to 2021. We were also awarded the SNQ Symbol of National Quality on Taiwan Biotechnology Industry.



2.5.2 In Conjunction with Diverse Dietary Demands in a Healthy Living Era

With changes in demographic structure and lifestyle, Taiwan is moving towards an aging society with fewer children and more and more people eating out. As consumers' health awareness increases, how to meet the diverse dietary needs and help consumers embrace a healthy lifestyle is an important challenge. Because of this, at Uni-President, we develop a wide variety of products targeting different consumer groups, hoping to become the best partner of the public in their dietary life.

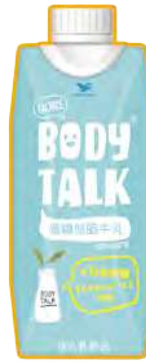
 <p>Health Food Certification</p>	<p>To fulfill consumers' healthy diet and enhance product value, we continue to develop and maintain products (including improving gastrointestinal functions, controlling lipidemic levels, reducing body fat formation, adjusting body to reduce allergic reactions, boosting immunity, and regulating blood sugar levels) with various health effects with reference to the health effects announced by the Ministry of Health and Welfare.</p>	 <p>22 products</p>
 <p>Eatender Elderly-friendly Products</p>	<p>We will continue to improve the quality of existing products designed for the elderly while taking into account their dietary habits and bodily functions, in respect to taste, convenience and nutrition, in the hope to enhance understanding on product functionality related to consumers.</p>	 <p>12 products</p>
 <p>Sugar-free/no additional sugar products</p>	<p>According to a survey conducted by the Health Promotion Administration, excessive sugar intake not only causes tooth decay, but it also triggers insulin resistance, increased obesity, the chances of metabolic syndrome, while also elevating blood pressure, blood sugar, blood lipids, and increasing the risk of cardiovascular disease. It accelerates body aging and is suspected of increasing the risk of cancer. In an attempt to provide a healthy diet to consumers, we have added two sugar-free/no additional sugar products.</p>	 <p>23 products</p>
 <p>Sodium reduction</p>	<p>Studies have shown that excess salt intake can lead to high blood pressure and cardiovascular disease (arteriosclerosis, coronary heart disease, and strokes). Extra intake of 1 gram of salt per day (about 1/4 teaspoon) prompts the risk of obesity by over 28%. Taking into account that people may neglect their sodium intake, we are proactively reducing sodium content in our products to provide the public with healthy choices.</p>	 <p>None of our 31 products exceed 2,000 mg of sodium per serving^{note}</p>

Note : Sodium intake is advice at 2,000 mg per day by the Food and Drug Administration.



Fruit Fiber Drink with more fiber and less sugar

We can obtain the dietary fiber needed each day from this fruit flavored fiber drink, which has been the best-selling beverage in stores throughout summer in recent years. In order to reduce the burden on consumers' diets, our Orangeade formula was readjusted.



High fiber and low fat Bodytalk

Bodytalk consists of low-fat milk and dietary fiber developed in Japan. It is a healthy drink which contains fiber and calcium in one bottle. Bodytalk may be paired with other types of fresh food to achieve satiety and calorie control at the same time. Bodytalk is a healthier choice for busy consumers who care about their health.

2.5.3 Food Flavor Enhancement

Considering there are many food choices in the market today, how to tempt customers' taste buds is a challenge to our R&D capabilities. "Not only should food be safe, but it must also taste good." We have been striving to enhance food flavors by strictly controlling the quality. By improving our process technology and breaking through existing processing limitations, we can provide consumers with quality products; safe and delicious food.

International Taste Institute (ITI) (originally named iTQi)

A team of judges, consisting of the world's leading flavor experts, conduct a "blind taste" to analyze products, including vision, smell, taste, texture, and mouthfeel. Finally, products are awarded under three evaluation criteria according to the rating (one star to three stars). Also, for products that have been consistent in flavor and quality for over the years, these are awarded the "Crystal Taste Award" (3-star products for three consecutive years) by the ITI.

3-star product : Dr. Milker

2-star products : Reisui Jizhi, Ruisui Milk, Dr. Milker – English Milk Tea, Dr. Milker – Latte

一起更好 一起瑞穗



Monde Selection

A team of judges, comprised of the world's experts whose expertise lay in different areas, awarded Bronze, Silver, Gold, Grand Gold to the products according to the score. The evaluation criteria and parameters vary according to the types of products, including sensory analysis, physical and chemical analysis, safety, composition, labeling, packaging and others.

Gold : Ruisui Milk, Reisui Jizhi

Puyun

The reason for not sweetening Puyun Shy Jih Ching Tea and Japanese Sencha is primarily to preserve the original tea flavor. We put a lot of thought into the flavors. To create a "fine tea," we make every effort to select tea leaves which are picked at just the right time of the year. Coupled with the unique aroma sealing technique, rich flavors are experienced with every sip.

For Shy Jih Ching Tea, the aromatic brew is induced from a long period of resting, while our Japanese Sencha is produced with matcha ground in a stone mortar. These two particular techniques represent our insistence and persistence when it comes to showing the culture of tea tasting craft. Our sugar-free and non-bitter tea drinks are made with elements of "seasonal," "brewing," "craftmanship," and "aroma."



Morning Loaf

Our Morning Loaf is made from strictly selected Japanese camellia flour and fermented Scandinavian butter and is free from emulsifiers, artificial colors and flavors. We adopt the Japanese Utane Dough method, using "low temperature cooking" and a "multi-pressing" technique to allow the dough to be thin, soft and delicate. Our Morning Loaf is made from simple ingredients, presenting an uncompromising chewy texture and sweet flavor.



◀ 2.6 Responsible Marketing and Labeling ▶

Uni-President creates product value with its core competencies and communicates with consumers in an ethical manner. To eliminate consumer misunderstanding of product information and to meet consumer needs, we set up regulations on product labeling and after-sales services based on responsible marketing, and dedicate our efforts to safeguarding consumer rights.

◀ 2.6.1 Product Labeling and Creative Review ▶

Product labeling and marketing creativity are the first pieces of product information provided to consumers. In terms of package labeling, we uphold transparency and non-exaggeration principles and follow government laws and regulations as minimum standards, and fully label all contents of our products. At Uni-President, we have the “Packaging Label Review Process” in place, and by combining all business groups, research units, marketing and planning office, production plants and QC units, a two-tier inspection system (main inspection and re-inspection) has been established to jointly review packaging labels and advertising terms. The review includes trademarks, brand names, nutrition labels, environmental labels, manufacturing sources, and certification marks so that consumers will have correct information regarding our products and avoid any misunderstandings. In 2020, out of 1,236 reviewed items, 946 were approved and 290 were rejected due to errors in word usage.



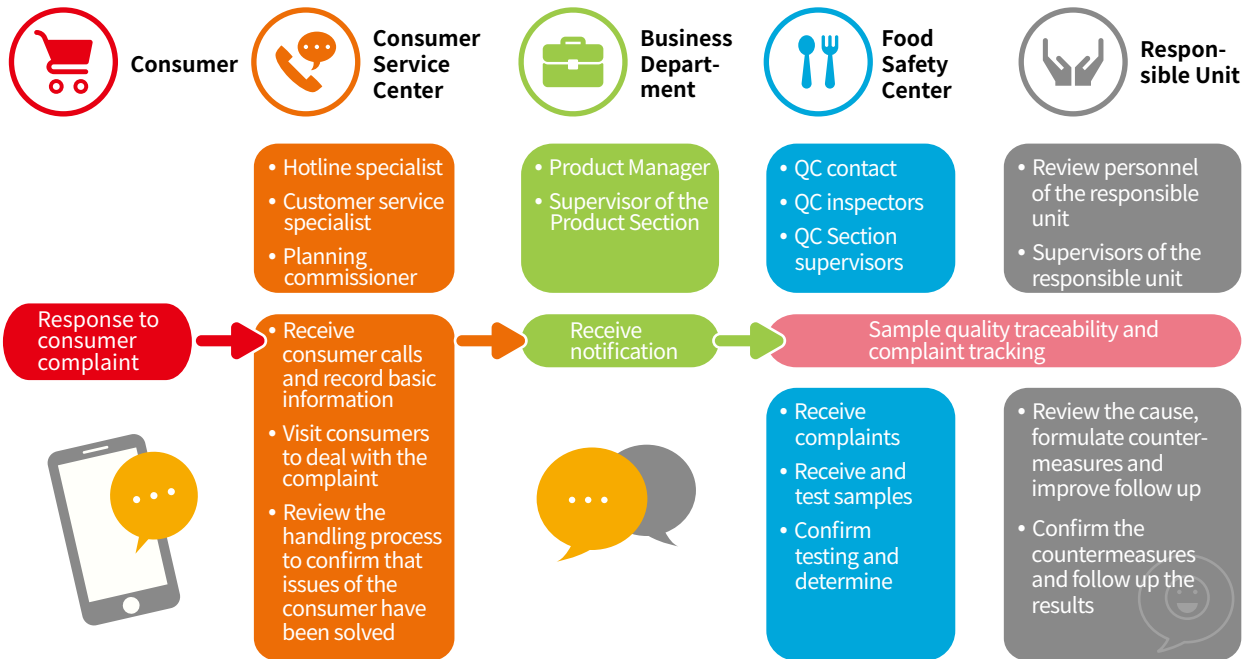
◀ 2.6.2 Consumer Inquiry Service ▶

The Consumer Service Center receives comments from our customers via multiple channels (0800 hotline, official website, service mailbox, retail feedback). For those who call us, we vow to return the call within one hour and aim to close a general customer complaint case within 24 hours. We provide consumers with product consulting services, while collecting the views and opinions of customers regarding the use of products. Constructive suggestions will be transformed into practical actions through our systematic management system, enabling us to develop more products that meet the needs of the consumer. The Consumer Service Center conducts a satisfaction survey after a case is closed in order to evaluate whether the customer is happy with the service provided. This will help us improve and provide better services in the future. Since 2016, our satisfaction survey has scored over 95 points for five consecutive years. We will continue to adopt an honest and responsible attitude so that consumers can enjoy the best service that we can provide.

Satisfaction Score



Consumer Service Center Complaint Handling Process



Listen to consumers' experiences on products to improve customer experience

Case One

A partner of Uni-President's reported that after the transport and unpacking of Hao-Jin-Dao Ramen, the product occasionally developed a seal defect. To address this issue, we have optimized the noodle acceptance equipment and sealing system at the production plant to help improve the sealing stability and reduce the odds of sealing irregularities after products leave the plant.



Case Two

Some consumers complained that it was not easy to tear open the top of our Sugar-Free Green Tea. To address this issue, we redesigned the seal heater at the production plant and adjusted the top seal adhesion area in order to reduce the tearing resistance, increasing the convenience for consumers



3

Commitment to Environmental Sustainability



3.1 Environmental Management
Responsibility

3.2 Climate Change and Energy Management

3.3 Water Resources Management

3.4 Pollution Prevention

3.5 Packaging Materials Management

Commitment to Environmental Sustainability

3.1 Environmental Management Responsibility



Material Topic

Impact on the operating environment and regulatory compliance



Policy and Commitment

Develop environmental management policies covering six aspects of “Legal Compliance, Pollution Prevention, Green Procurement, Performance Management, Communication Mechanism, and Continuous Improvement” as the highest guidelines of environmental management



Goal

Develop annual management goals based on the management projects concerning energy conservation, carbon reduction, waste reduction, and wastewater discharge reduction to minimize their impact on the operating environment
(For goal achievements, please refer to the Uni-President’s 2020 Sustainable Governance Implementation Performance)



Responsibility and Resource

- There is an EHS (environment, health and safety) team in place at each production plant, whose responsibility is to ensure correct implementation of the plant’s internal environmental management system
- A cross-departmental management team is set up by each production plant to tackle energy and water resources on a project-by-project basis
- In 2020, NT\$440.15 million was invested in environmental protection matters



Action Plan

- Introduce ISO 14001 and make all documents and operating processes subject to verification by a third-party certification unit on a regular basis
- Perform greenhouse gas (GHG) inventory in accordance with the ISO 14064-1 inventory process
- Build a green procurement system and prioritize the purchasing of green products in the procurement policy
- Establish a Group Green Energy Management Center to collectively plan the promotion of green energy related projects within Uni-President and its respective affiliates
- The EHS team of each production plant follows up and updates changes in environmental regulatory requirements in Taiwan and makes response plans
- Form a project management team for energy and water resource issues to regularly conduct risk evaluations on issues and propose emergency response plans
- Introduce energy conservation, carbon reduction, water saving and waste recovery projects in each plant to reduce environmental impact



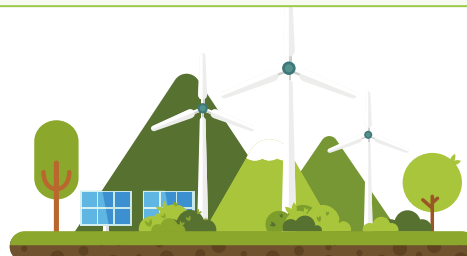
Evaluation Mechanism

- Continue to maintain the effectiveness of the ISO 14001 management system
- Comply with environmental laws and regulations
- Review the annual achievement rate for energy conservation, carbon reduction, waste reduction, and wastewater management goals



Grievance Mechanism

- Establish environmental communication and management processes, and make the Administrative Service Department and the Environmental Protection Team responsible for internal and external communication affairs. Stakeholders may report environment related matters via the contact number of each production plant. As the plant receives the relevant information, the communication management process will be initiated to handle the issue according to the type of the issue



 <p>Material Topic</p>	<p>Packaging Material Management</p>
 <p>Policy and Commitment</p>	<p>Introduce and develop optimal environmentally friendly and functional packaging materials; proactively promote lightweight packaging materials while reducing the use of plastic</p>
 <p>Goal</p>	<p>Use environmentally friendly materials and packaging material reduction</p>
 <p>Responsibility and Resource</p>	<ul style="list-style-type: none"> • The Packaging Material Technology Team formed by the Central Research Institute promotes optimal development of product packaging materials
 <p>Action Plan</p>	<ul style="list-style-type: none"> • Introduce FSC paper packaging material to carton products, while continuing to assess the feasibility of expanding the production lines • Continue to work with external parties in the research and development of plastic decomposition-related technologies; communicate with consumers to get an understanding of their needs, while working closely with suppliers to introduce the most sustainable, environmentally friendly and functional packaging materials
 <p>Evaluation Mechanism</p>	<ul style="list-style-type: none"> • Project for plastic reduction in product packaging materials • Decrease in product waste disposal fees
 <p>Grievance Mechanism</p>	<ul style="list-style-type: none"> • The Consumer Service Center receives comments from our consumers via multiple channels (0800 hotline, official website, service mailbox, retail feedback). For those who call us, we vow to return the call within one hour and aim to close a general customer complaint case within 24 hours. We provide consumers with product consulting and services, while collecting the views and opinions of customers regarding the use of products and submitting the feedback to the Packaging Technology Team. Constructive suggestions will be transformed into practical actions on reducing packaging materials and plastic through systematic management

◀ 3.1.1 Environmental Management Mechanism ▶

At Uni-President, we adopt a group management approach, taking into account the development trends of international environmental issues and the direction of Taiwan's environmental policies, while combining key issues faced by Uni-President and each of our affiliated company. Our environmental management is based on the ISO 14001 environmental management system, and we entrust a third-party verification company to conduct an inspection on documents and operating procedures to ensure correct implementation of the plant's internal environmental management system. For environmental risks that require proactive management, we have set up management teams for project management on matters related to climate change, energy and water resources.

Uni-President has formulated six major aspects of the environmental management policies as the highest principle guiding environmental management. Currently, all general plants in Taiwan have passed the new environmental management system ISO 14001 :2015 certification. Moreover, each general plant has set further annual targets and management plans as the company's priorities in order to continuously improve environmental management performance.

Uni-President Environmental Management Policies

Regulatory Compliance

- Follow the environmental protection regulations of the government and the concerns of the stakeholders
- The heads at all levels shall take supervision

**Pollution Prevention**

- Implement source management right at the product development stage to mitigate ecological and environmental impact
- Establish an environmental management system and implement greenhouse gases inventory

**Green Procurement**

- Establish a green procurement mechanism
- Purchase green ingredients/materials in priority

**Performance Management**

- Establish environmental protection and improvement goals and implement performance management
- Disclose performance management status on a regular basis

**Communication Mechanism**






- Establish communication and consultation channels to facilitate delivery and understanding of information
- Disclose environment-related information outward and make improvements with reference to the opinions of the stakeholders

**Continual Improvement**

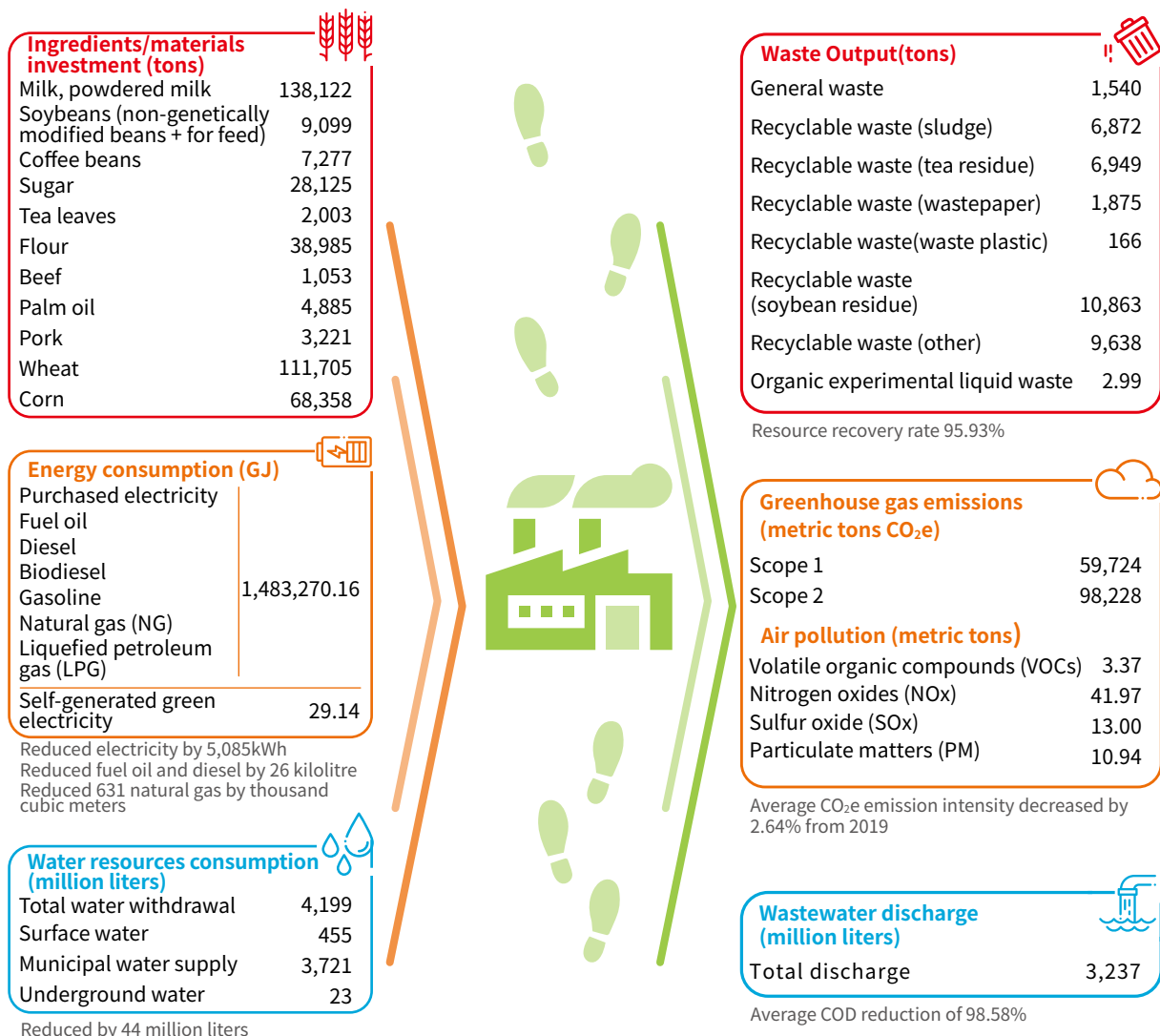
- Organize educational training continuously to enhance environmental protection awareness among employees
- Enhance the environmental protection system and regulations and implement systematic management



Main targets, subjects and introduction programs for ISO 14001 in 2020

Management Goal	Introduction Program	Annual Management Achievement
 Enhancement of environmental protection awareness	Conducted environmental and general training and education	80 employees – hours/year
	Released environment and safety messages and promotion	12 sessions/year
 Regulatory compliance	To meet boiler emission standards, heavy fuel oil was replaced by natural gas fuel	Completed in June 2021
	Implementation of internal three-level auditing of environmental protection parameters	A total of 70 deficiencies were identified with respect to issues regarding air pollution, drinking water, toxic chemicals, wastewater, and waste; these issues have been addressed by all plants
 Improvement of the operating environment	Improvement of wastewater treatment plant and perimeter odor	Perimeter odor detection value was below 50
	Arrangement of the perimeter odor and noise inspection	Once a week
	Strengthen leak prevention functions of the pharmaceutical area of the wastewater plant	Improved the spill prevention function of the chemical storage area
 Reduction of wastewater/waste	Optimizing the cleaning time of finished barrels in sterilization area	Saved 546 tons of water/year
	Improvement of process at the dosing area	
	Food plant packaging bag reuse	Saved 16.5 tons of garbage removal volume/year
	Oil extractor control optimization	Recovered 650kg of oil/day
 Reduction of energy consumption	Improvement of wastewater plant energy conservation	<ul style="list-style-type: none"> Save 734,799 kWh/year Reduced steam use in the process by 500 tons per year Reduced electricity consumption per ton of wastewater treated at Zhongli wastewater treatment plant by 2.5%
	Improvement of energy saving for electricity linkage at the dairy manufacturing plant	
	Improvement of energy saving for air compressor systems, pumping motors and ice water mainframes	
	Replacement of evaporator of finished product warehouse	
	Replacement of freezer units	
	Optimization of energy use in the hot water for tea making	

2020 Uni-President Environmental Footprint



3.1.2 Green Procurement

As green procurement is an essential part of the environmental management policy, at Uni-President, we have established a green procurement mechanism, and it clearly states in the procurement policy that we must prioritize the procurement of green products. At the same time, we also put a huge emphasis on environmental protection, energy conservation and carbon reduction of the supply chain, in the hope of gradually reducing the environmental impacts caused by our operations. Since 2013, and for seven consecutive years, Uni-President has been awarded the Private Enterprise Green Procurement Excellence Award by the Environmental Protection Administration of the Executive Yuan. Our total green procurement amounts totaled NT\$1.16 billion in 2020.

3.1.3 Environmental Protection Expenditure

In 2020, our environmental invest amounted to NT\$440.15 million, up NT\$63.50 million from 2019. This was primarily due to the increase of environmental equipment and treatment expenses for sludge and container removal. As a means to increase the reuse rate of resources in our plants, we proactively replaced old equipment and invested in environmentally friendly equipment in 2020, including a newly installed sludge dryer and replacement of dewatering machines and boilers. By doing this, we are able to reduce the environmental impact from our production activities. As the price of sludge treatment increased by NT\$6.05 thousand per ton, removal and disposal expenses have increased compared to last year. Also, the production of plastic bottles (PET, PP, PE) for tea drinks, milk drinks and the water business group increased this year, the removal and disposal expenses for container recycling also increased compared to 2019.

3.2 Climate Change and Energy Management

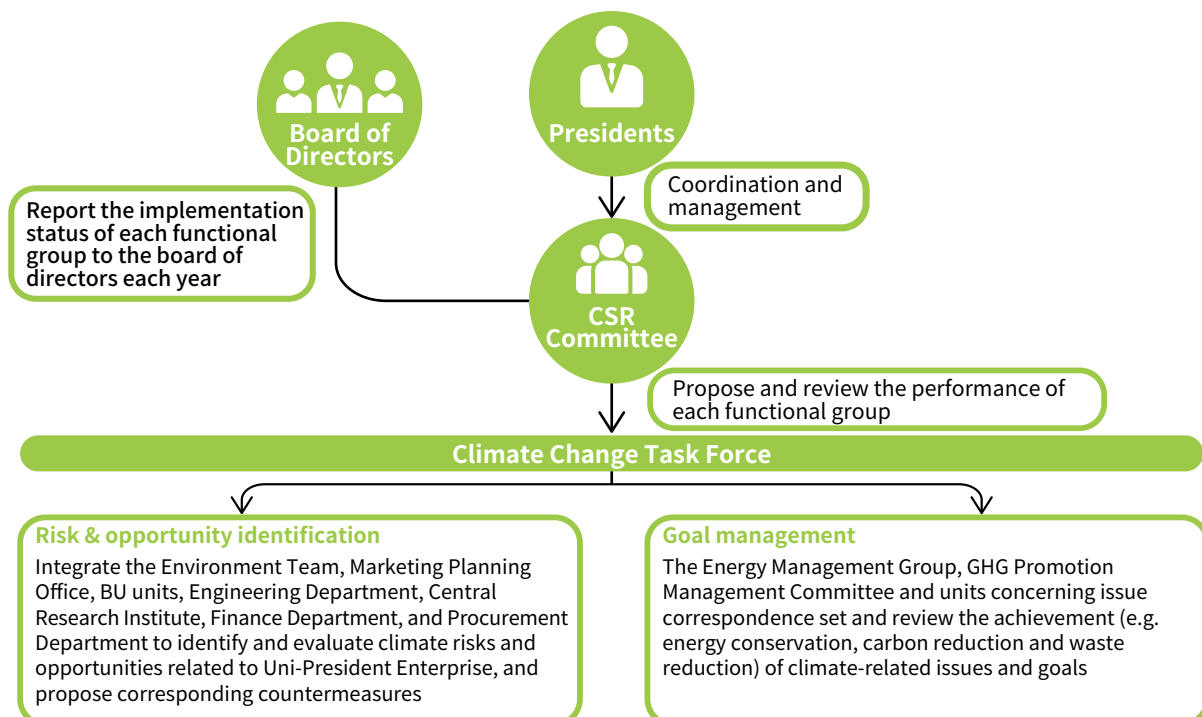
Many climate-related natural disasters have occurred in recent years, including the forest fires in California, Yangtze River floods in China, and the Kyshu floods in Japan. Not only have these natural disasters caused operational losses for many companies, they also directly affect the daily lives and properties of many people. According to the Global Risks Report released in 2021 by the World Economic Forum (WEF), “extreme weather,” “climate action failure,” “human damage to the environment” are once again the most urgent risk issues facing the world this year. Among these issues, extreme weather is one of the risks with the highest probability of occurrence for five consecutive years. It goes without saying that actions must be taken to tackle climate changes issues.

As a responsible enterprise, we know we cannot step aside when faced with climate change risks and challenges. In the past, not only have we done our utmost to save energy and reduce carbon in our plants, to reinforce our climate risk control mechanism, we adopted the disclosure and management framework prescribed in the task force on climate-related financial disclosures (TCFD) in 2020. This assess and reviews the impact posed by climate change, which enables us to develop short-, medium- and long-term governance strategies for climate changes issues in order to respond to the impact brought by climate change.

3.2.1 Climate Risk Governance

At present, the governance framework for climate change issues is coordinated by our presidents, who also oversee the CSR Committee’s control over related issues. There are several working groups under the CSR Committee for management of issues and evaluation of impacts. Furthermore, the Committee reports the implementation status of each functional group to the board of directors each year. As a means to strengthen our risk assessment on climate change issues, we have formed a climate change taskforce consisting of the Marketing and Planning Office, Environmental Team, BU units, Engineering Department, Central Research Institute, Finance Planning Department, and Procurement Department. The overall climate change risks and opportunity evaluation are carried out based on the business jurisdiction and operational development situation of each unit. By increasing our understanding on key climate risks and opportunity issues, we are able to develop suitable countermeasure and strategies, in the hope to mitigate the impact on our operations brought by climate issues, elevating our operational resilience when it comes to climate-related issues.

Uni-President Climate Change Risk Governance Framework



Note : BU units include Dairy and Beverage Group, Baking Business Group, Provisions Group, General Foods Group, and Instant Food Group

3.2.2 Climate Risk and Opportunity Evaluation

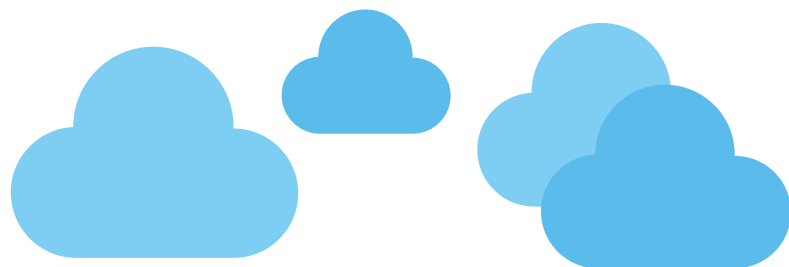
Through three phases, we have compiled and centered on seven major climate risks and opportunities to better understand climate change impacts on company business, strategy and financial planning.



1. Collection of climate-related risks and issues in the food manufacturing industry

We collect and compile climate change risks and opportunity issues of concern to the food manufacturing industry with reference to CDP surveys, CSR reports, annual reports and third-party studies for domestic and foreign food manufacturing industries. Overall, we have summarized 12 risks and 9 opportunities based on the perspectives of transformation risks, physical risks and climate opportunities.

Type	Item	No. of issues		
Transition risk	Policy and Legal risk	3	A total of 12 risks	
	Market risk	2		
	Technology risk	1		
	Reputation risk	2		
Physical risks	Acute risk	1		
	Chronic risk	3		
Climate opportunities	Resource efficiency	2		A total of 9 opportunities
	Market	1		
	Energy source	2		
	Products and service	3		
	Resilience	1		

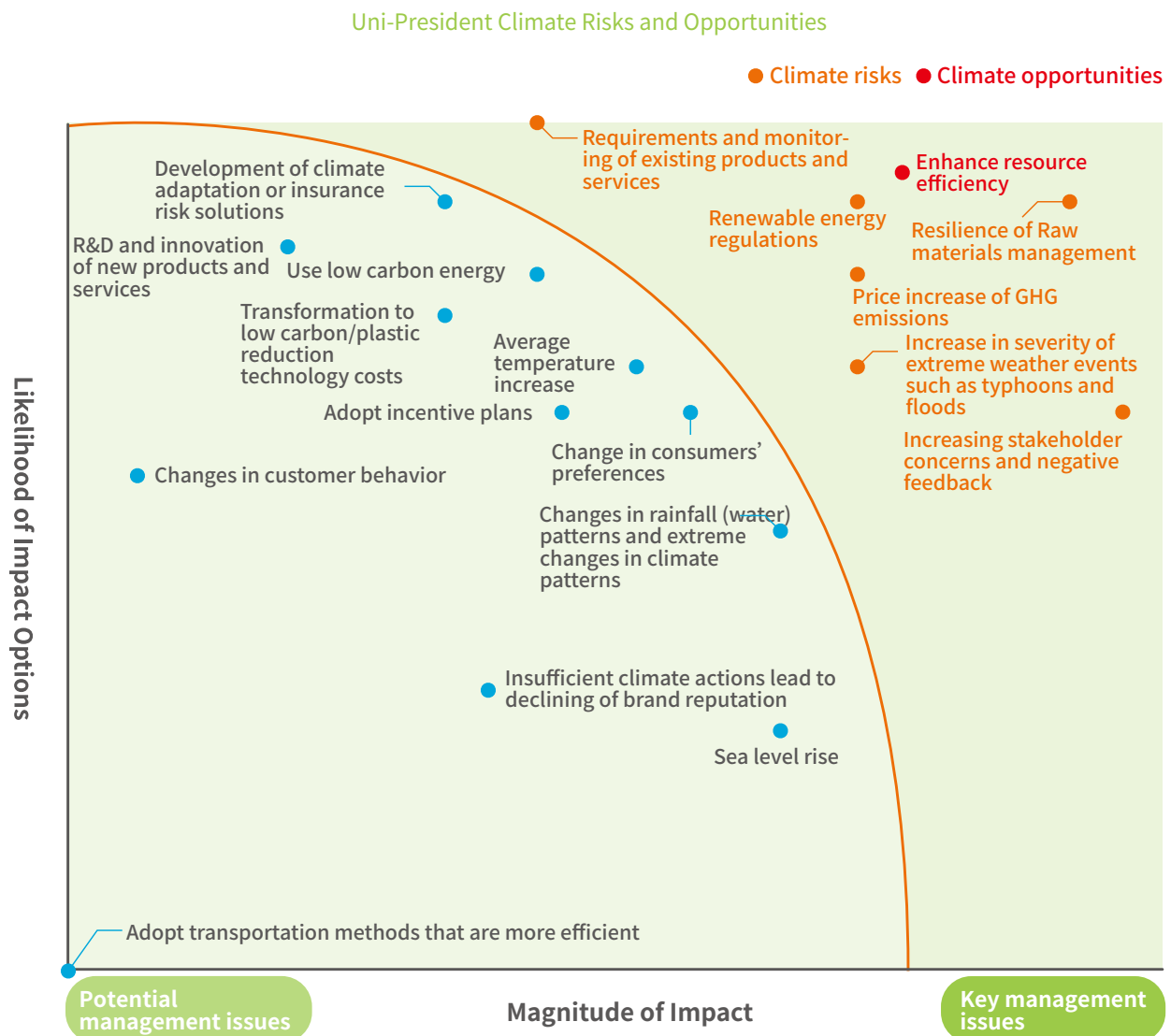


2.Uni-President Climate-related Risk and Opportunity Inventory

According to the results of the issues mentioned above, we conducted a survey and asked each department to evaluate and measure significant impacts of climate change risk and opportunity issues based on their duties. Through the survey, we were able to evaluate the probability of impact, the level of impact (covering evaluation indicators for financial affairs, production and products, employees and reputation). The possible impacts were evaluated based on time intervals : less than three years (short-term), between three and five years (medium-term), and more than five years (long-term). By doing this, we can complete the analysis of the operational significance of climate change risks and opportunities of Uni-President.

3.Confirmation of Uni-President's Key Climate Risks and Opportunities

Based on the results of each department's survey, we put the significance of issues in order, then confirmed seven key management issues from the perspectives of Uni-president's overall operational development and strategy planning. These seven issues are used for in-depth evaluation and formulation of strategic management issues.



3.2.3 Response and Management of Key Climate Risk and Opportunity Issues

Climate risks and opportunities	Potential impact to Uni-President	Time interval
<p>Physical risks</p> <p>Increase of severity of extreme weather events such as typhoons, floods and droughts</p>	<p>Faced with increasing probability of extreme weather events, our supply chain for raw materials may lead to disruption, or we may need to increase the number of days for storage of raw materials and products due to droughts or water scarcity. In addition, extreme weathers may cause damage to our plant equipment, raw materials or products, and road disruptions may result in difficulties in transporting raw materials or power or water outages, which may affect the production.</p>	<p>Short term (less than three years)</p>
<p>Transition risk</p> <p>Requirements and monitoring of existing products and services</p>	<p>As there is growing emphasis on sustainable products, we may begin to impose related regulations on products, or require reducing plastic used for packaging and product carbon footprint investigation. If our products are not labeled in accordance with related regulations, fines may be imposed due to violation, while the plastic reduction plan for product packaging and carbon management tool introduction will increase our R&D and product carbon management costs.</p>	<p>Mid term (three to five years)</p>
<p>Transition risk</p> <p>Climate-related policy</p>	<p>In response to the global GHG management requirements, the government has prescribed renewable energy regulations. These regulations require large energy users to set up a certain percentage of renewable energy through means including purchasing of renewable energy power or certificates, energy storage equipment, or by paying an allowance. Moreover, in a bid to increase the use of renewable energy in the plant, it is possible that carbon fees will be imposed in the future in Taiwan. Meanwhile, many countries around the world have begun to establish carbon taxes, which may increase our energy costs, affecting product competitiveness.</p>	<p>Mid term (three to five years)</p>

Financial impact

- Increasing the number of days for storage of ingredients/ materials requires additional rented warehouses results in an increase in costs
- Disruptions in the transportation of raw materials or products results in an increase in warehousing costs
- Equipment damage results in asset value damage
- Damages in raw materials or products results in an increase in operational costs and decrease in revenue

Adaptive management strategy

- Production process adjustment, change the order of production according to material shortage and water shortage time
- For intermittent production of products, the priority is to produce products with a short shelf life of raw materials
- Establish a Water Resources Response Team to monitor the water consumption efficiency in the plant
- Sign a water supply agreement with water suppliers to give priority to supplying water to the plant in the event of water shortage
- In the event of a Level 1 water shortage, initiate response measures such as switching plants for production or production reduction
- Rent generators for power outages
- Avoid flooding areas when selecting plant locations
- Take out disaster insurance policy for plants to reduce financial impact
- Plan emergency response mechanisms and regularly conduct risk assessments
- Prepare raw materials enough to last for 2–3 months

Management Goal

- Monitor water conditions and continue to optimize response measures and management mechanisms
- Continue to optimize the efficiency of water consumption in each plant and introduce water saving programs
- Diverse tea raw material supply establishment
- Stable high quality and quantity of domestic and foreign dairy sources
- Refine source safety management and reduce procurement risks of raw materials

- Fines imposed due to violation of regulations results in an increase in operating expenses
- Product carbon footprint verification expenditures results in an increase in operating expenses
- Alternative materials and packaging R&D increase operating costs; at the same time, due to the light weight of products, waste treatment expenses are decreased




- The Central Research Institute, FSC and Production Units immediately grasp new product packaging label policies, while making new labeling requirement in advance
- The “Packaging Label Review Process” has been set up. Each business group, research unit, marketing planning office, production plant and QC unit work together to prevent improper labeling and marketing
- There is also a “Packaging Team” in place for the research and development of lightweight packaging materials and material substitution

- Product labelling is in compliance with regulatory standards
- Introduction of most suitable, environmental and functional packaging materials

- Payment of carbon fees results in an increase in operating expenses
- Payment of violation fees results in an increase in operating expenses
- Due to renewable energy regulations, depreciation of equipment is increased (installation of renewable energy equipment), operating costs increased (procurement of renewable energy power certificates), or operating expenses increased (payment of allowance)

- Inventory and performance evaluation of annual energy consumption and greenhouse gas emission of the organization
- Product footprint introduction
- Energy conservation and carbon reduction project introduction
- Establish a Green Energy Management Center to coordinate and manage green energy projects of Uni-President and each affiliated company
- Installation of solar photovoltaic (PV) system

- The annual average power saving rate of each general plant is >1% for 2020–2024.
- Current annual target for carbon emission intensity for each production plant
 - ▲ For units that reached the target in the previous year, the performance for the year will be reduced by 1%
 - ▲ For units that did not reach the target in the previous year, the performance for the year will be reduced by 2%

Climate risks and opportunities		Potential impact to Uni-President	Time interval
 <p>Transition risk</p>	<p>Stakeholder concerns</p>	<ul style="list-style-type: none"> To increase consumers' awareness of sustainability, NPO and NGO organizations proactively promote carbon reduction, plastic reduction products and related actions to change consumption behaviors of consumers. If we do not make timely response or launch related products, it may affect our product sales. Faced with the pressure of many sustainability ratings, a poor sustainability rating may affect the willingness as to whether an investor will make an investment, as well as the consumers' sense of brand identity. 	<p>Mid term (three to five years)</p>
 <p>Transition risk</p>	<p>Raw materials management resilience</p>	<p>Climate change may affect the stability of raw material supply, resulting in an increase in raw material costs or raw material supply chain disruption. Given this, we must improve the versatility of raw material resources to increase the stability of supply chain sources to respond to different risks.</p>	<p>Medium to long term (three to five years)</p>
 <p>Opportunity</p>	<p>Improve resource efficiency</p>	<p>We continue to enhance product yields and reduce food waste through process improvement. At the same time, we promote waste recycling and reduction to improve waste treatment efficiency. By doing this, we increase the opportunities to create new markets while reducing waste treatment costs.</p>	<p>Short term (less than three years)</p>

Financial impact

- If sustainability performance is poor, it may lower an investor's willingness for investment, further increasing borrowing costs
- A consumer's purchasing willingness is affected due to sustainability brand image or lack of sustainable products, resulting in a decrease in revenue

Adaptive management strategy

- Continue to invest in the R&D of new types of bakery, fresh food, and high nutrition products and processes
- Proactively develop and expand lightweight and optimal packaging materials
- Carry out surveys on a regular basis to get hold of issues concerned by stakeholders

Management Goal

- Continue to refine quality products
- Introduce optimized, environmentally friendly and functional packaging materials

- Unstable raw material supply prices of raw materials result in an increase in operating costs
- Alternative material selection and development results in an increase in operating costs

- Stable management of raw material sources
- R&D of flavored raw material replacement
- Supply chain stability (e.g. alternative material response and development, get hold of supply source situation from suppliers on a periodic basis)

- Diversify tea raw material supply establishment
- Stable high quality and quantity of domestic and foreign dairy sources
- Refine source safety management and reduce procurement risks of raw materials

- Waste treatment expenses are reduced as a result of the promotion of waste recycling and reduction of the weight of waste
- Due to the improvement of production efficiency, raw material consumption is reduced, decreasing operating costs

- Installing sludge dryers, soybean residue dryers and expanding the possibility of resource utilization of tea residue in the future
- Evaluate commercialization of soybean residue and biogas power generation
- Resale of anaerobic sludge
- Carry out product process improvement through the Technology Group to reduce raw material consumption

- Waste recovery rate over 95.5%



3.2.4 Energy Consumption and GHG Emissions Management Performance

In order to be on par with national and global policies, we set 2005 as the base year for GHG reduction and energy management in accordance with the national policies of Taiwan. The short-term target mainly focuses on energy and carbon intensity control, while the mid- and long-term target is to control the total volume. The targets set for 2020 energy consumption and GHG emissions have been achieved. For related key achievements, please refer to Uni-President Corporate Sustainability Management 2020 – Sustainable Governance Implementation Performance.

“Energy Saving Elite, Leading Innovation” – Yangmei General Plant was awarded 2020 Energy Saving Benchmark Silver Award by the Ministry of Economic Affairs

The new Yangmei General Plant was designed with green materials and has attained the Green Building Label. We introduced energy-saving glass (sandwich glass) and built a rainwater recovery system to improve the consumption efficiency of the plant’s energy and water resources. The building was awarded Energy Saving Benchmark Silver Award by the Ministry of Economic Affairs in 2020.

[Highlighted Energy Saving Project]

- Improvement of the sterilizer’s ice water consumption: To improve product quality, the temperature of the sterilizer was reduced by 10 degrees, further saving steam usage by 437.7 T/year
- Reduce warehousing energy consumption
- Improve the air tightness of the door seal of the refrigerated shipping terminal
- Additional boosters in the filling machine to improve energy consumption
- Air conditioning activation time management
- Change water tube boiler to natural gas system



Energy consumption status

In 2020, the main energy use was natural gas 696,684.69 GJ (46.97%), electricity 694,860.58 GJ (46.85%), and fuel oil 67,613.14 GJ (4.56%), with a total calorific value of non-renewable energy consumption is 1,483,270.16 GJ^{Note 1}, an increase of 15,342.79 GJ from 2019. This is mainly due to the increase in electricity consumption as a result of production increase in 2020 from 2019. Due to promotion of switching from fuel oil to natural gas for boilers, natural gas consumption also increased, further affecting annual energy consumption.

Note 1 : The calorific value conversion factor is based on the calorific value of energy products announced by the Bureau of Energy of the Ministry of Economic Affairs.

In addition, to reduce GHG emissions from electricity use and large electricity users, we have been developing renewable energy since 2010. In terms of the solar PV system, a total of 8,169 kWh (29.41 GJ) of green electricity was generated this year. In the next five years, we plan to install solar PV systems to meet legal obligations.

GHG emissions

Uni-President’s 2020 annual GHG emissions were 157,952 metric tons CO₂e. The GHG emission intensity was 116.32 kg CO₂e/kg of production and reduced by 2.64% compared to 2019. To urge the general plants to achieve the emission reduction target, the Energy Management Team conducts reviews on general plants that has not achieved the target and adjusts the target with reference to the historical implementation status.

3.2.5 Reduction Action

In a bid to achieve our medium and long-term reduction targets, we are gradually replacing fuel oil with low-pollution natural gas, coupled with annual implementation of energy saving projects. The contents of projects include equipment replacement and renovation, equipment parameter optimization and production process regulation. In 2020, the energy saving projects of each plant have reduced 4,798 metric tons of CO₂e, saving NT\$28.07 million. Also, in order to the management of product carbon footprints, we continue to certify the carbon footprint of eight products. Among these products, the carbon footprint reduction of Uni-President's ramen noodles achieved 3% in 2020 and have attained a carbon reduction label after audit by Environmental Protection Administration.

2020 Product Carbon Label



Xinshi General Plant – Optimize boiler operation efficiency

95,117 cubic meters of natural gas a year was saved, reducing 178.72 tons of CO₂e emissions, saving expenses by NT\$0.97 million.

1.Introduction of O₂ control system :

Introduced the O₂ control system to go with the existing O₂ boiler system monitor. This reduces boiler gas ratio to achieve the saving of boiler natural gas consumption, while also complying with the requirements of the announced oxygen content for exhaust gas.

2.Equipment Modification :

Adjusted the control design of boilers, added wind turbine motor inverter and independent servo motor to improve the operation efficiency of the equipment.



Hukou food plant – reduce electricity consumption per unit in the plant

371,440 kWh of electricity a year was saved, reducing 197.98 tons of CO₂e emissions, saving expenses by NT\$1.14 million.

1.Air knife water removal system was added with pressure regulating values to improve air pressure usage

Through the coking improvement project, the flow volume of the flavoring liquid is reduced, while reducing pressure of the air knife water removal system.

2.Improvement of time sequence for ice and water host compressor lifting and lowering

Added time sequence for each compressor that can activate two compressors of the same group instead of two ice water machines, avoiding energy waste by idling the ice water machine.



Zhongli Bread Plant – Compressor energy saving improvement for the bread plant

244,210 kWh of electricity a year was saved, reducing 130.16 tons of CO₂e emissions, saving expenses by NT\$0.65 million.

Compressor equipment at the bread plant has been renewed, reducing unit energy consumption by 26.45%.



Xinshi Dairy Plant I – Improvement of cleaning time of finished barrels

50,231 cubic meters of natural gas a year was saved; reducing 94.38 tons of CO₂e emissions, saving expenses by NT\$1.95 million.

Installed valve to help release pipeline exhaust, while modifying the process to synchronize the cleaning time of finished barrels. By shortening the cleaning time by 20 minutes, steam consumption can be reduced, further saving the use of natural gas.



Xinshi Dairy Plant II – Improvement of crate washer energy saving

35,981 cubic meters of natural gas a year was saved; reducing 67.61 tons of CO₂e emissions, saving expenses by NT\$1.02 million.

The amount of steam input is adjusted without affecting the temperature of cleaning water through the adjustment of equipment parameters. Also, recycled hot water is used as a hot water source to reduce the energy loss of steam heating into the water tank.



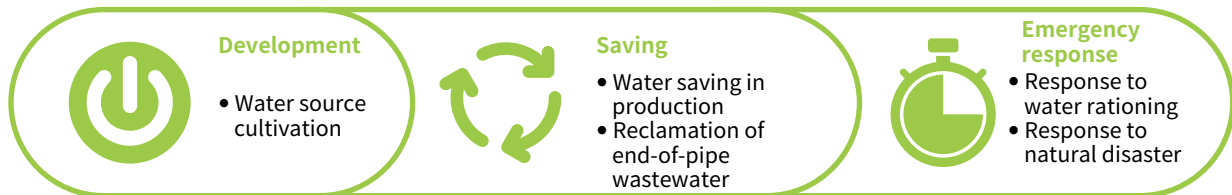
3.3 Water Resources Management

Uni-President has multiple products and has a high dependence on water in the process of manufacturing juice, tea, milk and other beverage products. Although there is sufficient rainfall in Taiwan, water resources are unevenly distributed, and on top of that, climate change has recently intensified torrential rain and water depletion, which increases the complexity of water management. Thus, we regard water as a major environmental and operational issue, and will dedicate efforts to improve our resilience and adaptation on water resource management.

3.3.1 Water resource management strategies

To avoid the numerous risks to water resources, Uni-President has three standpoints, including resource development, resource saving and emergency response, which manage water resources based on the energy management team's hierarchical management system. We also hold regular meetings to discuss issues related to water resources, set up policies, and review the performance of water conservation, as well as integrate water conservation concepts into detailed planning, design, production and working environments via various means such as posters, slogans and training courses.

Water resource management strategies



Water resource risk identification and response

Uni-President's products are closely linked to water resources, especially at the raw material and manufacturing stages in the overall value chain. Raw material items come from crops, and water as an integral part of our products is crucial for their production. Although there is an abundance of rainwater in Taiwan, water distribution is highly variable (due to changing amounts of rainfall and rainy seasons) and the fact that our water is supplied from the reservoir means that water conditions have been unstable for many years. To understand more about water withdrawal risk and its impact on the environment, we refer to the research data released by the National Science and Technology Center for Disaster Reduction to get an understanding of the probability of drought risk with each source of water withdrawal. Moreover, we also identify the overall water consumption risk of each plant with reference to the 2020 water consumption data. The results indicate the control of water conditions and production scheduling are management priorities.

Water consumption analysis of each plant

	Yangmei Plant	Zhongli Plant	Hukou Plant	Taichung Plant	Yongkang Plant	Xinshi Plant
Water Condition Risk (Note 1)	Shihwmen Reservoir	Shihmen Reservoir	Baoshan Reservoir	Liyu Carp Lake Reservoir	Nanhua Reservoir	Wushantou Reservoir Tsengwen Reservoir
Water Consumption Percentage (Note 2)	0.24%		0.54%	0.01%	0.11%	0.17%
Overall Water Consumption Risk (Note 3)	Low Risk				Moderate Risk	

Legend: ■ Low Risk ■ Moderate Risk ■ High Risk



Note 1 : Water condition risk data : With reference to the Disaster Risk Adaptation Platform.

<https://dra.ncdr.nat.gov.tw/Frontend/Disaster/RiskDetail/BAL0000022>

Note 2 : Water consumption impact percentage : Water used by each plant in 2020/water supply data released by each reservoir in 2019.

Note 3 : Overall water consumption risk : The risk level identified after the combining of information on water condition risk data, water consumption impact percentage, and historical plant operation experience.

Water Resources Risk and Adaptation

Risk Source	Risk Issue	Adaptation Action
 <p>Regulations</p>	<ul style="list-style-type: none"> • Response to laws and regulations • Water consumption fee collection method • Water Pollution Control Act 	<ul style="list-style-type: none"> • Establish a water Condition Response Team to closely monitor the water consumption of each plant and water conditions in each area • Acquire green building certification for all new plant buildings • Invest in and improve environmental equipment • Establish and monitor targets for discharged water quality
 <p>Disasters</p>	<ul style="list-style-type: none"> • Insufficient water resources • Increased chance of heavy rainfall and floods 	<ul style="list-style-type: none"> • Establish natural disaster response standards and conduct regular emergency response drills • Promote water conservation projects to enhance water use efficiency • Rainwater recovery equipment installed in the new plant • Establish water restriction and response plans

Water Resources Risk Control Mechanism

We have set up a water resources response team to prevent production losses caused by unstable water conditions. The supervisor of the Technical Group is appointed as the convener, and is responsible for cooperating with all relevant units and assigning work duties in order for different units to jointly develop response plans while strengthening the coordination among the emergency response team. We have also entered into a sales and purchase agreement with the water suppliers, agreed on reasonable transportation costs with water transportation operators, while effectively controlling the transportation schedule, ensuring that water is supplied during water shortages. In the event of a water shortage, we initiate related countermeasures according to the levels of water restrictions announced by the government. In doing so, we minimize operational losses caused by water shortages.

Management mechanism and division of labor of the Water Resources Response Team



Water shortage countermeasures of Uni-President

Water rationing
measures

Phase I

- Reduce water supply pressure
- Stop water supply to non-urgent or unnecessary facilities

Phase II

- Stop high consumption water supply users
- Reduce water supply

Phase III

- Stop water in turns by area or in all areas

Phase IV

- Fixed time and fixed quantity supply

Emergency response
of Uni-President

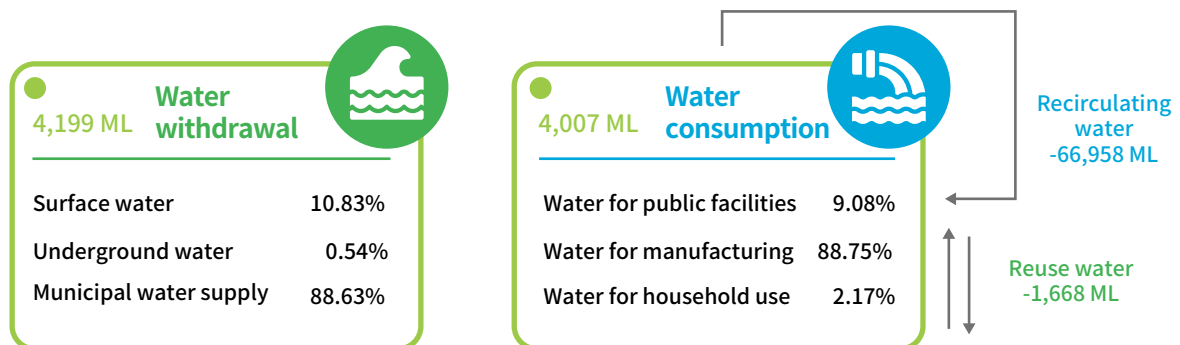
- Increase the frequency of Water Supply. Information Reports and online reporting of water consumption and storage to facilitate situation control
- Check the quality of well water and purchased water after phase II water rationing is announced
- Verify the status of other water sources, including capacity, water quality, and water rights

- Initiate the “Water Supply Emergency Response Mechanism.” Manage purchased water, water transportation, and dedicated intakes, and test water quality and treat incoming water
- Activate water storage equipment and increase storage
- Perform inter-plant dispatch, with the Hukou Plant in northern Taiwan and the Xinshi General factory in southern Taiwan as the dispatch centers to supply water to other complexes in a timely manner
- Adjust production processes and product prioritization, and increase normal temperature inventory

3.3.2 Water Consumption Status in Production Sites

In 2020, the total water consumed by our plants was 4,199 million liters (3,721 million of municipal water supply, 455 million liters of surface water, and 23 million liters of groundwater). As our production increased in 2020, total water consumption also increased by 0.88% from 2019. Furthermore, we will continue to promote water-saving projects to improve the efficiency of water use so as to mitigate the impact of water resources driven by production.

Types of water used at production plants







Note:

1. Water for manufacturing includes water for soft water systems, boilers, and products.
2. Water for public use includes water for cooling towers, washing towers, cleaning and pouring, and fire fighting.
3. Water for household use includes water for drinking, washing and flushing toilets.

3.3.3 Water Conservation Action

Apart from water that is required in production processes, we make an effort to promote efficient water usage in the plant through four water conservation strategies. These include water source development, process water source improvement, process water recycling, and end-of-pipe wastewater recycling.

Water Saving Strategy

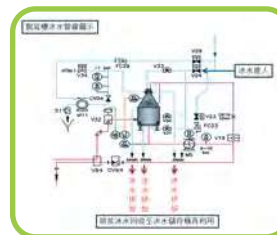
 <p>Water source development</p>	<ul style="list-style-type: none"> • Rainwater : Rainwater recovery equipment installed in the new plant for cooling towers and flushing toilets • Air-conditioning condensate : Recovered into the clean water system or used as refill water for cooling water towers
 <p>Process Water Source Improvement</p>	<p>Select low-water-consumption machines and establish “Water Balance Management” to control the reasonable consumption of machines in each plant used as the reference of calculating the plant’s water recovery rate and water saving rate</p>
 <p>Process Water Recycling</p>	<p>Extend the scope of water recovery and reuse, while reducing wastewater generation For instance : steam condensate recovery, RO wastewater, discharge water recovery, and finished barrel jacketed ice water recovery</p>
 <p>Reclamation of end-of-pipe wastewater</p>	<p>According to the classification of the machine’s wastewater nature, discharged water quality is checked from time to time, and is effectively treated and recovered by the wastewater treatment plant. For instance, acid and alkaline discharge from the manufacturing process is recovered into the clean water system or into the cooling water tower as secondary water after being treated and monitored</p>

2020 Representative Water Saving Projects

Yangmei Plant II – Ice Water in Degassing Tank Recovery Improvement

A total of NT\$65,500 was invested, saving 12.81 million liters of water per year

The ice water in degassing tank was originally discharged directly; now it is recovered for reuse after being recycled from the degassing tank

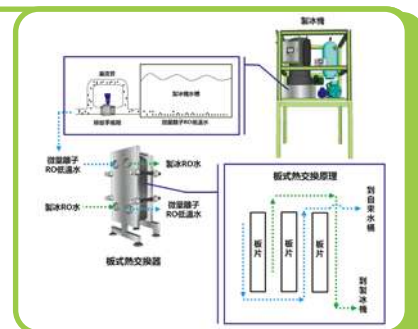


Note: The annual water saving volume is calculated according to the flow meter before and after the project implementation

Hukou Ice Cube Plant – Reduce Ice Making Water Efficiency

A total of NT\$141,000 was invested, saving 3.51 million liters of water per year

The ice maker was originally designed to overflow water to help reduce water conductivity. This year, the design was updated and it now sends the overflow water to the heat exchanger for municipal water tank, reducing water waste



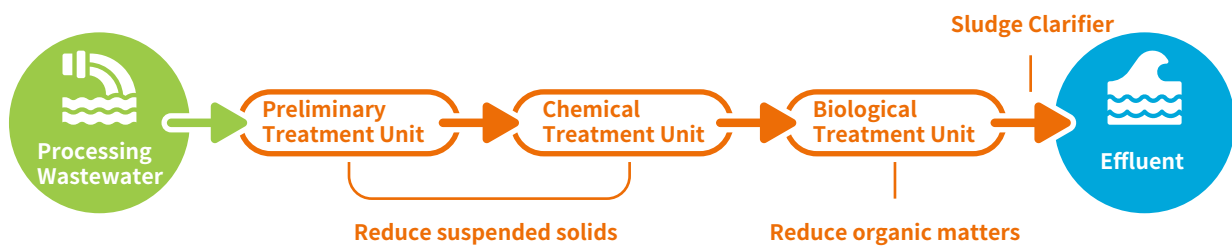
Note: The annual water saving volume is estimated according to the volume of ice-making overflow before and after the project implementation

3.3.4 Wastewater Management

As Uni-President's wastewater is mainly organic, oil and grease, and suspended solids, we have set up wastewater treatment equipment for each plant. Wastewater is discharged after front-end pretreatment and biological treatment, or directly discharged into exclusive treatment plants in the industrial park. In order to comply with national effluent standards, we have established strict standards in accordance with national laws and regulations. By doing this, we inspect the functions of wastewater treatment plants and the concentration of effluent in each plant. We have also set up targets for management on annual wastewater quality as the basis for assessing management effectiveness.

In 2020, the total volume of wastewater from each plant was 3,237 million liters. The average COD concentration 32.68 mg/L, a year-on-year decrease and lower than our target of 70 mg/L, while the average COD reduction equivalent was slightly higher than the previous year by 0.78%, indicating our steady performance regarding wastewater treatment.

Wastewater Treatment Process Schematic Diagram



Uni-President Wastewater Discharge Control Standards

Plant Discharge Water Quality

BOD \leq 22.5 mg/L

COD \leq 75 mg/L

SS \leq 22.5 mg/L

Effluent Standards

BOD \leq 30 mg/L

COD \leq 100 mg/L

SS \leq 30 mg/L

Standards for Setting of Management Goals

Our self-imposed strict regulations (75% of the regulatory limits)

Yangmei Plant/Zhongli Factory – Centrifugal Dewatering Machine Replacement Project

NT\$5.78 million was invested to reduce sludge moisture content to 82.5%

Sludge dewatering equipment in Zhongli and Yangmei plants were updated to reduce sludge moisture content, further reducing the waste sludge weight and treatment costs.



3.4 Pollution Prevention

3.4.1 Air pollution management

Our air pollutant emissions are mainly PM, SO_x, NO_x and volatile organic compounds (VOCs). The pollutants may come from material processing, boiler combustion and wastewater treatment. In order to effectively reduce air pollution and prevent emissions, we installed cyclone dust collectors at the plant to increase the availability of equipment to effectively reduce SO_x and NO_x emissions. Also, to effectively reduce SO_x and NO_x, oil-fired boilers have been gradually converted to natural gas. In 2020, a total of NT\$14.28 million was jointly invested by Yongkang and Yangmei Plants, which expect to see air pollution emissions reduced by 20%–50%.

In 2020, all plants emitted a total of 69.28 metric tons of air pollutants. Among these air pollutants, VOCs increased by 4.69% from last year due to an increase in raw materials used in process. NO_x was not counted in 2019 as natural gas emissions were not included in the calculation of the entire plant on the air pollution fee reporting system. It was added in 2020, hence the increase of NO_x emissions. SO_x was reduced at the Yangmei Plant as heavy oil boilers were converted to gas-fired systems (1 unit). PMs on the other hand are stored at Yongkang's TMR Center, their designated indoor storage area as recognized by the air pollution emission audit carried out by the Department of Environmental Protection. Its PM control efficiency should be changed from 0% to 98%. Therefore, emissions of PMs for this year decreased by 11.19% from 2019.

3.4.2 Waste Management

Uni-President has formulated the “Waste Management Measures” to ensure that all waste is properly classified, managed, cleared and disposed of. Waste generated by each plant is classified into general waste, hazardous waste (organic experimental waste liquid) and recyclable waste. In 2020, a total of 37,906 metric tons of waste was generated during operation, an increase of 336 metric tons from 2019. As a means to promote waste reduction while strengthening resource classification management of each plant, we have set goals for waste resource recovery rate (95.5% for this year). For four consecutive years, we have achieved our management goals.

Introduce circular economy thinking and continue to reduce waste generation

Due to the special nature of the food industry, “food safety” is the first priority of our management principle. Although the effectiveness of waste source reduction is often limited, we believe that by increasing the potential of waste recycling, we can effectively achieve resource savings, reducing the burden on the environment. Based on this, we make an effort to plan waste reuse solutions through innovative thinking – this year, we have reused 10,863 tons of soybean residue by transferring them to the feed mills to be used as feed. Additionally, we have also installed a sludge dryer and successfully reduced the sludge moisture content by 40% and the weight of sludge by 548 tons within three months.

Xinshi Plant – Sludge Reduction Project

NT\$19.19 million was invested to reduce sludge moisture content to 40%

The introduction of sludge drying equipment reduced sludge moisture content to 40%, further reducing waste weight and treatment expenses.



• Sludge dryer

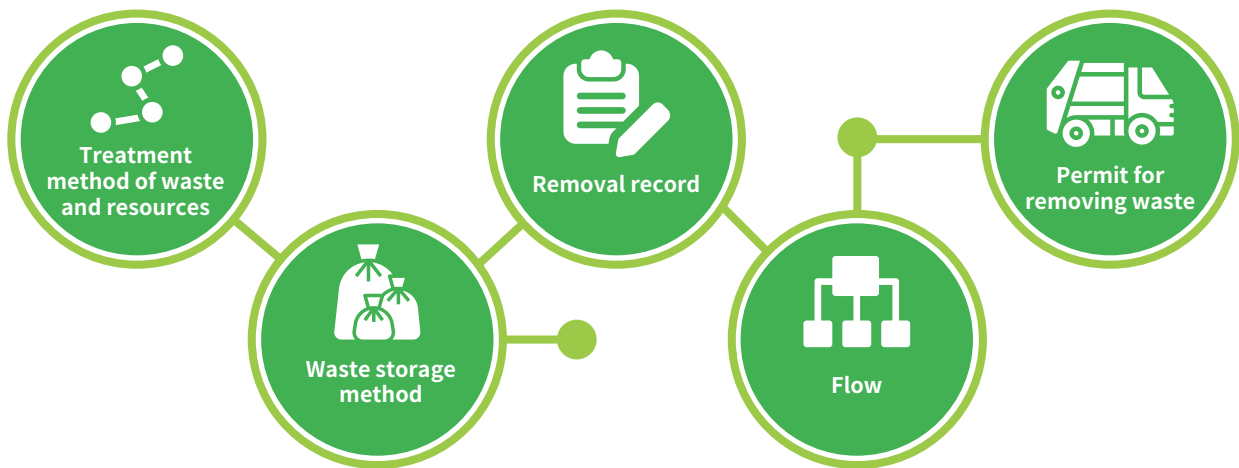


• Sludge after drying

Control waste flow to ensure effective management

All waste generated by Uni-President is removed and its recovered substances properly handled by a legal removal company. For waste that may be reused for food, we have clear regulations in place that prohibits its use in food reprocessing or to be used as food to ensure food safety. In addition, in order to strengthen the flow tracking of waste, we use a GPS system to clearly track and inspect the flow of waste, resources, and hazardous waste generated by each plant. The inspection includes treatment of waste and resources, waste storage approaches, disposal records, flow, and transportation licenses. In 2020, a total of 27 waste, resources, and hazardous waste treatment companies were inspected, with a total of 118 tracked. There were no violations discovered in the inspection and tracking results.

Key Items for Waste Treatment Plant Inspection



3.5 Packaging Materials Management

For many years, we have been making every effort to improve the sustainability of our product packaging materials. In response to the global trend of plastic reduction, waste reduction and recycling in recent years, we have set up a Packaging Technology Team to drive the increase in use of environmentally friendly packaging materials and packaging reduction. Not only do we purchase internationally recognized sustainable and environmentally friendly packaging materials, we also regularly review the feasibility of optimizing existing product packaging materials. Although Taiwan's recycled plastic food packaging regulations have not yet been adjusted to follow the global plastic reduction trend, we still proactively seek any possible plastic reduction methods to gradually reduce the use of plastic under the basis of ensuring food hygiene and safety.

In 2020, we continued to purchase paper packaging materials certified by the FSC™ (Forest Stewardship Council) in the production of aluminum foil for the “MineShine” series and the “Try It!” series. This approach enhances our contribution to forest-friendly products. The ratio of FSC™ procurement amount accounted for 42.87% of the total procurement amount of paper packaging materials in 2020.

In 2020, plastics used in our products accounted for 18,025 metric tons, among these plastics, PET, PP and PE accounted for over 97%. This year, the thickness of the film used for our 6-pack beverage product and 4-can PET bottles was reduced by over 20% thanks to our precise packaging technology. This contributes a reduction of 5.38 metric tons of plastic film usage. Through adjusting the structure of the PP box by the Refrigeration Department and the 4,530 mL lightweight PE bottle of the Dairy Division, plastic use was effectively reduced by 109.05 metric tons, totaling 114.42 metric tons. The plastic reduction achievement for product packaging materials has also saved NT\$763,000 treatment fees for container recycling and removal.

6-pack beverage product

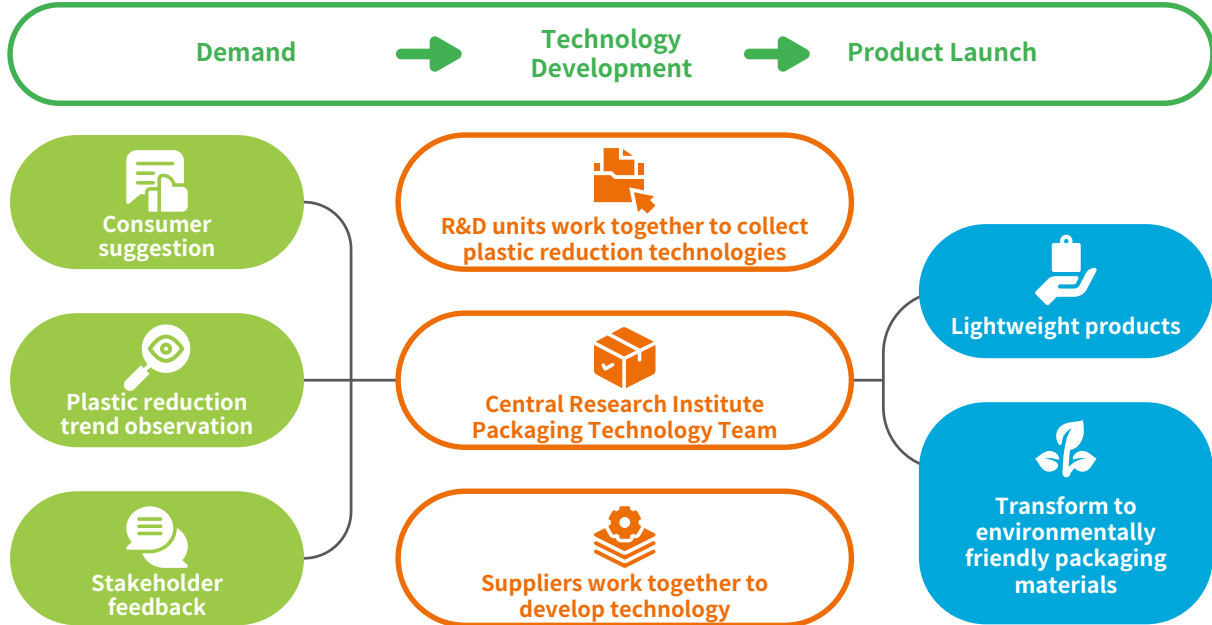


4-PET bottle product



Packaging Materials Management and Product Development Process

Product packaging reduction – environmentally friendly packaging



Note : The change to environmentally friendly packaging materials includes the use of reduced plastic products and environmentally friendly packaging materials. For example, polystyrene bowls of Imperial Bowl Instant Noodles have been changed to paper bowls

2020 Product Plastic Reduction Results

Plastic Reduction Project	Total Product Packaging Weight Reduction (tons)
Thinning of plastic film for multi-pack beverages and PET bottles	5.76
4,530 mL lightweight PE bottle of the Dairy Division	97.60
Lightweight PP box of the Refrigeration Department	11.45
Total	114.81



4

Building a Healthy and Happy Workplace



4.1 Talent Development Management

4.2 Occupational health and safety

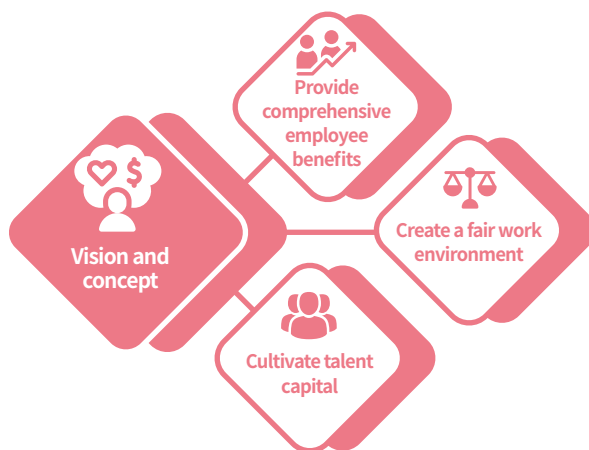
Building a Healthy and Happy Workplace

Talent is fundamental to a company's sustainable management. With a pragmatic and long-term management perspective, Uni-President systematically draws on our talent cultivation. We construct a comprehensive talent cultivation system based on our company vision, missions and task goals to the development of strategies, in the hope to attract, develop and retain more gifted people, while striving for the sustainable growth of both individual career development and company development.

4.1 Talent Development Management

Management Strategy

We are a strong believer in “talent is the foundation that enables a company to grow.” At Uni-President, we are committed to shaping a reasonable and fair workplace and we share business achievements with our employees, while providing diverse benefits. Furthermore, we abide by “professional cultivation, career development, and lifelong learning” principles, and deepen our talent capital by recruiting elites with different areas of expertise, further strengthening the Company's competitive advantage. Meanwhile, to shape a good business style and corporate culture, we maintain open channels for labor-management communication. We also comply with the labor regulations to prohibit any violation against the dignity, human rights and any form of discrimination against employees to continue to enhance the competitive advantages of the employee and the Company.

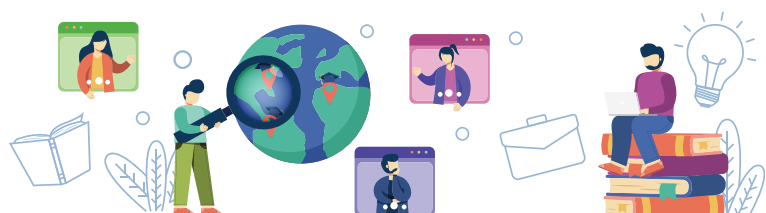


Management Goal	Achievement Rate	2020 Key Achievement
Create a reasonable and fair workplace	✓ (Achieved)	Optimized internal management regulations and procedures
Diversified talent in Uni-President	✓ (Achieved)	Recruited business partners or foreign employees

4.1.1 Human Resource Files

We have established multiple recruitment channels, and compiled this year's recruitment results – this year, we have recruited 309 employees, accounting for 5.69% of the total number of employees. Among these 309 employees, 71 were hired through a business partner's recruitment program. The program aimed to hire potential job seekers to become Uni-President's business partners, with an acceptance rate of 8.39%.

Our employees are highly loyal – this year, employees who left the company accounted for 4.66% of the total number of employees. Among these, 50% were employees who retired due to their age. We do not set age limits when it comes to human resource applications as we value competence and performance. Additionally, we expanded our recruitment of business partners and overseas talent in line with the business development in order to strengthen the width and depth of our human resources, hoping to create more value for Uni-President.



Employee Age Distribution

Total number and ratio of full-time employees								
Age	Domestic employees (Taiwan)				Foreign employees			
	Male	Ratio of new employees	Female	Ratio of new employees	Male	Ratio of new employees	Female	Ratio of new employees
<30 years old	424	7.80%	269	4.95%	49	0.90%	6	0.11%
31–50 years old	1526	28.09%	1196	22.01%	10	0.18%	0	0.00%
>51 years old	1349	24.83%	604	11.12%	0	0.00%	0	0.00%
Total	3299	-	2069	-	59	-	6	-

New/departed employees

Total numbers and ratio of new employees								
Age	Domestic employees (Taiwan)				Foreign employees			
	Male	Ratio of new employees	Female	Ratio of new employees	Male	Ratio of new employees	Female	Ratio of new employees
<30 years old	148	2.72%	92	1.69%	1	0.02%	0	0.00%
31–50 years old	48	0.88%	16	0.29%	0	0.00%	0	0.00%
>51 years old	4	0.07%	0	0.00%	0	0.00%	0	0.00%
Total	200	-	108	-	1	-	0	-

Explanation : Ratio of new employees (%) = number of new employees in the category of the year/total number of employees at the end of the year.

Total numbers and ratio of departed employees								
Age	Domestic employees (Taiwan)				Foreign employees			
	Male	Departure ratio	Female	Departure ratio	Male	Departure ratio	Female	Departure ratio
<30 years old	41	0.75%	21	0.35%	0	0.00%	0	0.00%
31–50 years old	40	0.74%	21	0.30%	0	0.00%	0	0.00%
>51 years old	108	1.99%	21	0.22%	0	0.00%	0	0.00%
Total	189	-	63	-	0	-	0	-

Explanation 1 : In 2020, a total of 143 employees were at their retirement age.

Explanation 2 : Ratio of terminated employees (%) = number of departed employees in the category of the year/total number of employees at the end of the year.

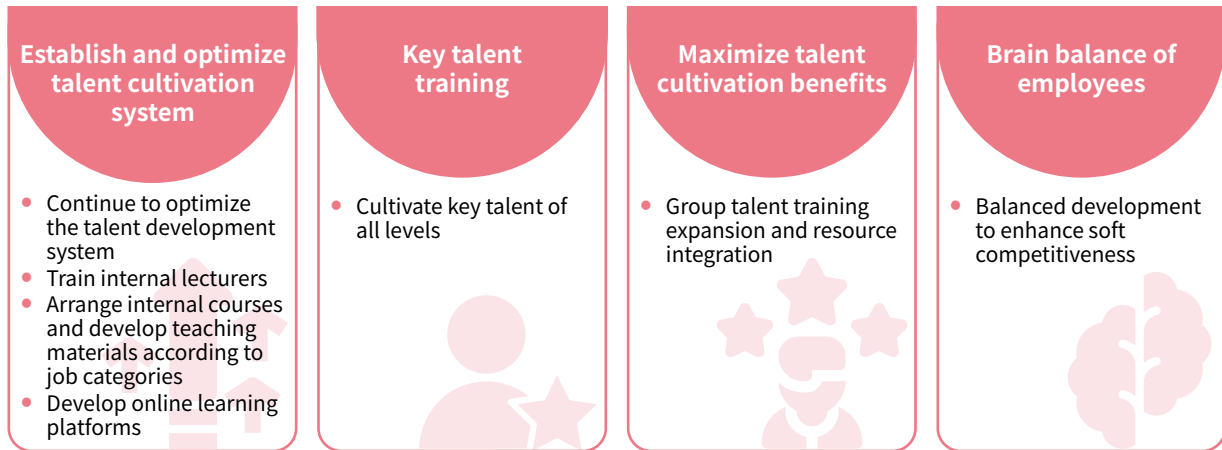
Uni-President aims to create a fair work environment and has dedicated its efforts to ensure equal rights and interests when it comes to recruitment. In 2020, there were a total of 88 employees with physical and mental disabilities, accounting for 157% of the statutory number^{note1} of 157^{note 2}.

Note 1 : According to Article 38, Paragraph 2 of the People with Disabilities Rights Protection Act, the private schools, groups and private institutions whose total number of employees is more than 67 shall employ disabled people with disabilities with capability to work and the number of employees with disabilities shall be no less than 1 percent of the total number of the employees and no less than 1 employee.

Note 2 : Number of hired persons with physical and mental disabilities/% of statutory employment.

4.1.2 Diverse Talent Training

At Uni-President, we take talent development and training very seriously. In 1982, we set up a dedicated education and training unit, which was reviewed and approved by the government in 1996, becoming Uni-President's official Education and Training Center. We make an effort to promote talent cultivation by planning learning maps for different levels of employees. Essentially, we vertically train the competency of talent of each level, while horizontally expanding the Group's sharing platforms to attract, develop and retain more talented people. As a means to enhance talent cultivation, we have formulated training standards – the minimum annual training hours for senior management is 36 hours, 30 hours for middle management, while 24 hours for basic management.



Employee Learning Map

Uni-President has formed an employee learning map. In addition to the basic OJT (including production technology training, business marketing training, human resources training, research and development, and financial accounting training), we also proactively implement OFF-JT that aligns the market with contents including regulatory compliance, food safety/occupational safety environmental safety, brand marketing, management strategy and management. Aside from functional training, we also provide diverse self-initiative courses, covering contents including aesthetic taste, physical and mental growth, hoping employees increase their quality and inspire new ideas.

Employee Learning Map		
OJT (on-the-job training)	OFF-JT (off-the-job training)	Mind, body and spirit inspiration

2020 Training Plans and Effectiveness

In 2020, we invested NT\$10.8 million in employee learning resources, with an average investment of NT\$2,000/employee. This investment was lower than 2019 as the training model was adjusted due to COVID-19 prevention measures. To replace the physical courses of the collective learning, most courses were conducted online. Not only did this approach encourage employees to read but it also broke the time and space limitations in order to keep learning uninterrupted. Although training funds and hours were lower than the previous years, the minimum training hours required for management personnel at all levels still maintained at the high completion rate as prior to the pandemic, meeting training needs. In the future, we will continue to elevate the quality of courses and introduce new learning tools, while also introducing diverse virtual/real integrated learning models to meet the new global trend of digital learning.

2020 Key Courses

In consideration of the trend towards corporate governance, we have planned six categories of courses to help employees strengthen and improve related professional knowledge. In addition to our own training, we also provide external courses. This enables our employees to be able to expand their horizons and broaden their perspectives, further maximizing the benefits of education and training. In 2020, we provided a total of 144,027 training hours received by 59,712 employees.

Training Courses



◀ 4.1.3 Salary and Welfare System ▶

Uni-President has maintained a reasonable and fair work environment via mechanisms such as the promotion system, salary raise, performance appraisal, rewards and disciplines, and regularly reviews management regulations over a certain period. We also improve our management systems, such as responding to current prices and consumption standards, and amendment of business travel rules. By doing this, we hope to motivate employees through improved employee welfare and care to enable employees to see the value of their work and grow and move toward together with us.

Remuneration System

As Uni-President provides a reasonable and fair workplace, its remuneration system is designed to attract, motivate, retain and cultivate talent. According to the job content, performance and contribution of each employee, we conduct differentiated salary evaluation, salary adjustment and bonus payment. We also perform regular salary market surveys and review our existing salary and bonus systems to ensure the Company's salary standards. Not only does this meet labor market's salary standards, but it also helps us have more competitiveness in the labor market. We also adopt the principle of equal pay for equal work, such as equal starting pay for men and women as well as foreign and domestic workers.

To look after our employees, we continue to raise our salary expense. In 2020, Uni-President's salary expense was NT\$6,989 million, an increase of NT\$410 million or 6% from 2019. The average salary per each employee was NT\$1,296,000, while the number of employees only increased by 0.4%. The average salary of full-time employees in management positions and the median salary of full-time employees in non-management positions both increased in 2020 from 2019.

Year	Full-time employees in non-management positions	Average salary of full-time employees in non-management positions (NT\$ thousand)	Median salary of full-time employees in non-management positions (NT\$ thousand)
2020	5,270	1,235	1,051
2019	5,271	1,200	1,021
2018	5,291	1,160	NA
Difference	-1	35	30

Explanation : Full time employees in management positions are not managerial officers as defined in Letter Tai-Cai-Zheng (3) No. 920001301 and whose working hours meet the specific normal hours required by the Company.

Welfare system

At Uni-President, we share our business results with employees through enhanced software and hardware facilities. We also continually improve the quality of employee food, clothing, housing, transportation, education, and entertainment. We also have a comprehensive welfare system in place to fully look after our employees, creating a happy workplace. In addition to employee benefits (labor and health insurance, breastfeeding room) as required by the regulations, we also provide the following :



Welfare facilities

Not only have we set up a library, recreation room, social lounge, table tennis room, billiards room, and basketball court, but there are also employee dormitories, cafeterias, car parks, and breastfeeding rooms.



Benefits and allowances

All employees are entitled to group insurance, employee travel subsidy, marriage subsidy, childbirth subsidy, child education subsidy, funeral subsidy, birthday allowance, retiree allowance, three major festival allowances, as well as fixed refurbished products and employee health examinations.



Other benefits

In addition to refurbished products and staff discounts on Uni-President products, employees also enjoy statutory maternity leave, paternity leave, and parental leave. For instance, if a female field operator is pregnant for over 32 weeks, she may apply for paid maternity leave.

4.1.4 Communication and employee rights

At Uni-President, we attach great importance to employee relations and have been proactively setting up diverse two-way communication outlets – union representative meetings, sexual harassment prevention and control hotline, performance and grievance team, reward and discipline grievance procedures, labor-management meetings, e-mails, events, and internal and external publications. In addition, we support and abide by internationally recognized human rights standards and principles, including the Universal Declaration of Human Rights, United National Global Compact, and International Labour Organization, and Declaration of Fundamental Principles and Rights at Work. We have also formulated a human rights policy, while following local laws and regulations to end all human rights violations. In 2020, there was no employment of child labor, forced labor, restriction on the freedom of assembly and association or violation against employees' personal rights or interests in Uni-President.

Human Rights Issues Highly Emphasized by Uni-Presidents

To proactively protect the freedom of assembly and speech of our employees, we formed the Uni-President Trade Union over 40 years ago. As of the end of 2020, members of the Trade Union totaled 5,341, accounting for 98.31% of the total number of employees. The Trade Union’s highest mission is to protect and fight for the rights and interests of its members and its results of negotiations are presented in a cultural form of “Group Agreement,” which was resolved and passed by the 10th board meeting of the 17th board held in November 2017, with a validity period running from January 1, 2018 to December 31, 2020. The employees and employers share high consensus and hold a labor-management meeting every three months to maintain two-way communication, continuing to construct a win-win situation with regards to labor environment and conditions.



4.2. Occupational health and safety

As Uni-President values the safety and health of employees, we have formulated inclusive measures and implementations in terms of traffic safety for employees going to and leaving work, pre-employment physical examination as well as annual health examination. We also promote safety education, the maintenance and repair of machinery and equipment, the use of protective equipment, as well as establishing the work safety code for field operators. This helps prevent the occurrence of occupational accidents, improving the overall safety quality and creating a safe and comfortable work environment.

4.2.1 Management strategies

Our work safety management principle is based on building a safe, comfortable, healthy and hygienic work environment in order to protect the lives of all employees. Through systematic safety and health management and health care management, we continue to promote a variety of occupational safety education and training as well as case studies so as to enhance and implement the awareness of occupational safety of all employees. Furthermore, we regard contractors and outsourced workers working in the plant as our employees and given this, they must also follow these same safety and health regulations. Meanwhile, we hold annual safety promotion seminars for contractors for mutual communication and exchange. Construction safety inspection is carried out by the Work Safety Office, Engineering Department and Work Safety Section of the General Plant/Industrial Park. Through counseling and inspection, we prevent the occurrence of occupational accidents. Meanwhile, we also improve safety quality by implementing “self-protection, mutual protection and monitoring” to continue to make improvement, hoping to achieve the ultimate goal of a “accident-free workplace.”



2020 Work Safety Goals, Implementation Status and Work Safety Budget

Management Goal	Work Safety Goal	Work Safety Implementation Result	Work Safety Annual Budget
Build a accident-free workplace	(1) 0 occupational accidents (2) 0 general injuries (3) 0 accidental injuries (4) 0 work safety violations	(1) 0 occupational accidents (2) 5 general injuries (3) 1 accidental injury (4) 0 work safety violations	<ul style="list-style-type: none"> • Yongkang General Plant : NT\$5.97 million • Xinshi General Plant : NT\$25.84 million • Taichung General Plant : NT\$0.30 million • Yangmei General Plant : NT\$19.44 million • Zhongli General Plant : NT\$8.42 million • Kukou General Plant : NT\$5.23 million • Total NT\$65.20 million

4.2.2 Occupational Health and Safety Management System

The occupational safety and health management system identifies hazards, assess risks and control hazards using safety observation techniques. It reduces the risk of occupational accidents to continue to improve operations while reducing the risk of occupational hazards to employees. Uni-President's Yongkang General Plant, Xinshi General Plant, Yangmei General Plant, Zhongli General Plant, Taichung General Plant, and Hukou General Plant have all passed ISO 45001 international occupational safety and health management system and CNS 45001 Taiwan Occupational Safety and Health Management System. The scope of management includes all employees and workers, while the scope for workers includes outsourced vendors, raw material vendors, drivers, and temporary workers. Moreover, a production management system diagnostic meeting is held twice a year to carry out each department's work safety management report and exchange in order to proactively implement employee safety and health management care, increasing the corporate safety and health culture.

ISO 45001 Occupational Safety and Health Management System Promotion



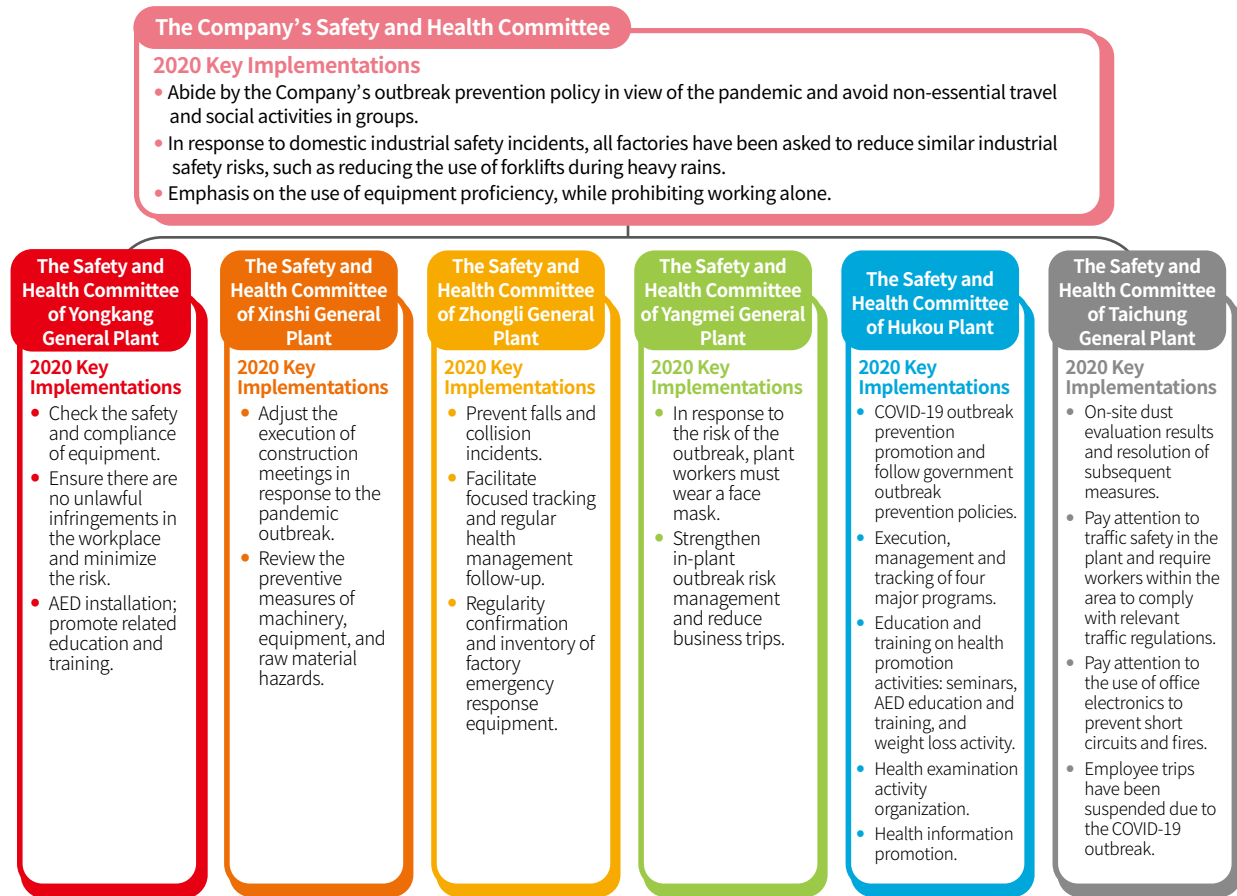
Occupational Safety and Health Committee

The Company has established an Occupational Safety and Health Committees for the entire company and general plants/industrial parks, with labor representatives accounting for one-third of all members, as required by the law. A Committee meeting is held every three months to review occupational safety and health-related matters. With the COVID-19 pandemic affecting the entire world this year, these Committees will continue to promote and adjust operations to minimize the impact of the outbreak. At the same time, through equipment inspection, operational environment survey, and employee health examination follow-up, these Committees aim to reduce the occupational safety and health risks of workers.

Occupational Safety and Health Committee	
Total members in the Committee	72
Number of labor representatives	24

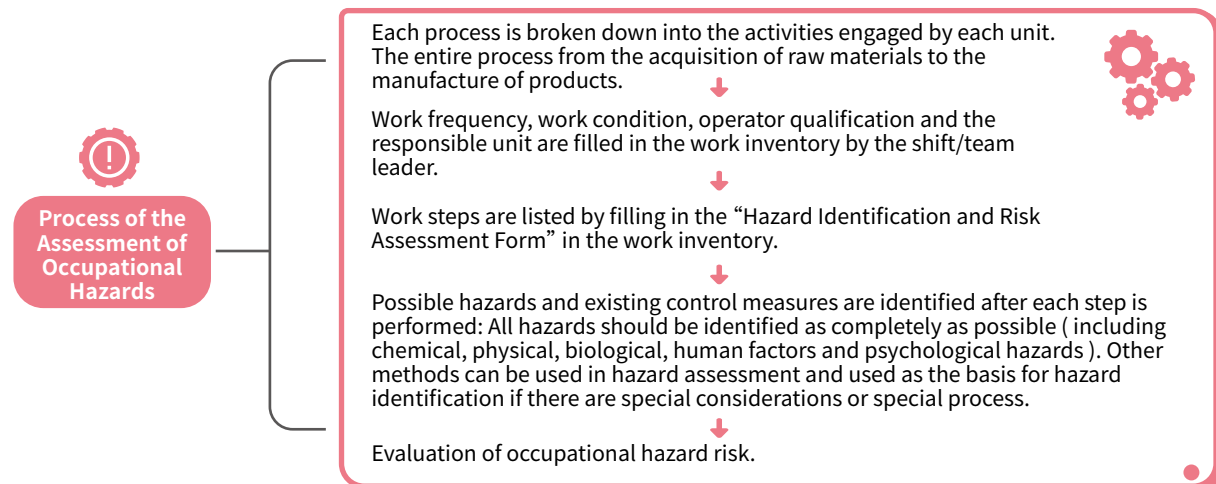


2020 Important Resolutions of Uni-President's Occupational Safety and Health Committees

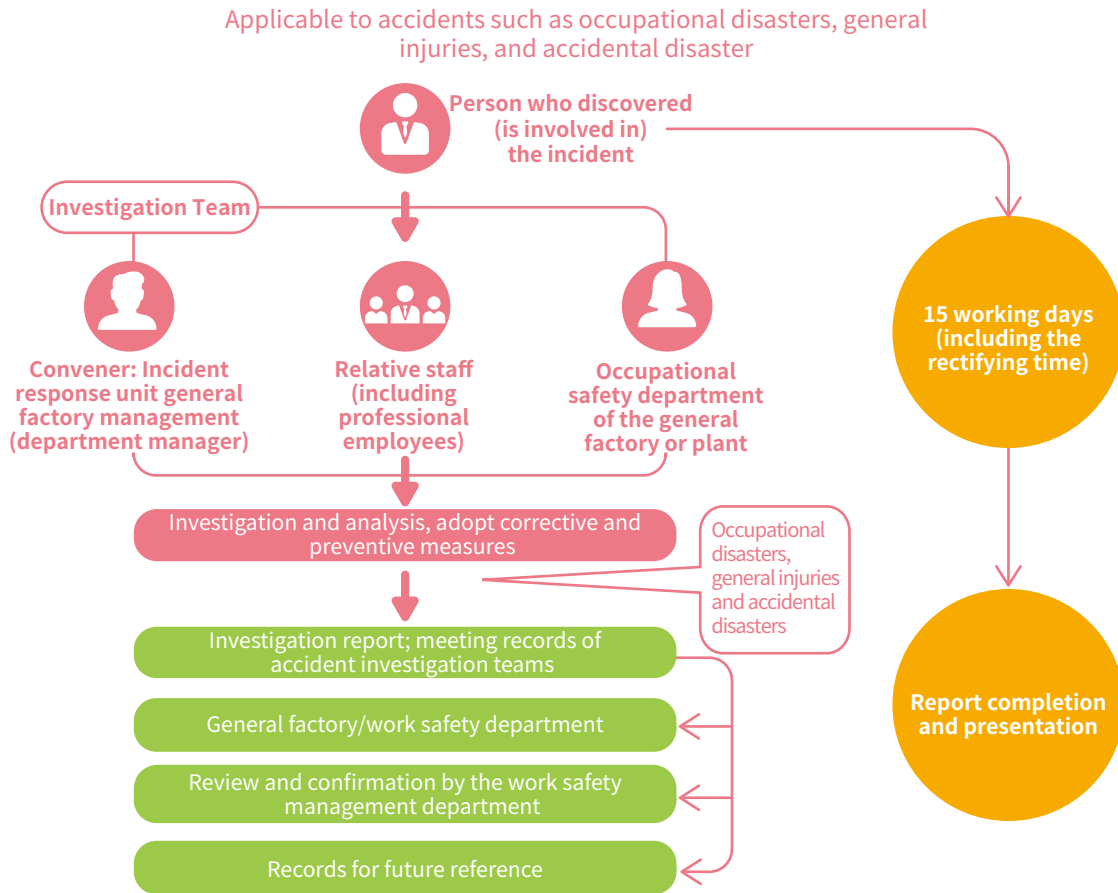


Occupational Safety Performance

At Uni-President, we insist on promoting the ISO 45001 occupational safety and health management system and implement employee safety and health management care. We use a technological safety and health management system, combining education and training, case study promotion, cross-check audits and independent proposals, and work safety experience perception activities to increase the safety awareness of all employees, while implementing graded guidance and audits. We will continue to implement safety and health management systems and standards to improve and increase management performance to ensure a risk-free workplace. This year's occupational injury rate (0.43) was six times lower than the Disabling Frequency Rate announced by the Ministry of Labor for food and feed manufacturing industry. This highlights our dedication regarding occupational safety and health performance.



Accident Investigation and Handling Procedures



Year	2018	2019	2020
Major Types of Occupational Injuries	No. of Injuries (persons)		
Other (physically unwell, being hit)	0	1	1
Caught by/rolled into machinery	1	3	1
Cut/slashed	1	0	0
Falls	0	4	3
Contact with high/low temperatures	0	1	0

Explanation : No deaths have occurred between 2018 and 2020.

4.2.3 Raise occupational health and safety awareness

Internal educational training

A company's safety culture is the basis for promotion of occupational safety and health. As a means to build and strengthen the company's awareness regarding occupational safety, we have specially designed 15 SOP teaching proposals targeting work safety issues, including fire safety equipment management, hot work management, emergency response management, employee health monitoring management, operating environment monitoring management, hazard assessment and risk evaluation as risk control management, hazard management, change management, confined space management, constructed work safety and health management, electrical safety management, outsourcing constructor safety and health management, safety observation management, forklift safety management and free radiation safety management. In 2020, a total of 72,594.5 hours of occupational safety and environmental safety related courses were provided to 30,563 employees.

Sharing and exchange

In addition to internal occupational safety and health educational training, Uni-President works closely with the Labor Affairs Bureau of Tainan City Government to organize the “Safety and Health Family Education and Training” adhering to the principles of “guide and support.” Targets of the training focuses on contractors, managers of Uni-President’s plant, and safety and health management personnel. The training allows them to share experience, exchange with one another, and receive on-site guidance, so as to assist members in developing complete safety and health management mechanisms, improving work safety facilities, preventing occupational accidents, strengthening abilities on operational hazard identification and prevention, and integrating the occupational safety and health concept into our daily operations. In 2020, Uni-President received various work safety awards from government bodies, showcasing the Company’s recognition for its efforts and achievements in occupational safety and health.

<p>Safety and Health Family</p> <p>Safety and Health Family of Xinshi General Plant</p>	<p>Award</p> <p>Won the Special Award in 2017. Won the Special Award in 2018. Won the Special Award in 2019. Won the Occupational Safety Excellence Award in 2020.</p> 	<p>Photos of Awards Won This Year</p> 
<p>Safety and Health Family</p> <p>Safety and Health Family of Xinshi General Plant</p>	<p>Award</p> <p>Won the Merit Award in 2016. Won the Merit Award in 2017. Won the Special Award in 2018. Won the Occupational Safety Excellence Award in 2019. Won the Merit Award in 2020.</p> 	<p>Photos of Awards Won This Year</p> 

4.2.4 Building a Healthy Workplace

Health Examination, High Risk Occupational Disease and Management Response

We value highly the safety and health of our employees and perform employee health examinations on a regular basis. In 2020, we invested approximately NT\$6.4 million in employee health examinations, which were received by 5,208 employees. Based on their 2020 health examination reports, we analyze and follow-up any abnormal items. Related response and improvement measures are currently being carried out for employees with hearing abnormality, high risk of cardiovascular disease and high BMIs.

Health Examination Abnormality	Improvement and Response Measures
Hearing abnormality	<ol style="list-style-type: none"> 1. Wearing ear plugs or earmuffs 2. Perform special health examinations on workers in a noisy operating environment 3. Establish a noise hazard prevention plan 4. Organize hearing protection education and training
BMI exceeding 35kg/m ²	<ol style="list-style-type: none"> 1. List it as a single health management indicator item 2. Nurses at the plant perform on-site safety observation on high-risk personnel 3. Encourage weight loss for health 4. Conduct an individual appointment or arrange an appointment with a physician based on the observation result
Personnel with high risk of cerebral cardiovascular disease	<ol style="list-style-type: none"> 1. Personnel with high-risk are given priority for interviews with plant the physician 2. Nurses at the plant perform on-site safety observation on high-risk personnel 3. Conduct an individual health interview or arrange a consultation session with a physician based on the observation result 4. Work is adjusted according to the advice of the plant physician 5. Medical consultation at the hospital is recommended for personal health factors of high-risk personnel 6. Health promotion on brain and cardiovascular health

2020 Employee Health Activity

In order to improve the health of our employees, we organize activities and have acquired various health and safety equipment this year, jointly enhancing occupational safety and the health of employees.

National Workplace Safety and Health Week

We hold health promotion activities, such as weight loss and exercise (aerobic exercise) classes, creating a “safe and healthy” workplace for employees.



Health Promotion Badge

In recognition of its initiative in promoting health, Uni-President has been awarded the Health Promotion Badge. This year, we have organized health promotion courses (common high-risk health prevention and introduction of work resumption assessments, prevention of chronic diseases, cardiovascular diseases and how to boost immunity, prevention of common noise and high temperature incidents at work, understanding high blood pressure, work pressure and work overload, abnormal load – are you tired? Introduction of fatigue management, maternity protection-mothers’ class); we installed AED equipment and held AED education and training, and to protect the maternal health of female employees, we have established a breastfeeding room, as well as inviting medical personnel to perform health care. Additionally, in response to COVID-19, we held pandemic prevention promotion.



5

Creating a Healthy and Happy Tomorrow



5.1 Preventive Medicine and Nutritional Care

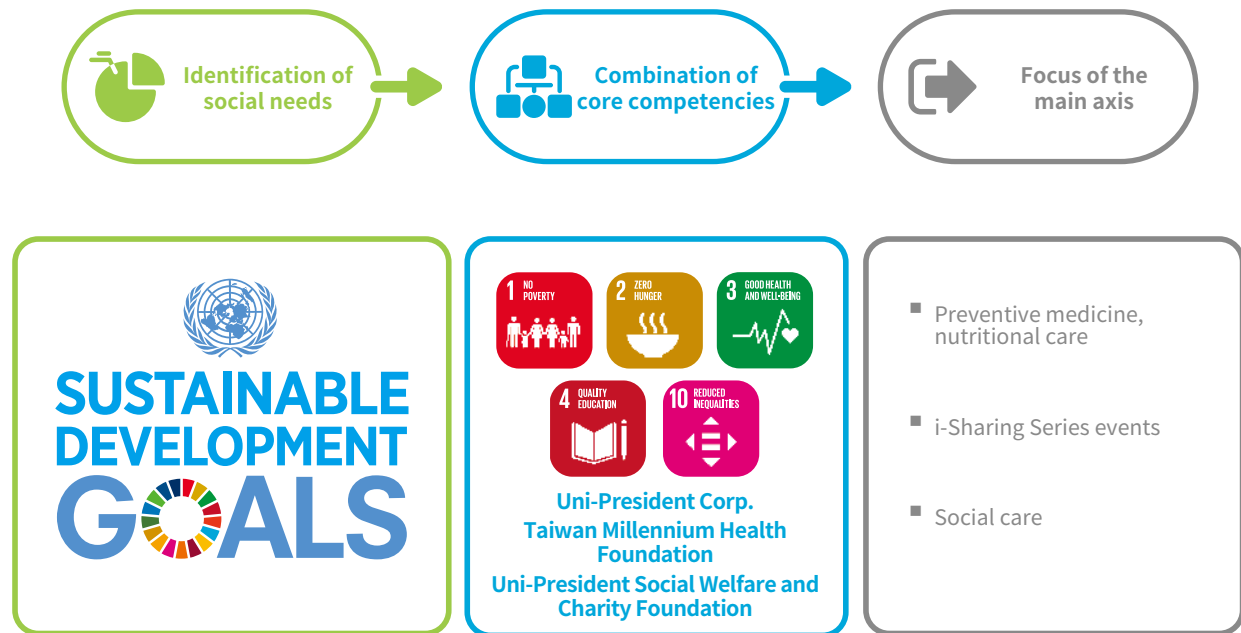
5.2 Care for the Disadvantaged

5.3 Connecting Uni-President Group to Expand Influence

Creating a Healthy and Happy Tomorrow

The foundation of an enterprise's sustainable development is to be on par with government policies and social demands, as well as helping support social development according to the enterprise's core competencies. Based on its core businesses, Uni-President Social Welfare and Charity Foundation, and Taiwan Millennium Health Foundation, Uni-President cares about the disadvantaged in society and promotes the concept of prevention of lifestyle diseases so that disadvantaged families are able to receive the support they need. By doing this, we also increase the public's awareness towards health and create a better life and society.

The Management Framework of Uni-President's Social Impact



5.1 Preventive Medicine and Nutritional Care

With people's lifestyle habits becoming eat more and move less, coupled with their westernized diet patterns, these may cause chronic disease, imposing heavy medical burden on their families and the government. In an attempt to increase the awareness of people's self-health management, we foster social education, research and development, and academic exchange on nutritional care and preventive medicine based on the purpose of the Taiwan Millennium Health Foundation. By making this effort, we hope to promote the concept of prevention over treatment, so that people's diet and lifestyle will be healthier, reducing the risk of chronic diseases and creating social welfare.

Taiwan Millennium Health Foundation Annual Results on Preventive Medicine Promotion

Purpose	Content	2019 Implementation Status	2020 Implementation Status
Promotion of self-testing	Millennium Blood Pressure Station	<ul style="list-style-type: none"> Completed 494 self-organized blood pressure event at business districts in Taiwan 	<ul style="list-style-type: none"> 670 general stations, and 16 digital stations; measurement results are now able to be saved using a transport pass or phone number
	National Health Day	<ul style="list-style-type: none"> 34,000 participants all over Taiwan 	<ul style="list-style-type: none"> 30,000 participants all over Taiwan Going paperless for the first time; measurement results are posted on the website
Promotion of risk indicators	80–90 cm Waistline Measurement Day	<ul style="list-style-type: none"> 45 celebrities responded on social media platforms, reaching 32.02 million followers 1,248,000 free waistline tape measures were given away 	<ul style="list-style-type: none"> 34 celebrities responded on social media platforms, reaching 12.88 million followers 1.14 million free waistline tape measures were given away; 11,300 people took part in the Line event
	Health campaign at the campus	<ul style="list-style-type: none"> 140,000 people in 16 counties and cities took part in the summer break waistline measurement assignment 	<ul style="list-style-type: none"> 130,000 people in 20 counties and cities took part in the summer break waistline measurement assignment 6 schools were visited, reaching approximately 3,000 students and teachers
Medical knowledge education	Preventive medicine seminar	<ul style="list-style-type: none"> 9 lectures and 2 seminars were organized, with a total of 2,636 participants 	<ul style="list-style-type: none"> 7 preventive medicine seminars were organized, with a total of 1,900 participants Organized the online program "Celebrity Physician/Nutritionist Online Luncheon," enabling people to participate online



◀ 5.1.1 Millennium Blood Pressure Station and National Health Day ▶

Millennium Blood Pressure Station

According to the Nutrition and Health Survey in Taiwan (NAHSIT), the prevalence rate of metabolic syndromes in Taiwan reached up to 30%. To provide the equipment for the community residents to prevent metabolic syndrome, we have worked with 7-Eleven's Good Neighbor Foundation since 2008 and established a Millennium Blood Station at selected 7-Eleven stores. There are 670 general-type stations providing free blood pressure monitors, waistline tape measures and health education leaflets. As we have now entered a digital era, we newly added "Millennium smart Blood Pressure Stations" in 2018 to allow people to save and check their measurement records for free. In the future, smart and general stations will both serve community residents, implementing the concept of smart health care in the community. 16 digital stations and measurements are now able to be saved using a transport pass or phone number.

217 young volunteers helped people measure their waistline and blood pressure

473 medical personnel performed one-on-one health education



National Health Day

Each year, the Millennium Blood Pressure Station holds the National Health Day; it is the largest self-organized community health screening event for metabolic syndrome in Taiwan. This year marks the 12th year and was held on the morning of August 8, combining 670 Millennium Blood Pressure stations and 200 Cosmed stores. This event saw 30,000 participants. In terms of volunteers – this year, the theme of "one day of good grandchild" was used again. Students at high schools and colleges were the main participants, whose satisfaction rate reached 93%. This event not only gave the youngsters a chance to care for society and community residents, but it also helped them to learn more about the metabolic syndrome measure program, and the content of health education will be passed on to their families. Also, instead of recording measurement data on paper like the previous years, this year, we launched paperless records for the first time, with measurement results uploaded onto the event website. While we care for our own health, we are also reducing paper consumption and environmental burden.



5.1.2 80–90 cm Waistline Measurement Day

In order to enhance the concept of a healthy waistline, our “80–90 cm Waistline Maintains Health,” we invited Tseng Wan-Ting, a celebrity, and Kanahei to be the “two” health ambassadors for 2020. They continue to promote the concept of “measure your health” and the importance of measuring waistline. The promotional online video was viewed by over 620,000 people. In terms of public welfare, we worked with 17 affiliated companies to jointly give away 1.14 million free waist tape measures. Continued from the previous year, we invited celebrities to join us in the promotion of waistline health. This year, 34 celebrities responded to our promotion, reaching over 12.88 million of followers. In terms of the event, this year, an online and offline event was coordinated. People were able to acquire a tape measure in the participating store and scan the QR code on the tape to take part in the Q&A challenge on Line. This event saw 11,330 participants. The 80–90 cm Waistline Measurement promotes healthy waistline standard through above outlets, maximizing the impact of the event and online power.



5.1.3 Health Campaign at the Campus

The “three highs” are issues concerning all families. Since 2011, the Foundation has been extending the education on chronic disease from adults to school children. In 2020, we continued to promote our health campaign at the campus. Through the following means, we trained third and fourth graders to become “Family Health Leader,” enabling grown-ups and children to share the same correct health concepts.

- Summer waste measurement assignment : In 2020, we worked with health and education bureaus of cities from 20 counties to participate in the summer break waistline measurement assignment, with a total of 130,000 teaching materials given out. By giving free tape measures and learning sheets, school children measured waistlines (an indicator of metabolic syndrome) for their parents and calf circumference (an indicator of the risk of sarcopenia) for grandparents, learning health management concepts.
- Building parent-child question-filling website : The answers filled in by all counties and cities are available for schools, health bureaus and education bureaus.
- 7-Eleven’s Mr. Open going into campus : six elementary schools with the best response and answer-filling rates were selected. Millennium Health’s Mr. Open and Meitaibao Family Theatre Group visited these schools presenting their lively family drama integrated with health ideas and a dance performance. These six visits reached over 3,000 school children and teachers.



5.1.4 Preventive Medicine Seminar

To provide people with disease prevention knowledge and promote health issues, the Taiwan Millennium Health Foundation invited professional physicians and professors in organizing a seminar covering health issues in 2020. In the second half of the year, a total of seven preventive medicine seminars were held in Taipei, Taichung, and Kaohsiung on topics such as the “three highs,” dementia, lung cancer and kidney disease prevention. As well as those topics, food nutrition talks including healthy oils, food safety and plasticizer issues were also discussed. The seminars were highly received, with approximately 1,900 people taking part. In response to COVID-19 and the fact that people now tend to learn new knowledge online, the Taiwan Millennium Health Foundation arranged the “Celebrity Physician/Nutritionist Online Luncheon” online program on Facebook. The program invited physicians and nutritionists to broadcast live online or record videos, breaking the geographical limitation. This enabled people to listen to the program without having to attend physical seminars.



Seminar held at the National Library of Public Information



Seminar held at the National Chiang Kai-shek Memorial Hall

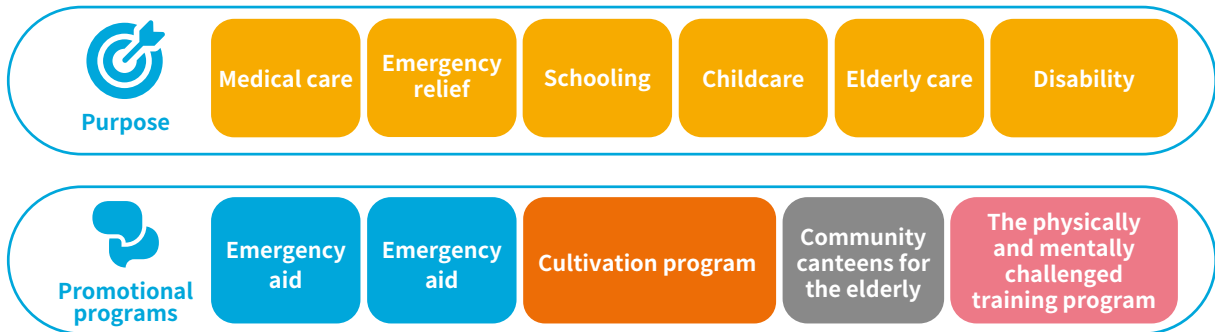


Seminar held at the National Science and Technology Museum



5.2 Care for the Disadvantaged

The Social Welfare and Charity Foundation is committed to focusing on social needs in line with related government policies and plans. To help the disadvantaged in society, we continue to promote the six major purposes : disability, emergency relief, medical care, schooling, childcare, and elderly care through the Group's core expertise and abundant resources to fulfill our social responsibility, creating a better society.



5.2.1 Emergency Aid

Since establishment in 1978, the Uni-President Social Welfare and Charity Foundation (Foundation) provides immediate aid to victims of accidents through donations, supplies and medical resources, with 43,217 families benefiting from the emergency aid program. A total of NT\$7,439,000 was invested in 2020, benefiting 710 families. In 2020, with a total investment of NT\$33,000, the Foundation visited 83 families in need. In 2017, we initiated the “in kind donation” program, which was a joint effort with the Social Affairs Bureaus of 20 counties and cities. Through the media, it effectively links to the recipients and their families. In 2020, a total of NT\$4,121,000 was invested, benefiting 24,241 families.



Visit in Chiayi



Visit in Kaohsiung



Visit in Tainan



Visit in Hualien

5.2.2 Cultivation Program

To respond to changes in the social environment and to solve poor learning and low academic achievement issues for students from disadvantaged families in rural areas, the Foundation sponsors three major aspects : afterschool program, scholarships and talent development, to make up for insufficient family and school education. By providing school children with full learning and support, we also motivate their learning drive to achieve their goals. In 2020, a total of NT\$3,000,000 was invested in the implementation of the afterschool program for disadvantaged schoolchildren in rural areas covering 14 classes in Tainan, Kaohsiung, Pingtung and Chiayi, benefiting 656 schoolchildren. The Foundation also provided a total of NT\$409,000 in scholarships to 162 schoolchildren in recognition of their excellent academic performances and to help increase their self-learning motivation. In addition to basic academic aid, we also invest in resources through our diverse talent cultivation and development plan. By developing schoolchildren's capabilities, we hope to help them find where their passions lay in order to create a more diverse future. In 2020, the Foundation invested in NT\$1,175,000 in 12 schools in Tainan city, Kaohsiung city and Pingtung county. The fund was used for talent development support of schoolchildren in western coastal rural areas, providing Shigu, table tennis, and ocarina courses, which saw benefits to 800 schoolchildren.

E-cultivation

With the impact of the virus in 2020, it has forced a change in the educational delivery model of the physical classroom, while remote teaching has become one of the mainstream options for education delivery. Given that there is a large gap between schoolchildren in the rural and urban areas with regards to digital learning in information education, coupled with the outbreak, some schools in urban areas have initiated e-learning. However, as there are few resources for schools in rural areas and afterschool students, there is a great difference in terms of the gap between schoolchildren in rural areas and urban areas. As a means to narrow the gap and improve the learning competitiveness of schoolchildren in rural areas, in May 2020, the Foundation worked with Uni-President and gathered 30 computers that were going to be eliminated, while additionally purchasing fifteen 19-inch monitors for the afterschool classes in rural areas. Given that remote teaching has become one of the mainstream options for education delivery, we plan to collaborate with Hanlin Culture & Education Foundation to provide E-based afterschool classes.



Afterschool class for indigenous people in Tainan



Yang-Ai afterschool class in Pingtung



Fei-Yang afterschool class in Kaohsiung



Afterschool class in Lucao, Chiayi

Meanwhile, the Foundation also pays attention to the nutritional intake of students from disadvantaged families, and has launched the “Nutritional Lunch Program.” The Program provides Ruisui Fresh Milk and Original Soymilk to schools with less than 50 students in rural areas of Chiayi, Tainan, Kaohsiung, Pingtung, and Yunlin. This enables schoolchildren to concentrate on schoolwork and grow healthily and happily without having to worry about their nutritional intake. In 2020, the Foundation provided nutritional lunch beverages to 230 schools, with an investment of NT\$9,693,000, reaching 7,305 disadvantaged schoolchildren.



To encourage and cultivate outstanding university students from poor backgrounds, since 2016, we have been providing scholarships that enable the students to concentrate fully on their studies, and to later give back to society in appreciation of the help they have received. Each year, 40 university students are benefited from an investment of NT\$1,960,000.



2020 – the 5th year



Half-day trip to motivate afterschool children



Scholarships are provided to advanced afterschool children for encouragement

5.2.3 Community Canteens for the elderly

To improve the care of low-income households and elderly living by themselves in rural communities, we promote eating with the elderly by combining community care centers, further reducing the burden on the social economy and medical environment. In line with the National ten-year Care Plan 2.0 initiated by the Ministry of Health and Welfare, we provided the elderly with a canteen in 2018, encouraging them to go out and gather in the community. Eating together promotes interaction and enhances interpersonal relationship, further improving health and life care. In 2020, we donated a total of NT\$1,505,000 to 25 communities, benefiting 1,065 seniors. Despite the impact of the outbreak in 2020, the Foundation did not fail the expectation of the elderly. It held two outdoor cooking demonstrations where chefs of Uni-President cooked 10 dishes in 14 community canteens. While ensuring prevention measures were in place, the elderly were also able to enjoy delicious food.



5.3 Connecting Uni-President Group to Expand Influence

5.3.1 Preloved Clothing

As this meaningful event enters its tenth year, the Group joined hands with 17 affiliated companies including 7-Eleven, Ton Yi, Ttet Union, ScinoPharm, Mech Smile, President Packaging, Uni-President Lions, and Uni-Wonder Corporation. Twenty-one recycling stations were set up and the Group's "Preloved Clothing" second-hand clothing and materials welfare scheme was jointly held together for disadvantaged groups all over Taiwan. From preparation, sorting to packing, this event took nearly two months. We encourage our employees to cherish what they own but at the same time pass on new or old winter and summer clothing that no longer fits them to organizations in need. At the same time, we also worked with our brand Baby Dog and encouraged our colleagues to donate the second-hand blankets that they no longer need for the wintertime for dog welfare organizations. 42,000 pieces of clothing and 340 used blankets were collected by the welfare event. The children with slow development of the Rui-en Recovery Home helped unpack the boxes and sorted the clothing according to gender and age, and used blankets for social welfare NPOs. During the process, we also assisted these children with slow development in practicing unpacking and sorting. A total of 30 groups received the donations including Hsinchu Shih Kuang House of Correction, Indigenous People Sustainable Development Association, Tainan Long Qi House of Correction, St. Raphael Opportunity Center, TACDEI, Hualien Qowgan Tribe Sustainable Development Association, stray dog welfare associations, and private dog kennels. In addition, the distribution of the donations was delivered by Uni-President's T-Cat delivery service to NPOs.



5.3.2 Stray Dog Concern Initiative

Uni-President's dog feed brand Baby Dog has been helping many stray dog welfare associations and dog kennels. Caring for stray dogs has been our longstanding unspoken mission and we also provide dog feed to stray dog lovers. During the process, Baby Dog understands that it is not easy for stray dogs to survive and that people caring for stray dogs are in a difficult situation. Based on this notion, we invest in marketing resources to help stray dog kennels to collect feed to ensure the survival and development of stray dog welfare organizations. At the same time, we established Baby Dog as a business model to solve stray dog issues, while also making profits. In 2020, we once again called out to the public with regards to the survival crisis of stray dogs in Taiwan. Moreover, Baby Dog collaborated with Twelve Nights 2, an animal protection documentary film, to emphasize the importance of stray dog care issues to people. In 2020, Baby Dog also co-organized the "Preloved Clothing" scheme with the Foundation, encouraging colleagues to donate unwanted used blankets to welfare dog kennels for winter. In 2020, the event saw benefit of approximately 1,200 people in 21 NPOs and 9 kennels. In addition, Baby Dog also worked with Starbucks and initiated a limited welfare event of "get a buy-one-get-one free voucher" when donating feed to stray dog charities. In the future, Baby Dog will continue to link with the Group's influence and help in stray dog issues with more diversified solutions.

5.3.3 Carnival for Senior Citizens and Children

In the midst of the pandemic outbreak in 2020, the world needed a comforting force. The Foundation joined hands with Uni-President, 7-Eleven, President Securities, ScinoPharm, and Uni-President Lions as well as other five units to jointly organize the Carnival for Senior Citizens and Children to care for the elderly and schoolchildren of rural areas. The apple-lighting was the highlight of the event as apple symbolizes “safe results.” Through the apple-lighting ceremony, senior citizens and children in rural areas jointly prayed for the safety of Taiwan and the world, while getting the feel that there is love everywhere in society. The event saw 400 participants. When the event came to an end, the senior citizens and children were given gifts to take home.



5.3.4 Fun Learning Experience Camp

As the Foundation is committed to the health and happiness of schoolchildren of rural areas, it began sponsoring the Fun Learning Experience Camp since 2019. The sponsorship includes the nutrition program, teacher qualifications for talent classes, afterschool classes, meals, and scholarships. In 2020, a total of NT\$183,000 was invested in 2 sessions of 2-day Fun Learning Experience Camp organized for 151 schoolchildren from 4 talent schools. The Camp collaborated with four internal companies of the Group: Uni-President, 7-Eleven, President Fair Development, Tung Ho Development, and treated these schoolchildren to beautiful scenic spots in Southern Taiwan. These places included Uni-Resort in Kenting, Dream Mall in Kaohsiung, the National Museum of Marine Biology & Aquarium, and the Eluanbi Lighthouse. The children had an unforgettable Mid-Autumn Festival holiday through cultural and creative experience activities and the group trip. The aim of the Fun Learning Experience Camp is to learn and have fun, in the hope that the children will broaden their horizons and set an example for future schoolchildren in rural areas.

■ 統一渡假村



Being at the Uni-Resort was my favorite thing in the world! Everyone in our class gathered in our room chatting not only about the present, but also the future. At that moment, I realized we loved each other just like family.



5.3.5 Campus Seminar

Starting from 2016, we began to hold the university campus tour “Value Concept Conveyance.” The seminar focuses on cultivating future leaders in terms of their vision and basic qualities, so as to encourage young people to participate in public affairs. Our high-level management, including Uni-President’s Director Lin Tsang-Sheng, Director Lin Chung-Sheng, General Secretary Tu Chung-Cheng, and Uni-President Lions’ General Manager Su Tai-An enthusiastically shared their experience in life. They visited universities in north, central and south Taiwan to share with students their experience in the development of their career. They also elaborated on how they adapted themselves in their attitude, helping the graduating students with the development of their career, extension of their vision, while increasing their self-value. A total of six seminars were held in 2020, reaching over 1,200 students.



About This Report

This report is prepared in accordance with the “Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies” and the Global Reporting Initiative (GRI) GRI Standards, and includes strategic guidelines such as complementary indicators for food manufacturing. With the 5 orientations, including to build an enterprise on transparency and integrity, create a safe and healthy food culture, commit to sustainable environment, build a healthy and happy workplace, and create a healthy and happy tomorrow, we will disclose Uni-President’s views and countermeasures in the face of material issues during sustainable development.

■ Reporting period, boundary and scope

The main period of the published data in this report is from January 1, 2020 to December 31, 2020, with part of the data tracing back to related performances before 2020. The scope of this report is mainly focused on Uni-President’s businesses in Taiwan, including the 5 general factories in Yongkang, Xinshi, Taichung, Yangmei, Zhongli, and Hukou. During the period of this report, there was no significant change in the company’s scale, structure or ownership, with no material impacts on the status of the report.

We plan to gradually include our overseas businesses into the reports in the future to present comprehensive information related to the Group’s corporate social responsibility. Please refer to p.148-p.158 in our 2020 Annual Report for details regarding the Group’s structure.

The financial information provided in this report, denominated in NTD, has been audited by the CPA and is published in the annual report for the general shareholder’s meeting. All non-financial data is provided by relevant internal departments. The data was then compiled in accordance with requirements of GRI Standards and indicators to reflect Uni-President’s performance. Adhering to the GHG emission inventory standard with respect to ISO 14064-1. The data for each indicator was collected, measured and calculated according to local regulations. International standards (such as ISO) are used where no local regulations apply. If there are no international standards available, then industry or applicable standards are used. The index in the report is compiled with only material issues identified, information on other topics are supplementary to our performance results of sustainable development.

■ External assurance

Uni-President has engaged PwC Taiwan to conduct independent limited assurance on the information (including the 4 general factories located in Yongkang, Xinshi, Yangmei and Zhongli, as well as the Hukou plant) of this report in accordance with the Assurance Standard No.1 “Assurance Engagement of Examinations or Audits of Non-historical Financial Information” issued by the Accounting Research and Development Foundation. The assurance report can be found in the appendix of the report.



Publication

Uni-President publishes the CSR report annually on our company website at <http://www.uni-president.com.tw/CSR/index.html>

- 2020 CSR report issuance date : August, 2021
- 2019 CSR report issuance date : August, 2020

Contact

- Marketing planning office of Uni-President Enterprises Corporation
- Tel : +886-253-2121
- Email : public@mail.pec.com.tw

Some of the Group's publicly listed subsidiaries now regularly publish their own CSR report. For more information, please scan the QR Code provided below to download their CSR reports.

7-ELEVEN



Ton Yi



Tait



ScinoPharm



Appendix 1 ESG Information

TFDA- and TAF-Certified Laboratories

2020 TAF- and TFDA-Certified Laboratories

	Food Safety Laboratory of the Food Safety Center	QC Laboratories				
		Yongkang QC Lab	Xinshi QC Lab	Zhongli QC Lab	Yangmei QC Lab	Hukou QC Lab
TAF (ISO 17025)	V	V	V ^{Note 1}	V ^{Note 2}	V	V
TFDA	-	V	V	V	V	V

Note 1: The QC Laboratory at Xinshi Plant was valid until January 8, 2020; it was recertified on May 20, 2020. During the extension period, all test results were validated by external audits to confirm their validity.

Note 2: The QC Laboratory at Zhongli Plant was valid until December 16, 2019; it was recertified on May 20, 2020. During the extension period, all test results were validated by external audits to confirm their validity.

List of TFDA- and TAF-Certified Items

Laboratory	Food-related tests		Food-related test
	TFDA-certified Items ^{Note 2}	TFDA-certified Items ^{Note 3}	TAF-certified Items
Food Safety Laboratory of the Food Safety Center	NA ^{Note 1}	<ul style="list-style-type: none"> • β2-agonists – 21 items • Tetracyclines – 7 items • Chloramphenicol – 4 items • Plasticizers – 18 items • Aflatoxin – 5 items • Heavy metals – 12 items • Nitrofurans metabolites – 4 items • Pesticides – 380 items • Antibiotics and their metabolites – 16 items • Anticoccidial drugs – 5 items • Antioxidants – 11 items • Animal drugs – 48 items 	<ul style="list-style-type: none"> • Heavy metals – 8 items (Applicable to environmental water)
QC Laboratories (Yongkang/Xinshi/Zhongli/Yangmei/Hukou)	<ul style="list-style-type: none"> • Microorganisms 16 items • Moisture – 2 items • Crude ash – 2 items • Caffeine 1 item • Solids – 1 item 	<ul style="list-style-type: none"> • Microorganisms 32 items • General ingredients 14 items • Preservatives – 17 items 	<ul style="list-style-type: none"> • Microorganisms – 1 item (Applicable to aquatic feed products)

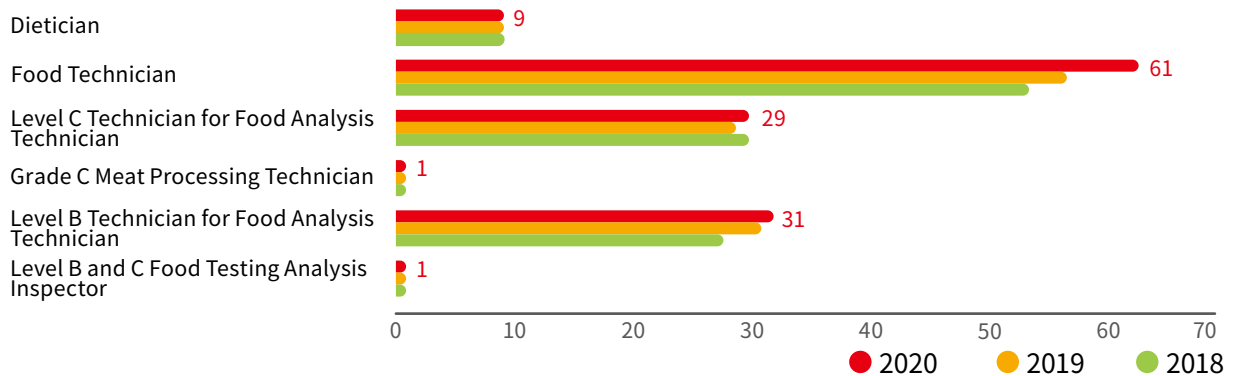
Note 1: The Food Safety Laboratory of the Food Safety Center has been certified by both the TAF and TFDA for nitrofurans metabolites and chloramphenicol. However, taking into account that TAF is more widely recognized internationally, after the TFDA certification expired in 2019, we stopped applying certifications for antioxidants, nitrofurans metabolites and chloramphenicol from the TFDA.

Note 2: All laboratories added new TIDA-certified items in 2020 – Xinshi Plant : Solids – 1 item, crude ash – 1 item; Hukou Plant : Microorganism – 2 items.

Note 3: All laboratories added new TAF-certified items in 2020 – Yangmei Plant : Microorganism – 1 item. Items deleted in 2020 – Xinshi Plant : Microorganism – 1, Yangmei Plant : Microorganism – 1 item, ingredient (melamine) – 1 item.

Food Safety-related Certificates and Licenses

Professional Licenses and Certificates for the Past Three Years



Latest Verification of the Management System of Each Plant

Certification	Plant	Date of Acquisition of the Certification and its Validity
ISO 50001 : 2011	Hukou plant	2018/9/19~2020/10/06
ISO 14001 : 2015	Yongkang General Plant	2019/12/24~2022/12/23
	Xinshi General Plant	2020/12/12~2023/12/11
	Taichung General Plant	2019/12/24~2022/12/23
	Yangmei General Plant	2018/12/15~2021/12/14
	Zhongli General Plant	2019/2/5~2022/2/4
	Hukou Plant	2020/2/6~2023/2/5
ISO 22000 : 2005 FSSC 22000	In 2020, all plants attained the ISO 22000 and FSSC 22000 food product certifications	

In 2020, ISO 22000 and FSSC 22000 Food Product Certifications Attained by all Plants

Yongkang General Plant 1 and Plant 2 :

Certification	Corresponding General Plants	Chinese Certificate/Translation	Certificate Validity
ISO 22000 ISO 22000	Yongkang General Plant 2	Edible soybean oil (plastic bottle)	2023/12/20
FSSC 22000	Yongkang General Plant 2	Ready-to-eat chow mein (including instant noodles in bags, snacks and bowls), with seasonings, sauces and meat seasoning pouches	2022/05/05
		Packets or bowls of non-fried life noodles, with seasonings, sauces and meat seasoning pouches	
		Dried uncooked noodles	
	Yongkang General Plant 1	Wheat flour	2021/06/29
Yongkang General Plant 2	Life noodles (including in bags/bowls, seasonings/sauces in bags)	2023/04/05	

Note : Life noodles are instant noodles.

Xinshi General Plant :

Certification	Chinese Certificate/Translation	Certificate Validity	
FSSC 22000	Refrigerated non-carbonated beverages, including tea beverages, coffee and cereal beverages in cartons.	2022/04/11	
	Coffee beverages in glass		
	Cereal beverages in plastic bottles		
	Refrigerated fresh milk, dairy beverages and fermented milk in plastic bottles		
	Fermented milk in plastic bottles		
	Refrigerated fresh milk and dairy beverages in carton		
	Refrigerated fresh milk, flavored milk in glass		
	Refrigerated crème caramel in plastic cups		
	Non-alcoholic (non-carbonated) beverages in cartons		
	Non-alcoholic (non-carbonated) sterile beverages in PET bottles		
	Refrigerated sausages in plastic bags		
	Frozen cooked sausages in plastic bags		
	Frozen cooked ham in plastic bags		
	Frozen cooked hot dogs in plastic bags		
	Frozen dumplings		2023/03/16
	Frozen cooked meatballs		
Refrigerated cooked dumplings and buns	2023/03/15		
Ice cubes in plastic bags			
Slushy in plastic cups			
Ice lollies in plastic bags			
	Ice cream in cups and tubs		



Yangmei General Plant :

Certification	Chinese Certificate/Translation	Certificate Validity
FSSC 22000	Refrigerated milk, flavored milk in cartons	2021/03/30
	Refrigerated fresh milk, flavored milk and fermented milk in PE bottles	
	Refrigerated fresh milk, flavored milk in PP cups	
	Non-alcoholic (non-carbonated) beverages in cartons	
	Refrigerated non-alcoholic (non-carbonated) beverages in PP cups	
	Refrigerated non-alcoholic (non-carbonated) beverages in PET bottles	
	Refrigerated crème caramel in PP cups	
	Refrigerated soy milk in PE bottles	
	Non-alcoholic (non-carbonated) beverages in cartons	
	Non-alcoholic (non-carbonated) sterile beverages in PET bottles	
	Drinking water, mineral water and alkaline water in plastic bottles	2021/04/18
	Edible ice	Note

Note : Plants that make edible ice cubs are Hukou Ice Cube Plant (2023/4/5) and Wugu Ice Cub Plant (2021/7/2).

Zhongli General Plant :

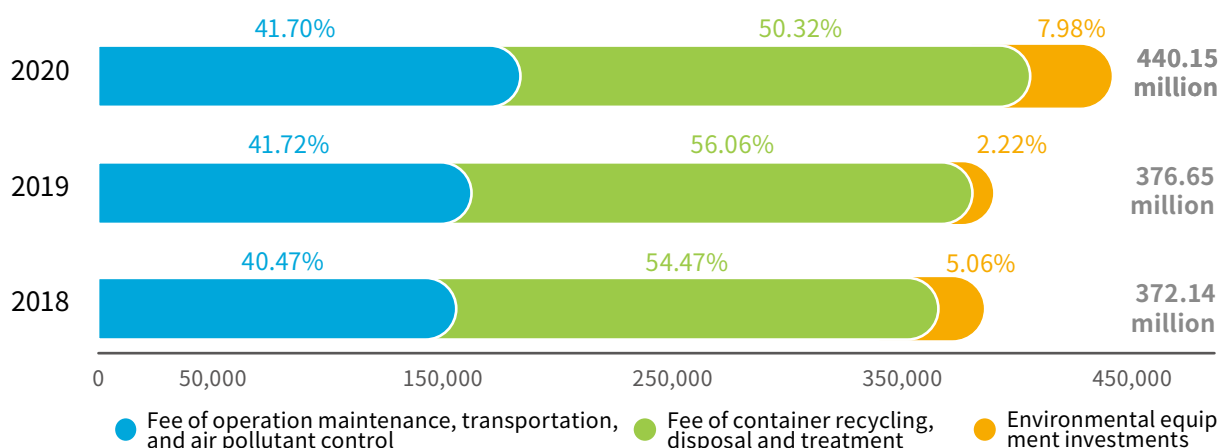
Certification	Chinese Certificate/Translation	Certificate Validity
FSSC 22000	Preservable loaf	Note
	Preservable bread, baked cake (vanilla cake and sponge cake), croissants, muffins and steamed cake	2024/01/08
	Frozen cake (cheesecake) and frozen croissant sandwiches	
	Frozen doughs	
	Preservable bread	2024/01/23
	Preservable sandwich	

Note : Plants that make preservable loaves are Hukou Plant (2023/4/5) and Madou Bread Plant (2024/1/23).

Diverse Health Products

Year	2018	2019	2020
Sugar-free or no additional sugar products	15	21	23
Products containing sodium not more than 2,000 mg per serving	32	30	31

2020 Environmental Expenditures

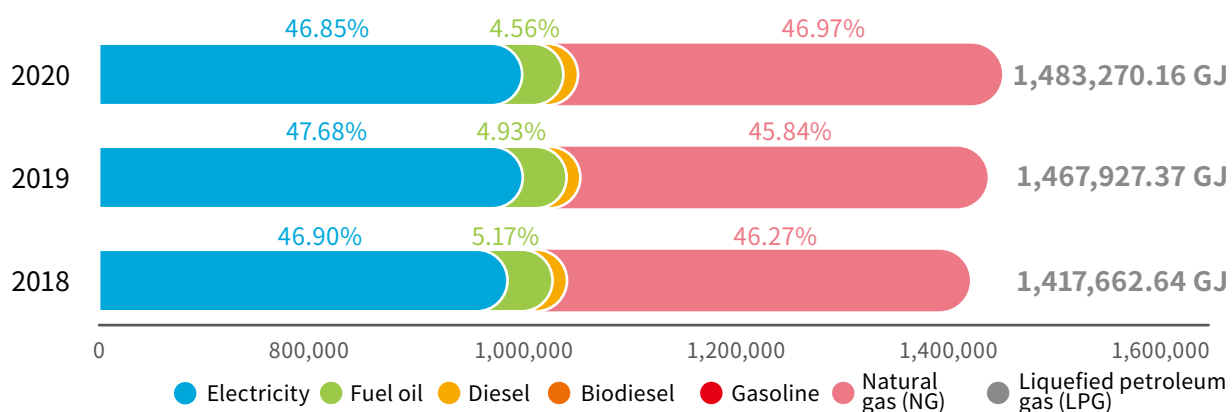


Energy Consumption

Item	Subitem	Unit	2018	2019	2020
Non-renewable energy use	Electricity	thousand kWh	184,652	194,398	192,982
	Fuel oil	Kiloliter	1,823	1,800	1,682
	Diesel		538	522	552
	Biodiesel		0	0	0
	Gasoline		134	125	139
	Liquefied petroleum gas (LPG)		11	10	6
	Natural gas (NG)	thousand m ³	19,583	20,090	20,800
Self-generating green power	Solar PC power generation	kWh	10,041	8,605	8,169
	Wind power		75	70	0

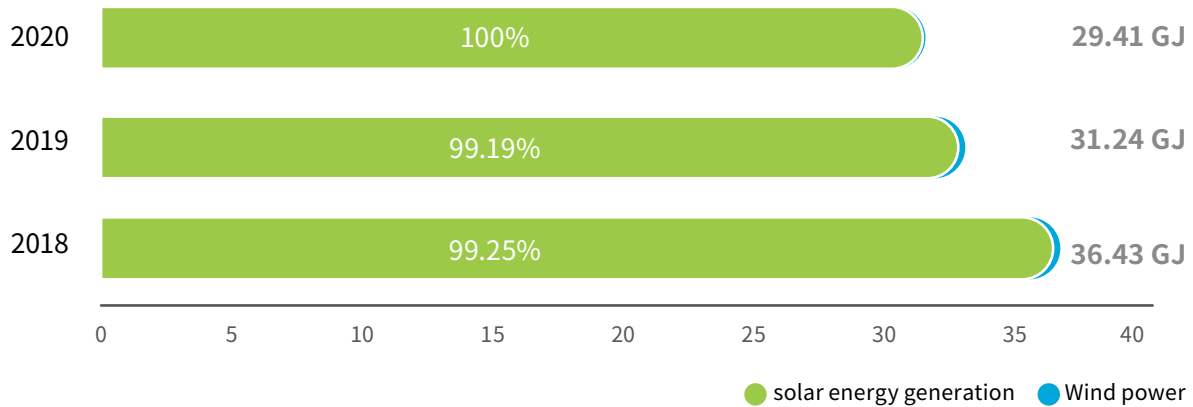
Note: The purchased energy is calculated according to the bill, while self-produced energy is calculated according to the meter reading result.

Non-renewable Energy Consumption (GJ)



Note: The calorific value conversion factor is based on the latest calorific value of energy products announced by the Bureau of Energy of the Ministry of Economic Affairs.

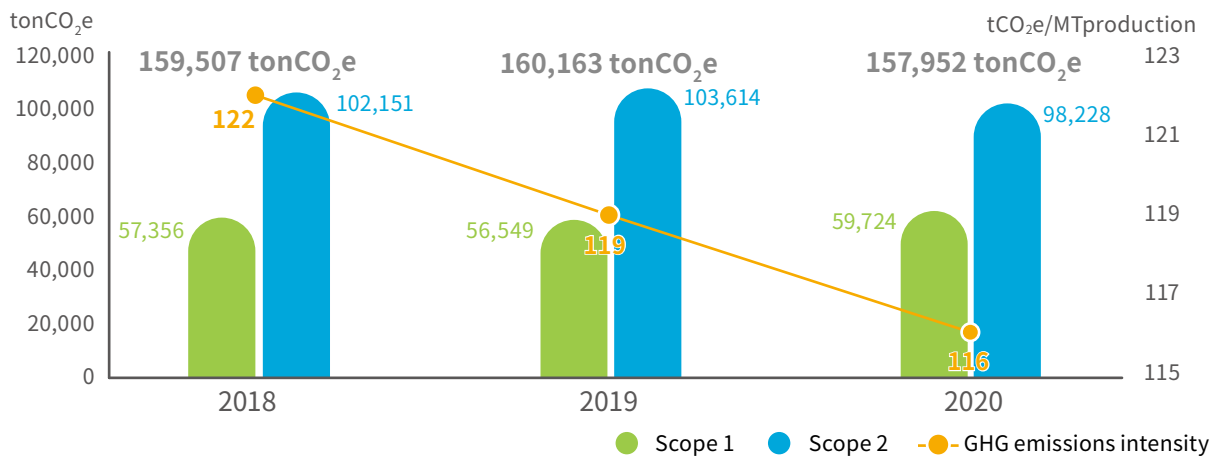
Renewable Energy Generation



Note:

1. In 2020 wind power generation was used, as the equipment did not generate electricity. It has been planned that renewable energy equipment used at the plant will be installed to meet the legal obligations in the next five years.
2. The calorific value conversion factor is based on the latest calorific value of energy products announced by the Bureau of Energy, Ministry of Economic Affairs.

GHG emissions



Note:

1. The scope of inventory included Yongkang General Plant, Xinshi General Plant (including the ice product plant and cold food plant), Taichung General Plant, Yangmei General Plant (including Ruifang Mineral Water Plant) and Zhongli General Plant (including Madou Bread Plant), TMR, logistics warehouses, Taipei branch, and Hukou Plant. As required by ISO 14064-1, the data inventory was conducted using the operational control approach.
2. Types of GHG covered: CO₂, CH₄, N₂O, HFCs, SF₆.
3. With reference to Taiwan's GHG management policy, with 2005 set as the base year, the total carbon emissions of Scope 1 and Scope 2 were 236,527 metric tons of CO₂e.
4. The carbon emission factor is based on the GHG emission factor announced by the Bureau of Energy, Ministry of Economic Affairs. Note: In terms of electricity emission factors, as the Bureau of Energy has not announced the 2020 emission factor in the statistical period, we calculated the carbon emissions in 2020 based on the 2019 factor of 0.509 kgCO₂e/kWh. Data announce for other years were based the data announced the same year.
5. The 2019 CSR report erroneously reports on the units of the GHG emissions intensity, the correct unit of the GHG emissions intensity is kgCO₂e/Ton production.

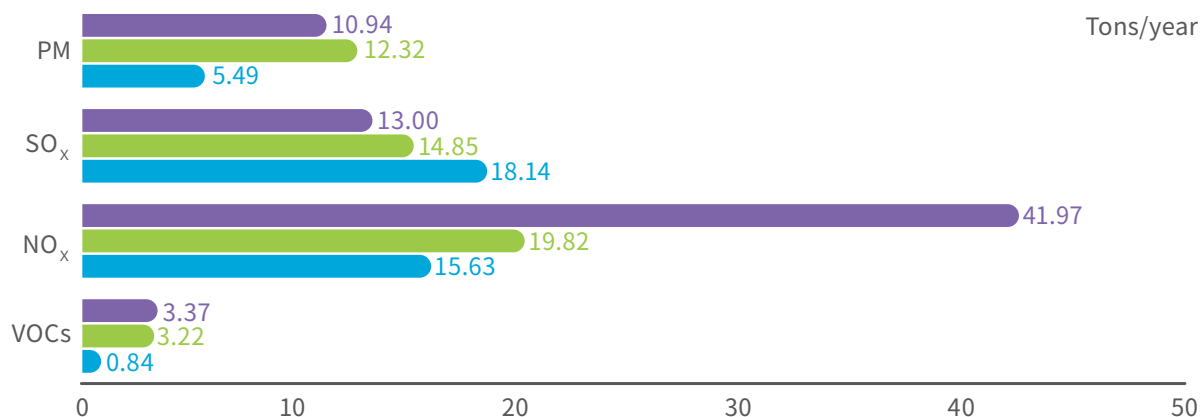
Water Resource Use

Item	Subitem	Plant	Unit	2018	2019	2020
Water withdrawal	Surface water (spring water)	Ruifang Mineral Water Plant	Million liters	139	143	159
	Surface water (canal water/ reservoir water)	Xinshi General Plant		706	372	295
	Underground (well water)	Yangmei General Plant, Yongkang General Plant, Hukou Plant		31	18	23
	Third-party water (Municipal water)	Yongkang General Plant, Xinshi General Plant, Hukou Plant, Yangmei General Plant, Zhongli General Plant, and Taichung General Plant		3,499	3,629	3,721
	Total water withdrawal			4,375	4,162	4,199
Water discharge volume (surface water)	Wastewater discharge covering Yongkang General Plant, Xinshi General Plant, Taichung General Plant, Yangmei General Plant, Zhongli General Plant, and Hukou Plant		Million liters	3,083	3,191	3,237
Water quality	Average COD concentration		mg/L	34.07	32.87	32.68
	BOD			8.81	9.54	9.16
	COD equivalent reduction		Thousand tons	5.18	4.65	7.36
	Average COD equivalent reduction		%	98.01	97.80	98.58

Note:

- All water types are fresh water ($\leq 1,000$ mg/L TDS) Note : Municipal water supply is calculated according to the annual water bill, whereas surface water and ground water are calculated according to the meter reading.
- According to the Aqueduct Water Risk Atlas developed by the World Resources Institute, Taiwan is not a global water stressed area. Our internal assessment suggests that none of our plants are located in a high water-risk area; however, Yongkang Plant and Xinshi Plant were listed as being located in moderate water-risk areas this year.
- According to the location of each plant, wastewater is discharged in the sewage treatment plant of the industrial park or into the natural water body. Yongkang General Plant, Xinshi General Plant – Yanshui River; Yangmei General Plant – Shezi River; Hukou Plant – Xinfeng River; Taichung General Plant – sewage treatment plant of Taichung Industrial Park; Zhongli General Plant – sewage treatment plant of Zhongli Industrial Park.
- Wastewater discharge volume is based on the meter reading result and it must be classified as other water ($>1,000$ mg/L total dissolved solids) and that it is not being used by other organization. Moreover, according to the Aqueduct Water Risk Atlas developed by the World Resources Institute, Taiwan is not a global water stress area. Our internal assessment suggests that none of our plants are located in a high water-risk area; however, Yongkang Plant and Xinshi Plant were listed as moderate water-risk areas this year via an internal comprehensive assessment.

Historical Air Pollution Emissions



Note:

- All types of gas emissions were calculated according to the actual data of the site.
- As we were in the transition period of converting oil-fired boilers to natural gas boilers in 2019, we did not include the NO_x emissions from the converted natural gas boilers in the calculation at the time. With related data being added in the calculation in 2020, the NO_x emissions increased by 22.15 metric tons from last year.

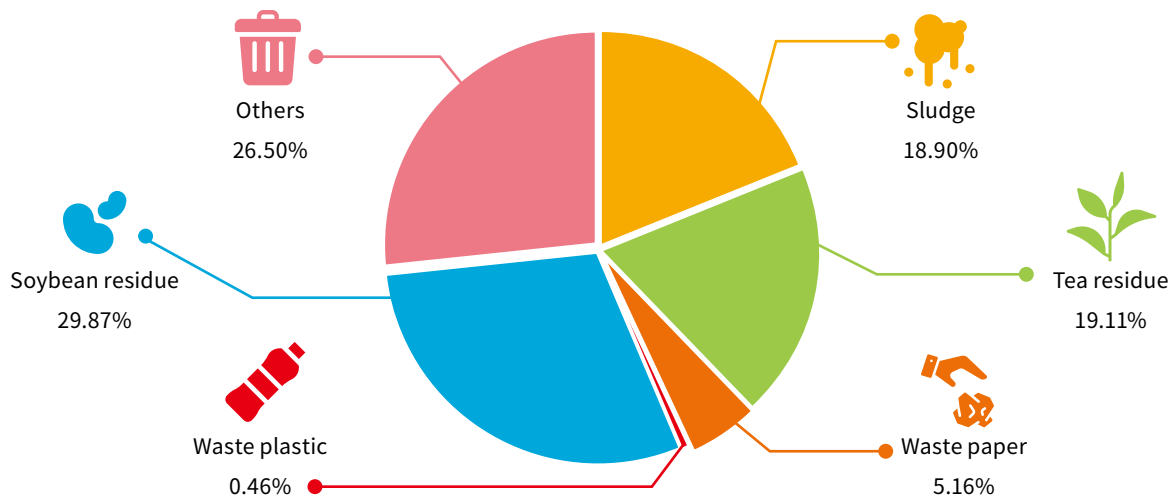
Waste Output and Treatment Over the Years

	Unit	Treatment method	2018	2019	2020
General waste	Tons	Incineration	1,440	1,535	1,540
Recyclable waste		Composting, recycling	34,788	36,704	36,357
Hazardous waste		Incineration	2	3	3
Total waste		-	36,230	338,242	37,900

Note:

1. Waste treatment is handled by an outsourced vendor.
2. Waste disposal methods are acquired through contracts entered with outsourced vendors or waste filing information.

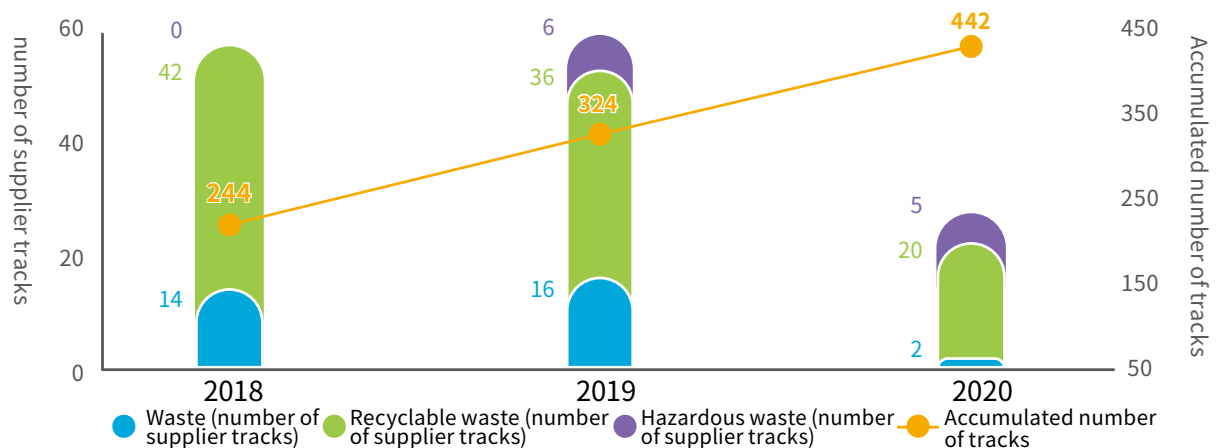
2020 Ratio of Recyclable Waste by Type



Note:

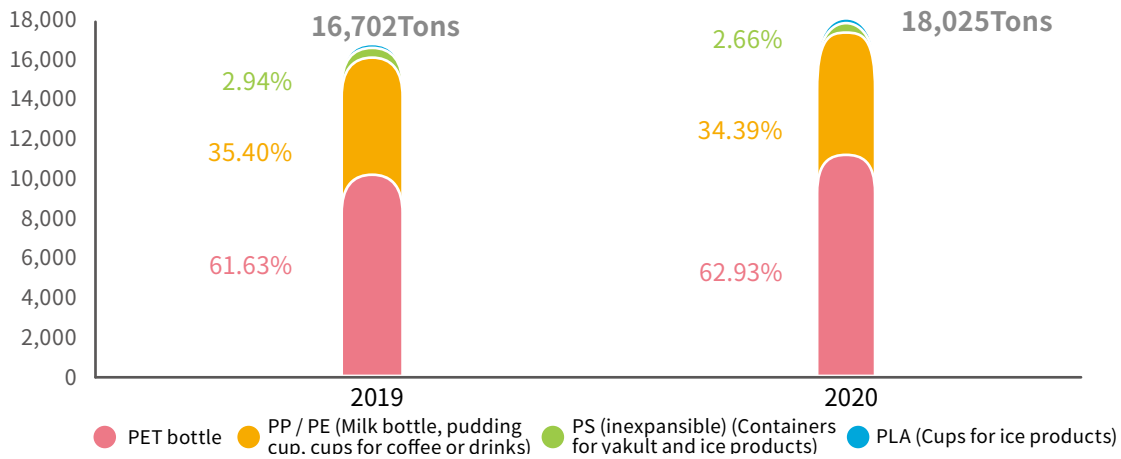
1. Recyclable waste for this year totaled 36,357 metric tons.
2. Waste disposal methods may be acquired through contracts entered with outsourced vendors or waste filing information.

2020 Record of flow tracking of waste and recyclable waste



Note: In 2020, without breaching the Company's Waste Management Measures that at least one visit to the waste treatment facility must be performed each year, due to COVID-19, the number of inspections decreased compared to last year. However, it did not affect waste treatment results and all waste treatment facilities passed the inspection this year.

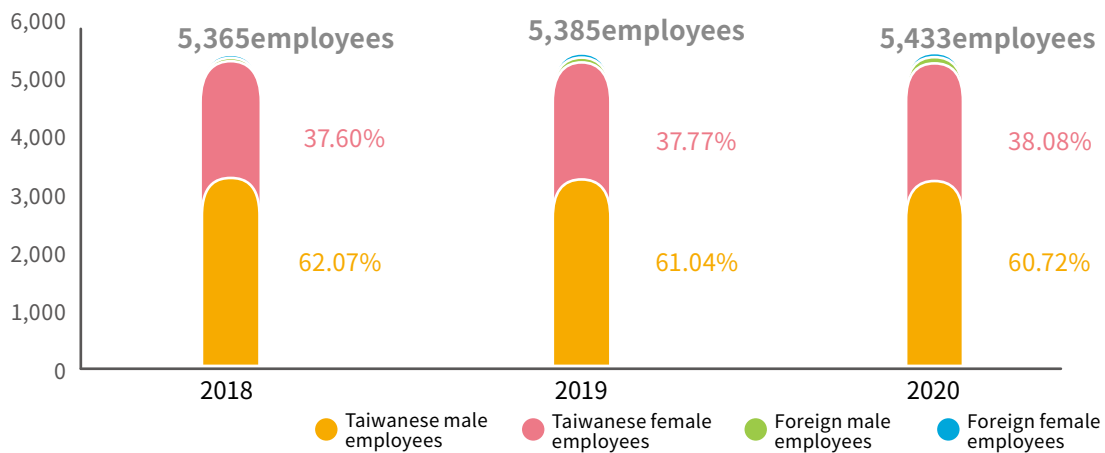
Plastic Use in Products over the Years



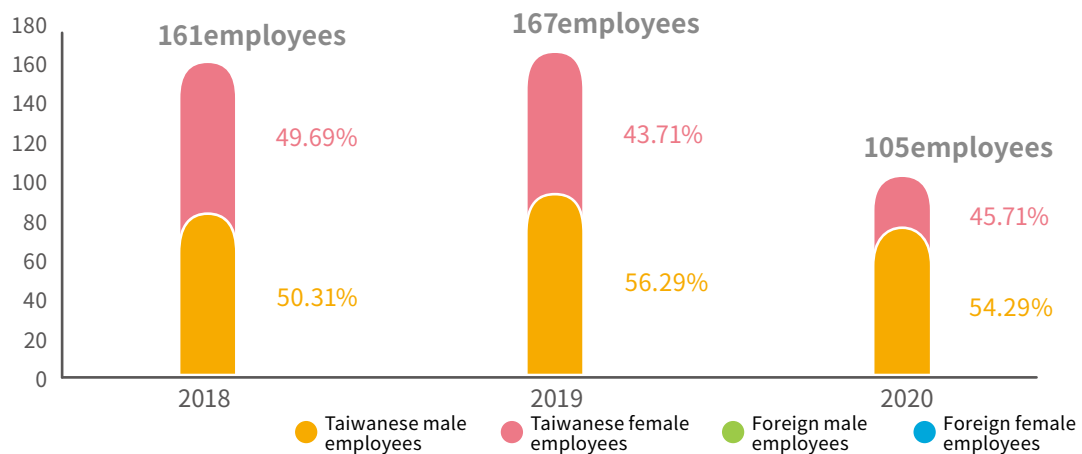
Note:

- In 2019, PLA ice cups accounted for 0.03% of plastic use, and 0.02% in 2020.
- The plastic use in products increased in 2020 from 2019 was primarily due to the increased product output.

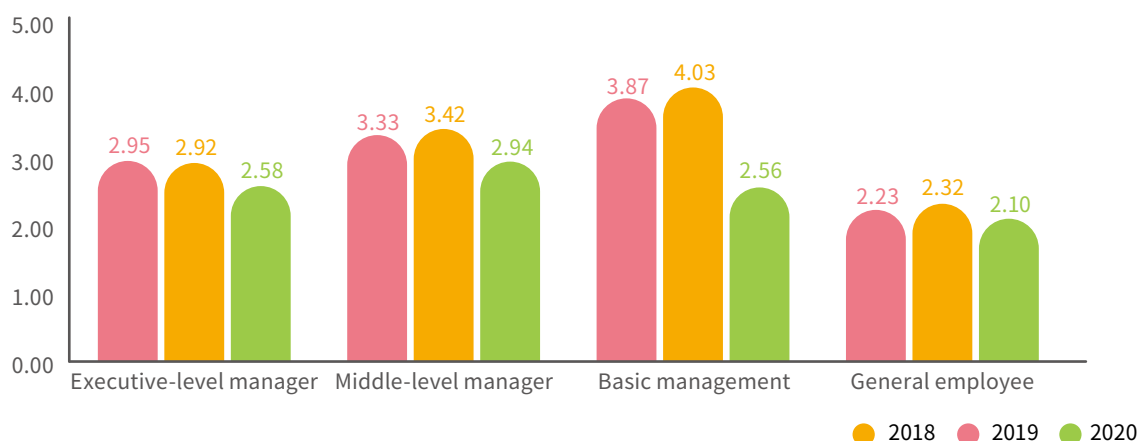
No. of Full Time Employees



No. of Part Time Employees



Average Employee Training Hours over the Past Years



Occupational Safety and Health Statistics for Workers of Uni-President

Year	2018	2019	2020
Total hours worked (unit : hours)	11,700,545	11,478,932	11,569,066
Persons affected by general occupational injury ^{Note 1}	1	9	5
Persons affected by severe occupational injury ^{Note 2}	1	0	0
No. of deaths	0	0	0
Total number of recordable occupational injuries (persons)	2	9	5
Deaths caused by occupational injuries ^{Note 3}	-	-	-
Rate of severe occupational injuries ^{Note 4}	0.09	-	-
Rate of recordable occupational injuries (Disabling Frequency Rate) ^{Note 5}	0.17	0.78	0.43
Disabling injury frequency rate of the food and feed manufacturing industry ^{Note 8}	2.32	2.28	2.71 ^{Note 9}
Disabling injury severity rate ^{Note 6}	31.96	22.82	41.40
Disabling injury severity rate of the food and feed manufacturing industry ^{Note 8}	120.00	107.00	74 ^{Note 9}
Frequency-severity indicator ^{Note 7}	0.07	0.13	0.13
Frequency-severity indicator of the food and feed manufacturing industry ^{Note 8}	0.53	0.49	0.45 ^{Note 9}

Note 1 : Those with less than 180 lost workdays.

Note 2 : Those (excluding fatalities) with more than 180 lost workdays.

Note 3 : Rate of deaths caused by occupational injuries = No. of deaths*1,000,000/total hours worked.

Note 4 : Rate of severe occupational injuries = Persons affected by severe occupational injuries*1,000,000/total hours worked.

Note 5 : Rate of recordable occupational injuries = Total number of recordable occupational injuries (persons)*1,000,000/total hours worked.

Note 6 : Disabling injury severity rate = Lost days*1,000,000/total hours worked.

Note 7 : Frequency-severity indicator (FSI)= $\sqrt{\text{Injury frequency rate (FR) * Injury severity rate (SR)}}$ /1,000.

Note 8 : As the number of non-employee workers is not significant, occupational safety performance related information is not disclosed.

Note 9 : Frequency-severity indicator for 2018-2020 is published according to Occupational Safety and Health Administration, Ministry of Labor.

Appendix 2 GRI Standards Content Index

Topic	Disclosure Title	Pages	Corresponding Section and Notes	
General disclosure				
GRI 102 : General Disclosures 2016	Organizational profile			
	GRI 102-1	Name of the organization	24	About Uni-President
	GRI 102-2	Activities, brands, products, and services	24	About Uni-President
	GRI 102-3	Location of headquarters	24	About Uni-President
	GRI 102-4	Location of operations	24	About Uni-President
	GRI 102-5	Ownership and legal form	24	About Uni-President
	GRI 102-6	Markets served	24	About Uni-President
	GRI 102-7	Scale of the organization	24	About Uni-President
	GRI 102-8	Information on employees and other workers	84	4.1 Talent Development Management
	GRI 102-9	Supply chain	47-50	2.3 Supplier Management
	GRI 102-10	Significant changes to the organization and its supply chain	106	About This Report
	GRI 102-11	Precautionary Principle or approach	34-37	1.5 Risk Management
	GRI 102-12	External initiatives	23	Foreword Sustainable Management
	GRI 102-13	Membership of associations	25	About Uni-President
	Strategy			
	GRI 102-14	Statement from senior decisionmaker	4-7	Message from the Chairman and President
	Ethics and integrity			
	GRI 102-16	Values, principles, standards, and norms of behavior	27-28	1.1 Transparent and Ethical Enterprise Commitment 1.2 Corporate Governance
	Governance			
	GRI 102-18	Governance structure	28-30	1.2 Corporate Governance
	Stakeholder engagement			
	GRI 102-40	List of stakeholder groups	11-12	Material Topic Analysis and Response
	GRI 102-41	Collective bargaining agreements	88	4.1 Talent Development Management
	GRI 102-42	Identifying and selecting stakeholders	16-17	Stakeholder engagement
	GRI 102-43	Approach to stakeholder engagement	16-17	Stakeholder engagement
	GRI 102-44	Key topics and concerns raised	11-15	Material Topic Analysis and Response
	Reporting practice			
GRI 102-45	Entities included in the consolidated financial statements	106	About This Report	
GRI 102-46	Defining report content and topic Boundaries	106	About This Report	

Topic	Disclosure Title		Pages	Corresponding Section and Notes
GRI 102 : General Disclosures 2016	GRI 102-47	List of material topics	11-15	Material Topic Analysis and Response
	GRI 102-48	Restatements of information	--	The 2019 CSR report erroneously reports on the units of the GHG emissions intensity, the correct unit of the GHG emissions intensity is kgCO ₂ e/Ton production.
	GRI 102-49	Changes in reporting	--	There is no significant change in the reporting boundary and scope compared with the previous report
	GRI 102-50	Reporting period	106	About This Report
	GRI 102-51	Date of most recent report	107	About This Report
	GRI 102-52	Reporting cycle	107	About This Report
	GRI 102-53	Contact point for questions regarding the report	107	About This Report
	GRI 102-54	Claims of reporting in accordance with the GRI Standards	106	About This Report
	GRI 102-55	GRI content index	118-120	Appendix 2 GRI Standards Content Index
GRI 102-56	External assurance	106 123-125 126-127	About This Report Appendix 5 Summary of Information Assured in 2020 Appendix 6 Independent Limited Assurance Report	
Material topics				
Customer Health and Safety				
GRI 416 : Customer Health and Safety 2016	GRI 103-1	Explanation of the material topic and its Boundary	11-15	Material Topic Analysis and Response
	GRI 103-2	The management approach and its components	39 53	2.1 Food Safety Commitment 2.5 Product R&D and Innovation
	GRI 103-3	Evaluation of the management approach	39 53	2.1 Food Safety Commitment 2.5 Product R&D and Innovation
	GRI 416-1	Assessment of the health and safety impacts of product and service categories	39 40-44 51-52	2.1 Food Safety Commitment 2.2 Food Safety Management 2.4 Responsible Production Management
	GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	43	2.2 Food Safety Management

Topic		Disclosure Title	Pages	Corresponding Section and Notes
Regulatory compliance				
GRI 103 : Management Approach 2016	GRI 103-1	Explanation of the material topic and its Boundary	11-15	Material Topic Analysis and Response
	GRI 103-2	The management approach and its components	27 59	1.1 Transparent and Ethical Enterprise Commitment 3.1 Environmental Management Responsibility
	GRI 103-3	Evaluation of the management approach	27 59	1.1 Transparent and Ethical Enterprise Commitment 3.1 Environmental Management Responsibility
GRI 307 : Environmental Compliance 2016	GRI 307-1	Non-compliance with environmental laws and regulations	32-33	1.4 Regulatory Compliance
GRI 419 : Socioeconomic Compliance 2016	GRI 419-1	Non-compliance with laws and regulations in the social and economic area	32-33	1.4 Regulatory Compliance
Ethical management				
GRI 103 : Management Approach 2016	GRI 103-1	Explanation of the material topic and its Boundary	11-15	Material Topic Analysis and Response
	GRI 103-2	The management approach and its components	27	1.1 Transparent and Ethical Enterprise Commitment
	GRI 103-3	Evaluation of the management approach	27	1.1 Transparent and Ethical Enterprise Commitment
GRI 205 : Anticorruption 2016	GRI 205-2	Communication and training about anti-corruption policies and procedures	31	1.3 Ethical Management
	GRI 205-3	Confirmed incidents of corruption and actions taken	--	No such events occurred in 2020
Operational environment management				
GRI 103 : Management Approach 2016	GRI 103-1	Explanation of the material topic and its Boundary	11-15	Material Topic Analysis and Response
	GRI 103-2	The management approach and its components	59	3.1 Environmental Management Responsibility
	GRI 103-3	Evaluation of the management approach	59	3.1 Environmental Management Responsibility
GRI 302 : Energy 2016	GRI 302-1	Energy consumption within the organization	70 112-113	3.2 Climate Change and Energy Management Appendix 1 ESG Information

Topic	Disclosure Title		Pages	Corresponding Section and Notes
GRI 303 : Water and Effluents 2018	GRI 303-1	Interactions with water as a shared resource	73-74	3.3 Water Resources Management
	GRI 303-2	Management of water discharge related impacts	77	3.3 Water Resources Management
	GRI 303-3	Water withdrawal	75 114	3.3 Water Resources Management Appendix 1 ESG Information
	GRI 303-4	Water discharge	77 114	3.3 Water Resources Management Appendix 1 ESG Information
GRI 305 : Emissions 2016	GRI 305-1	Direct (Scope 1) GHG emissions	70 113	3.2 Climate Change and Energy Management Appendix 1 ESG Information
	GRI 305-2	Energy indirect (Scope 2) GHG emissions	70 113	3.2 Climate Change and Energy Management Appendix 1 ESG Information
	GRI 305-4	GHG emissions intensity	70 113	3.2 Climate Change and Energy Management Appendix 1 ESG Information
	GRI 305-5	Reduction of GHG emissions	71	3.2 Climate Change and Energy Management
	GRI 305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	78 114	3.4 Pollution Prevention Appendix 1 ESG Information
GRI 306 : Effluents and Waste 2016	GRI 306-1	Waste generation and significant waste-related impacts	77 114	3.4 Pollution Prevention Appendix 1 ESG Information
	GRI 306-2	Waste by type and disposal method	78 115	3.4 Pollution Prevention Appendix 1 ESG Information
Packaging Material Management				
GRI 103 : Management Approach 2016	GRI 103-1	Explanation of the material topic and its Boundary	11-15	Material Topic Analysis and Response
	GRI 103-2	The management approach and its components	60	3.1 Environmental Management Responsibility
	GRI 103-3	Evaluation of the management approach	60	3.1 Environmental Management Responsibility
Other topics				
GRI 201 : Economic Performance 2016	GRI 201-1	Direct economic value generated and distributed	25	About Uni-President
GRI 308 : Supplier Environmental Assessment 2016	GRI 308-2	Negative environmental impacts in the supply chain and actions taken	47	2.3 Supplier Management

Topic	Disclosure Title		Pages	Corresponding Section and Notes
GRI 401 : Employment 2016	GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	86-87	4.1 Talent Development Management
GRI 403 : Occupational Health and Safety 2018	GRI 403-1	Occupational health and safety management system	89	4.2 Occupational health and safety
	GRI 403-2	Hazard identification, risk assessment, and incident investigation	90-91	4.2 Occupational health and safety
	GRI 403-3	Occupational health services	92-93	4.2 Occupational health and safety
	GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	89-90	4.2 Occupational health and safety
	GRI 403-5	Worker training on occupational health and safety	91	4.2 Occupational health and safety
	GRI 403-6	Promotion of worker health	92-93	4.2 Occupational health and safety
	GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	90-91	4.2 Occupational health and safety
	GRI 403-9	Work-related injuries	91	4.2 Occupational health and safety
GRI 404 : Training and Education 2016	GRI 404-1	Average hours of training per year per employee	85-86 117	4.1 Talent Development Management Appendix 1 ESG Information
	GRI 404-2	Programs for upgrading employee skills and transition assistance programs	85-86	4.1 Talent Development Management
GRI 405 : Diversity and Equal Opportunity	GRI 405-1	Diversity of governance bodies and employees	84 116-117	4.1 Talent Development Management Appendix 1 ESG Information
GRI 413 : Local Communities 2016	GRI 413-1	Operations with local community engagement, impact assessments, and development programs	95-105	5.1 Preventive Medicine and Nutritional Care 5.2 Care for the Disadvantaged 5.3 Connecting Uni-President Group to Expand Influence
GRI 414 : Supplier Social Assessment 2016	GRI 414-2	Negative social impacts in the supply chain and actions taken	47-50	2.3 Supplier Management
GRI 417 : Marketing and Labeling 2016	GRI 417-2	Incidents of non-compliance concerning product and service information and labeling	56-57	2.6 Responsible Marketing and Labeling
	GRI 417-3	Incidents of non-compliance concerning marketing communications	56-57	2.6 Responsible Marketing and Labeling

Appendix 3 Taiwan Stock Exchange Corporation "Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by Listed Companies" (hereinafter referred to as the "Rules") Article 4 Emphasized Disclosures Comparison Table

Rules	Disclosure Title	Corresponding Section	Pages	
Subparagraph 1	item 1	The evaluation and improvement regarding the company's personnel, work environment, hygiene management of facilities and quality control system to improve food sanitation, safety and quality, as well as the significant product and service categories and the percentage affected.	2.2 Food Safety Management 2.4 Responsible Production	Please refer to Appendix 5 2020 Assurance Item Summary
	item 2	The types and number of incidents of violation against the applicable food safety and sanitation laws and noncompliance with product and service information and labeling laws.	2.2 Food Safety Management	
	item 3	The percentage of the purchased volume in accordance with internationally recognized responsible production standards, categorized by standards.	3.5 Packaging Materials Management	
	item 4	The percentage of the production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards.	2.4 Responsible Production Appendix 1 ESG Information	
	item 5	The number and percentage of suppliers audited, and the audit items and results.	2.3 Supplier Management	
	item 6	The product trace and track management conducted voluntarily or according to the applicable laws, and the percentage of such relevant products to the whole products.	2.2 Food Safety Management	
	item 7	The food safety laboratories established voluntarily or according to the applicable laws, testing items, testing results, relevant expenses and the percentage of such expenses to the net revenue.	2.2 Food Safety Management Appendix 1 ESG Information	
Subparagraph 4	item 1	A listed company under Article 2 shall disclose the number of its fulltime employees who are not in a managerial position, the average and medium of the salaries of the full-time employees who are not in a managerial position, and the difference of the three figures from the previous year.	4.1 Talent Development Management	87
	item 2	A listed company under Article 2 shall disclose the Company's governance around climate-related risks and opportunities, the actual and potential impacts of climate-related risks and opportunities, how the Company identifies, assesses, and manages climate-related risks, and the metrics and targets used to assess and manage relevant climate-related risks and opportunities	3.2 Climate Change and Energy Management	63-69

Appendix 4 Task Force on Climate-related Financial Disclosures (TCFD) Content Index

TCFD recommendations			Corresponding Section and Notes	Page
Governance	Disclose the company's governance around climate-related risks and opportunities.	a. Describe the board's oversight of climate-related risks and opportunities.	3.2.1 Climate Risk Governance	63
		b. Describe management's role in assessing and managing climate-related risks and opportunities.	3.2.1 Climate Risk Governance	63
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the company's businesses, strategy, and financial planning where such information is material.	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	3.2.3 Response and Management of Key Climate Risk and Opportunity Issues	66-69
		b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	3.2.3 Response and Management of Key Climate Risk and Opportunity Issues	66-69
		c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2° C or lower scenario.	We are still working hard on the different climate-related scenario analysis which is based on our strategy.	-
Risk Management	Disclose how the company identifies, assesses, and manages climate-related risks.	a. Describe the organization's processes for identifying and assessing climate related risks.	3.2.2 Climate Risk and Opportunity Evaluation	64-65
		b. Describe the organization's processes for managing climate-related risks.	3.2.1 Climate Risk Governance 3.2.3 Response and Management of Key Climate Risk and Opportunity Issues	63 66-69
		c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	3.2.2 Climate Risk and Opportunity Evaluation	64-65
Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	3.2.3 Response and Management of Key Climate Risk and Opportunity Issues	66-69
		b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	3.2.4 Energy Consumption and GHG Emissions Management Performance Appendix 1 ESG Information	70-72 113
		c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	2020 Key Achievements Uni-President 2020 Sustainable Governance Performance 3.2.3 Response and Management of Key Climate Risk and Opportunity Issues	8 21 64-65

Appendix 5 Summary of Information Assured in 2020

No.	Information Assured	Page	Reporting Criteria	Rules
1	<p>Uni-President establishes operating procedures of the Food Safety Committee in accordance with the “Organizational Structure and Operating Procedures of the Food Safety Committee,” which covers 100% of our product types.</p> <p>The Food Safety Committee held 40 food safety meetings in 2020 (including one for the Uni-President Group.)</p>	41	<p>In accordance with “Organizational Structure and Operating Procedures of the Food Safety Committee”, the organization established, the total number of committee meetings held in 2020, and the percentage of product categories affected.</p> <p>The scope of the proportion is based on the “Organizational Structure and Operating Procedures of the Food Safety Committee”, the percentage is 100% when the scope covers all of the Uni-President’s product types.</p>	Subparagraph 1, item 1
2	<p>Number of notifications in 2020 : 366</p> <p>Proportion of product category affected :100%</p> <p>Number of cases requiring follow-up : 32</p> <p>The abovementioned cases have been tracked and solved before January 18, 2021.</p>	44	<p>The total number of FSCRA notification in 2020, its tracking and completion status, as well as the percentage impact of all product categories.</p> <p>The scope of the proportion is based on the Procedures of the Food Safety Center Rapid Alarm (FSCRA) System, the percentage is 100% when the scope covers all of the Uni-President’s product type.</p>	Subparagraph 1, item 1
3	<p>Employees can express their opinions on all company food products (100%) on the food safety hotline. In 2020, there were no cases of employee feedback on the food safety hotline.</p>	44	<p>The total number of food safety complaints handled by the audit office in accordance with the Employee Participation in Product Safety Measures, its implementation status, as well as the percentage impact of all product categories in 2020.</p> <p>The scope of the proportion is based on the Employee Participation in Product Safety Measures, the percentage is 100% when the scope covers all of the Uni-President’s product type.</p>	Subparagraph 1, item 1
4	<p>We have established the “Rewards and Allowances for License and Certificate Acquisition,” which applies to all Uni-President employees. As of December 31, 2020, a total of 132 employees obtained food safety certifications.</p>	46	<p>As of December 31, 2020, the total number of employees who obtained food safety certifications approved by the Rewards and Allowances for License and Certificate Acquisition, and the proportion of certifications applicable to employees.</p> <p>The scope of the proportion is based on the Rewards and Allowances for License and Certificate Acquisition, the percentage is 100% when the scope applies to all Uni-President employees.</p>	Subparagraph 1, item 1

No.	Information Assured	Page	Reporting Criteria	Rules
5	Total number of food manufacturing factories : 23 Number of audited manufacturing factories : 23 Proportion between the number of audited factories and affected products : 100%	51	2Total number of food manufacturing factories in 2020, and the number of food manufacturing factories in 2020 audited by the general factories based on the Internal Food Factory Quality Audit SOP. The percentage has been calculated based on the total number of food manufacturing factories audited onsite divided by the total number of food manufacturing factories.	Subparagraph 1, item 1
6	In 2020, the Food Safety Center supervised 93 cases of regulatory changes, which covers all product categories (100%). The Food Safety Center initiated 91 regulation identifications in accordance with regulatory changes.	43	The total number of regulation identification cases initiated by the Food Safety Center through the regulation identification system with respect to the Product Legal Change Management SOP in 2020 and its status, and the percentage of product types affected. The scope of the percentage is based on the collection, documentation, and communication of new or changed laws and regulations related to domestic/international products, the percentage is 100% when the scope covers all of the Uni-President's food product type.	Subparagraph 1, item 1
7	The Act Governing Food Safety and Sanitation and its enforcement rules proclaimed by the Taiwan Food and Drug Administration, Ministry of Health and Welfare, are the major laws and regulations applicable to Uni-President products. Please visit the TFDA website for details regarding related laws and regulations (https://www.fda.gov.tw/TC/law.aspx?cid=62).	43	The website for the announcements of food laws and regulations by the Taiwan Food and Drug Administration, Ministry of Health and Welfare.	Subparagraph 1, item 2
8	In 2020, there were no fines or penalties imposed for violation of the "Act Governing Food Safety and Sanitation" and its related enforcement rules, measures and guidelines.	43	The total number of violation notices, penalties and the categories of violation of the Act Governing Food Safety and Sanitation, its enforcement rules and related regulations and standards in 2020.	Subparagraph 1, item 2
9	The ratio of FSC™ procurement amount accounted for 42.87% of the total procurement amount of paper packaging materials in 2020.	80	The percentage of FSC™-certified materials procurement in the total amount of paper packaging materials procurement in 2020 based on the statistics from the procurement system.	Subparagraph 1, item 3
10	In 2020, food products certified by FSSC 22000 accounted for 99.99% of Uni-President's total food products. Note : Product certification proportion = Annual production of certified food products/ total annual production of food products (unit : the minimum unit of each product)	51	The percentage of food production lines that passes the FSSC 22000 certified by the third-party based on the certification scope and period. The percentage of certification was calculated from dividing the total number of certified food products by the total output of food products.	Subparagraph 1, item 4

No.	Information Assured	Page	Reporting Criteria	Rules
11	For detailed product certifications of each plant, please refer to “The plants’ food products certified by ISO 22000 and FSSC 22000 in 2020” in the appendix list.	109-111	The information of annual food production of plant and its FSSC 22000 certification in 2020 are disclosed based on the scope of the obtained FSSC 22000 certificate.	Subparagraph 1, item 4
12	<p>In 2020, 135 out of 540 suppliers (Note 1) applicable to the Supplier Evaluation SOP completed the on-site evaluation (Note 2), a 25.0% evaluation completion rate. A score over 60 and without significant deficiencies is required to pass the evaluation. Evaluation items include whether the food safety and hygiene management systems are ineffective and whether the food has immediate safety hazards and can be improved immediately. A total of one supplier failed the evaluation.</p> <p>Note :</p> <ol style="list-style-type: none"> 1. Food ingredient/material suppliers who had business dealings with the Company in 2020 included suppliers not subject to the Supplier Evaluation SOP. 2. Excluding suppliers of raw milk (dairy farms), packaging materials that do not come into direct contact with foods, wheat suppliers, and the number of OEMs that import wheat. 	48	The total number of suppliers evaluated onsite based on supplier-specific evaluation items by appraisers with the Good Hygienic Practice and Regulations on Food Safety Control System and the evaluation results in 2020. The percentage of suppliers completing onsite evaluation in 2019 is calculated by dividing the number of suppliers completing onsite evaluation by the total number of ingredient/ material suppliers that had transactions in 2020.	Subparagraph 1, item 5
13	In 2020, Uni-President has developed the Food Traceability Management System with a total of 436 products, accounting for 100% of all Uni-President food products (excluding feed for livestock and aquatic animals). We also achieved 100% development of the Food Traceability Management System and use of electronic receipts according to the legal requirements. The complete data has been uploaded to the Ministry of Health and Welfare’s “Food Traceability Management System (Ftracebook)” (http://ftracebook.fda.gov.tw).	50	<p>In 2020, Uni-President uploaded the total of products to the Food Traceability Management System, as well as its proportion to all of Uni-President food products (excluding feed for livestock and aquatic animals). The percentage is calculated based on the products uploaded on the Food Traceability Management System to the self-produced food products (excluding feed for livestock and aquatic animals)</p> <p>In 2020, the percentage of electronic receipt usage by Uni-President according to the legal requirements. The percentage is calculated based on the number of the products with electronic receipt divided by the number of the self-produced food products (excluding feed for livestock and aquatic animals)</p>	Subparagraph 1, item 6
14	Uni-President has conducted traceability in accordance with the “Food Traceability Management System” established based on internal regulations, which covers 100% of our product types (excluding animal and aquatic feed).	50	<p>The status of Uni-President’s traceability in accordance with the “Food Traceability Management System”.</p> <p>The percentage is in accordance with the “Food Traceability Management System”, which is 100% when the scope covers all of Uni-President’s product types (excluding animal and aquatic feed).</p>	Subparagraph 1, item 6

No.	Information Assured	Page	Reporting Criteria	Rules
15	Please refer to the TAF and TFDA Certification Acquired by the Laboratory in 2020 in this report	45 108	The Food Safety Laboratory and the QC Laboratory have obtained certification from the National Accreditation Foundation (TAF) and the Taiwan Food and Drug Administration (TFDA) in 2020.	Subparagraph 1, item 7
16	As of December 31, 2020, up to 616 test items of Uni-President's laboratories have been certified by the TAF and TFDA as food-related test items. Note: Please refer to the "List of TFDA- and TAF Certified Items" in this report for certified items.	45	The test items and total number of items of the food safety laboratory and QC laboratory certified by TAF and TFDA in December 31, 2020.	Subparagraph 1, item 7
17	In 2020, the QC Section and Food Safety Laboratory compiled a total of 214 groups of practical testing items (excluding the test items for projects commissioned by external clients) for ingredients, materials, and finished products.	45	In 2020, the categories (excluding testing items commissioned by external customers) of practical testing items for ingredients, materials, and finished products were compiled by the food safety and QC laboratories.	Subparagraph 1, item 7
18	Anomaly Form of Finished Products and Ingredients/Materials Inspection in 2020 Anomaly rate of final products: 0.12% Anomaly rate of ingredients/materials : 0.35%	46	The percentage of anomalies found in finished products and ingredients/ materials detected by the food safety and QC laboratories divided by the total number of finished products and ingredients/ materials tested in 2020.	Subparagraph 1, item 7
19	Please refer to the Food Safety Control Expenses in 2020 in the report. Food safety control expenses ^{Note 1} : NT \$332.29 million Percentage of net operating revenue in the individual financial statements : 0.79% Note 1 : Food safety control expenses include laboratory expenses and external inspection fees	46	The percentage of 2020 food safety management expenses divided by the net operating revenue in the individual financial statements audited by the certified public accountant.	Subparagraph 1, item 7
20	In 2020, Uni-President's seven affiliates were audited, including President Chain Store Corporation, Uni-President Organics Organization, President Natural Industrial Corporation, President Pharmaceutical Corporation, President Nisshin Corporation, Kikkoman Inc., and Tait Marketing and Distribution Co., Ltd. Affiliate Food Safety System Evaluation Items : (1) Management and Compliance (2) Supplier Evaluation Management (3) R&D and Design Management (4) Ingredients/ Materials Management (5) Finished Product Management (6) Warehouse and Transportation Management (7) Nonconforming Product Management and Traceability Management (8) Food Protection/Emergency Response Management	43	The total number of affiliates and items audited by the Food Safety Center according to the Affiliate Annual Audit Program and the Affiliate Food Safety System Evaluation Sheet in 2020.	Voluntary- assured items

No.	Information Assured	Page	Reporting Criteria	Rules
21	In 2020, the QC Section audited 23 suppliers in 37 visits. Process management was the main cause of defects. Corrections of all defects had already been completed before December 11, 2020.	49	The total number of audits on domestic suppliers, the total number of domestic suppliers, the type of audit deficiencies and the date when corrections of all deficiencies in the inspections completed by the QC section in accordance with the "Checklist on Audit Management for Inspections of Ingredient/Material Suppliers on an Irregular Basis" were established according to the GHP and Food Traceability System in 2020. "Completed Improvement" is defined as : The implementation of the supplier's response to deficiencies in the Improvement Follow-Up Form and the implementation date are tracked and confirmed by the QC staff.	Voluntary-assured items
22	In 2020, the Food Safety Audit Team audited 304 suppliers on-site in 702 visits. Good Hygiene Practice (GHP) was the main defect. Corrections of all defects were all completed by January 30, 2021.	50	The total number of traceability audits on domestic suppliers, the total number of domestic suppliers, the type of audit deficiencies and the date when corrections of all deficiencies in the audits completed by the Food and Safety Audit Team in accordance with the "Supplier Production Audit and Level 2 Ingredients/Materials Traceability Inventory and Production Audit Regulations" were established according to the Food Traceability System in 2020. "Completed Improvement" is defined as : The implementation of the supplier's response to deficiencies in the Improvement Follow-Up Form and the implementation date are tracked and confirmed by the Food Safety Audit Team.	Voluntary-assured items
23	In 2020, the number of participants in food safety training reached 14,840, with a total training of 31,146 hours.	46	The total number of hours and the total number of employees completing food safety-related training in conformity with the Education and Training Regulations in 2020. Note: The scope of the total number of hours and employees is including food and feed product plants.	Voluntary-assured items

Appendix 6 Independent Limited Assurance Report



會計師有限確信報告

資會綜字第 21012048 號

統一企業股份有限公司 公鑒：

本事務所受統一企業股份有限公司（以下稱「貴公司」）之委任，對 貴公司選定 2020 年度企業社會責任報告書所報導之績效指標執行確信程序。本會計師業已確信竣事，並依據結果出具有限確信報告。

確信標的資訊與適用基準

有關 貴公司選定 2020 年度企業社會責任報告書所報導之績效指標（以下稱「確信標的資訊」）及其適用基準詳列於 貴公司 2020 年度企業社會責任報告書第 123 至 125 頁之「確信項目彙總表」。前述確信標的資訊之報導範圍業於企業社會責任報告書第 106 頁之「報告期間、邊界與範疇」段落述明。

管理階層之責任

貴公司管理階層之責任係依照適當基準編製企業社會責任報告書所報導之績效指標，且維持與績效指標編製有關之必要內部控制，以確保績效指標未存有導因於舞弊或錯誤之重大不實表達。

會計師之責任

本會計師係依照確信準則公報第一號「非屬歷史性財務資訊查核或核閱之確信案件」，對確信標的資訊執行確信工作，以發現前述資訊在所有重大方面是否有未依適用基準編製而須作修正之情事，並出具有限確信報告。

本會計師依照上述準則所執行之有限確信工作，包括辨認確信標的資訊可能發生重大不實表達之領域，以及針對前述領域設計及執行程序。因有限確信案件取得之確信程度明顯低於合理確信案件取得者，就有限確信案件所執行程序之性質及時間與適用於合理確信案件者不同，其範圍亦較小。

本會計師係依據所辨認之風險領域及重大性以決定實際執行確信工作之範圍，並依據本委任案件之特定情況設計及執行下列確信程序：

- 對參與編製確信標的資訊之相關人員進行訪談，以瞭解編製前述資訊之流程、所應用之資訊系統，以及攸關之內部控制，以辨認重大不實表達之領域。
- 基於對上述事項之瞭解及所辨認之領域，對確信標的資訊選取樣本進行查詢、觀察、檢查及重新執行測試，以取得有限確信之證據。

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此報告不對 2020 年度企業社會責任報告書整體及其相關內部控制設計或執行之有效性提供任何確信。

會計師之獨立性及品質管制規範

本會計師及本事務所已遵循會計師職業道德規範中有關獨立性及其他道德規範之規定，該規範之基本原則為正直、公正客觀、專業能力及盡專業上應有之注意、保密及專業態度。

本事務所適用審計準則公報第四十六號「會計師事務所之品質管制」，因此維持完備之品質管制制度，包含與遵循職業道德規範、專業準則及所適用法令相關之書面政策及程序。

先天限制

本案諸多確信項目涉及非財務資訊，相較於財務資訊之確信受有更多先天性之限制。對於資料之相關性、重大性及正確性等之質性解釋，則更取決於個別之假設與判斷。

有限確信結論

依據所執行之程序與所獲取之證據，本會計師並未發現確信標的資訊在所有重大方面有未依適用基準編製而須作修正之情事。

其它事項

貴公司網站之維護係 貴公司管理階層之責任，對於確信報告於 貴公司網站公告後任何確信標的資訊或適用基準之變更，本會計師將不負就該等資訊重新執行確信工作之責任。

資 誠 聯 合 會 計 師 事 務 所

會計師 李宜樺



2 0 2 1 年 8 月 9 日

