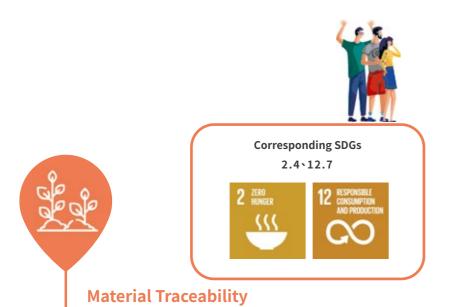
Sustainable Management

Uni-President Sustainability Value Chain

Sustainable development encompasses the environment, the society and governance. Uni-President is committed to incorporating the spirit of the three aspects into daily operation, ranging from food traceability and food production and packaging to logistics and the health of the customers. The whole process depends on the cooperation among the stakeholders to create supply chains boasting sustainability values. The Uni-President also values the insights from the stakeholders, and effectively responds to the suggestions and needs of the stakeholders as an important basis for sustainable development.

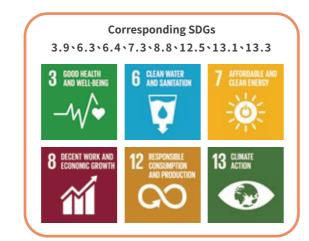


We ensure food ingredients' quality through the complete management policy on suppliers and support for sustainably produced ingredients, such as the procurement of American soybeans that obtained the certification of the U.S. Soy Sustainability Assurance Protocol.

Food Production

We supervise the efficacy of management of all factories through gaining all kinds of production management certifications, based on the construction of a complete food safety management system. We all implement production management of all factories through self-inspection mechanisms and the supervision of the Food Safety Audit Team. Apart from food safety hygiene, we also actively lower the environmental impact from production and guarantee the work environment safety of the employees on the basis of the Environmental and Occupational Health and Safety Management System.









Food Packaging

We try as hard as possible to protect consumer rights on the basis of responsible marketing. All details are carefully regulated, ranging from product labeling to after-sale services. We use packaging materials that gained FSC certification to reduce packaging impact on the environment.



We established all kinds of management paradigms on food ingredients with the faith that consumers should "eat delicious and healthy food assuredly" to ensure the food safety and health of the consumers. We established the Taiwan Millennium Health Foundation to promote health issues and improve the diet and health management knowledge of the consumers.

Logistics

We have a complete management and evaluation mechanism on logistics and trucks to reduce the transport risk of products and ensure service quality.







SDG子目標: 3.8、12.8



Customer health and safety



Uni-President 2019 CSR Implementation Results and Short-term, Mid-term and Long-term Goals



Food Safety Management Mechanism

Management Goals	2019 Achievement Rate	2019 Key Achievements	2020 Goals	Mid-to Long-term Goals
		Food Safety Level 3 manag	gement	
 Food Safety Level 1- No anomalies Food Safety Level 2 issues decreased by 20% YoY 	∆ (In Progress)	 Food Safety Level 1- No anomalies Established a task to rectify the reason behind the failure to meet the goal of Food Safety Level 2 	 The number of customer complaints on Food Safety Level 1- No anomalies Food Safety Level 2 issues decrease by 30% YoY Public sector audit - No violations 	 Promotion of food safety culture by affiliated companies Fulfill 3 level of Food Safety management
		Control on medical res	due	
 Zero residue in finished products Medical residue in ingredients decreased by 20% YoY 	© (Already achieved)	Zero residue in finished productsMedical residue in ingredients	• Zero residue in finished products	 Promotion of food safety culture by affiliated companies Fulfill 3 level of Food Safety management
		Safety management of trac	eability	
 Development of technology on key ingredients/materials replacement by muti-source 	© (Already achieved)	 Apply the new ingredient, green tea G07 in the production of Mine Shine green tea Ensure the security of milk supplies from domestic and overseas producers Diversified sources of pork are used in all product lines 	 The establishment of the second source for B2B tea leaves The quality and amount of milk supplies from domestic and overseas producers can be ensured 	Improve the safety management of the sources and lower the procurement risk of ingredients



Product R&D and Innovation

Management Goals	2019 Achievement Rate	2019 Key Achievements	2020 Goals	Mid-to Long-term Goals
Research on the technology of taste mechanisms	© (Already achieved)	 Uni-President Black Soybean Milk Without Sugar was launched Yuan Wei Ben Pu Milk with Peanuts has been launched San Bei Dudu Sausage was developed 	 Research on high-value plant- based milk technology and product development Reduction of soy pulp and the application of its reuse technology 7-E Bubble Matcha Au Lait(bubbles that can be microwaved) will be launched 	Developing towards product refinement while continuously improving the product quality and taste
R&D on new types of products and manufacturing procedures related to baking, fresh food, high-nutrition and health	© (Already achieved)	 Yu Xiang Bread, Custard Bread and Classical Honey Cake were launched Noodles for fresh cold noodles and frying and boiling were improved again in quality Establishment of the technology of defrosting meat with changing temperatures Health 3D's certification for controlling blood fats has been upgraded 	 Development of bread with salty ingredients and refined pastry Fresh soy sauce noodles and beef noodle soups will be launched Health 3D's plan for upgraded certification for controlling blood sugar Development of LP33 antiallergy capsules that can be preserved at room 	Meet the needs of consumers, improving three main categories of products, including fresh food, bakery and nutrition care through R&D

Management Goals	2019 Achievement Rate	2019 Key Achievements	2020 Goals	Mid-to Long-term Goals	
		Climate change and energy m	nanagement		
An average annual electricity conservation rate of 1% and above for every factory	(Already achieved))	An average electricity conservation rate 2.27%	An average annual electricity conservation rate of 1% and above for every factory		and meeting
85% of steam is generated by natural gas boilers	∆ (In progress)	Achievement rate 90.6%	90% of steam can be generated by natural gas or biomass boilers	-	
The average carbon emission intensity lower than 120 tCO ₂ e/ MT production for every factory	© (Already achieved)	The average carbon emission intensity was 119.47 tCO ₂ e/ MT production	 The units that reached the targets in the previous year need to reach the target of reducing 1% of 2019 average carbon emission intensity The units that didn't reach the targets in the previous year need to reach the target of reducing 2% of 2019 average carbon emission intensity 	 An average annual electricity conservation rate for every general factory>1% GHG emissions will have reached 80% of 2005 level by 2025 (189,221.6 tCO₂e) 	
Continue to promote energy conservation and carbon emission reduction programs	© (Already achieved)	 Combined reduction programs total Carbon reduction 5,212 tCO₂e Saved electricity 5,728 thousand kWh Saved fuel oil and diesel 54 kL Saved natural gas 252 thousand 	 Continue to promote energy conservation and carbon emission reduction programs 	-	
		m3	ement		
Supervise water conditions to ensure stable production	© (Already achieved)	Water resources manage No production loss due to water scarcity in 2019	Supervise water conditions and continue to optimize response measures and management mechanisms	Supervise water conditions and continue to optimize response measures and management mechanisms	
Enhance the efficiency of water consumption	© (Already achieved)	Annual saved water amount was about 144 million liters, with the reduction of 3.67 million NT dollars in management cost	Continue to optimize the efficiency of water consumption in each factory and introduce water conservation programs	Continue to optimize the efficiency of water consumption in each factory and introduce water conservation programs	
Annual COD average	(Already)	Annual COD average intensity 32.87	Annual COD average intensity	Annual COD average	
intensity <70 mg/L	(Already achieved)	mg/L	<70mg/L	intensity <65mg/L	
	~	Pollution prevention	n		
annual waste recycling rate 95.5%	© (Already achieved)	waste recycling rate 95.98%	waste recycling rate >95.5%	waste recycling rate > 96.5%	
Reduction in air pollutant emissions	∆ (In progress)	Continued improvement in boiler equipment, and switching to natural gas boilers	Completely switching to natural gas or biomass boiler equipment in all plants	Continue to supervise the status of air pollutant emissions, and actively introduce reduction programs	J
				+ HEALTH	-



Compliance/Responsible Marketing and Labeling

Management Goals	2019 Achievement Rate	2019 Key Achievements	2020 Goals	Mid-to Long-term Goals	
		 Auditing of 1326 cases of product labeling, with 955 approved cases and 371 rejected cases 			
Regulation compliance	△ (In progress)	• One violation of the Act Governing Food Safety and Sanitation (Font width)		Comply with the regulations and do better than the regulations	
		 One violation of the Waste Disposal Act (Deficiencies recorded) 			

负

Occupational health and Safety

	Management Goals	2019 Achievement Rate	2019 Key Achievements	2020 Goals	Mid-to Long-term Goals
•	Create a reasonable and fair working environment	(Already achieved)	 Xinshi General Factory and Zhongli General Factory received the five star awards of the Excellence at Occupational Safety and Health Promotion Xinshi General Factory received the "high-distinction award" of Tainan city hall's "2019 Safety and Hygiene Family Performance Evaluation" Yongkang General Factory received the "excellence award" of Tainan city hall's "2019 Safety and Hygiene Family Performance Evaluation" 	 Hukou plant received the excellent award of the 2019 Excellence at Occupational Safety and Health Promotion Continue to gain ISO 45001 certification 	 ISO 45001 management system operation Conduct internal and external audits annually to continue to improve the work environment General factory/ plant managing representatives regularly convene management review meetings every year Continue to gain ISO 45001 certification
•	Occupational safety level 3 auditing	((Already achieved)	 Deficiencies tracking and improvement 	Continued auditing of occupational safety, deficiencies tracking and improvement	Improve the implementation of occupational audits to enhance occupational safety and quality
•	Organize health promotion courses	© (Already achieved))	 Recognize occupational stress and overworking 	Continue to organize and improve health promotion courses, helping the employees create awareness of workplace health	Create a healthy and safe workplace through health promotion courses
•	Conduct general and special health check- ups	(Already achieved)	 Hierarchical management and tracking 	Continue to conduct employee health check-ups, and do hierarchical management and tracking	Safeguard health and safety of the employees through the long-term implementation of employee health check-ups

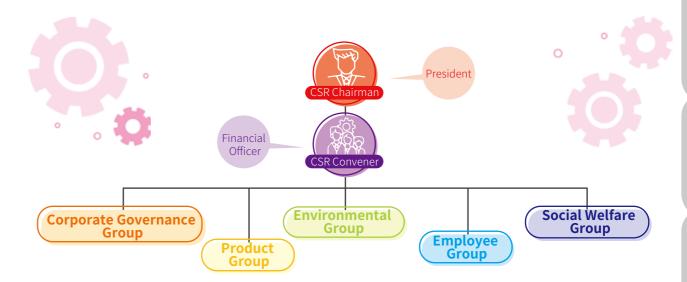
Economic Performanc

Management Goals	2019 Achievement Rate	2019 Key Achievements	2020 Goals	Mid-to Long-term Goals
Continue the "structure adjustment, stable growth, value marketing" in corporate strategy	© ((Already achieved)	 Consolidated operating revenue of 447,978 million NT dollars, with an YOY growth rate of 3.83% Consolidated net income of million NT dollars, with an YOY growth rate of 5.71% 	 Structure adjustment, stable growth, and value marketing 	Build the service corridor of Asian life brands

Uni-President Corporate Social Responsibility Unit

Uni-President's social, environmental and economic management responsibilities exist because they can help Uni-President build shared values, and thereby raise sustainable competitiveness. Uni-President adhere to "Uni-President's Codes of Conduct for Corporate Social Responsibility" in response to the current global trend on Sustainable Development Goals(SDGs), and promote Uni-President's sustainable management via the Corporate Social Responsibility Committee(CSR Committee) in an organized way. For the CSR Committee, the President is dedicated as the CSR Chief and financial officer as the convener, with the five functional groups-corporate governance, products, the environment, employees and social welfare.

The CSR Committee is Uni-President's main division for sustainable development. Externally, the committee is responsible for reviewing the CSR reports; internally, it is responsible for setting up policies related to sustainability, as well as key performance indicators, targets, plans and performance review of each functional group. The five functional groups of the committee operate separately, and develop corresponding plans and projects in compliance with the policies and targets set by the committee while also being responsible for controlling and tracking progress on a regular basis and reporting to the CSR Committee. In 2019 the CSR Committee further identified 16 sustainability performances; they are tracked every quarter by the convener regularly.



sustainability performance tracking

Туре	
Environmental management	Usage of water emissions, and
Food Safety Management	The results of s tracking
Sustainable Procurement Management	The procureme
Occupational Safety Management	Occupational s
Product R&D Management	Product demar ingredients use

Apart from operating regularly, the CSR Committee annually reports to the Board of Directors about that year's implementation status and key performances.

Tracked Performance

r resources, energy, waste recycling, plastic and GHG d so on

supplier plant visits/ on-site audit and compliance

nent status of FSC, SSAP

safety and health issues

and investigation and tracking the amount of sed in production Message from the Chairman and President

An Enterprise Built on Transparency and Integrity

> Create a Safe and Healthy Food Culture

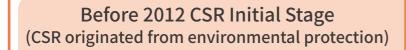
Commit to Sustainab Invironment

Building a Healthy and Happy Workplace

Creating a Healthy and Happy Tomorrow

> About This Report Appendix

Uni-President Sustainability Footprint



Inside the Company

- Have published environmental safety reports since 2006
- Formulated CSR Best Practices Principles in 2010
- Established food safety center in 2011
- Signed the first collective bargaining agreement with the enterprise union in 2011

Outside Recognition

- In 2011 Mai Xiang Tetra Pak series of packaging became the first Ready-to-drink tea packaging to gain the certification of FSC ™ in Taiwan
- As of the end of 2012, a total of 11 products' carbon footprint was verified
- As of the end of 2012, a total of 18 products was accredited as Health Foods

2006~2011



2012-2016 CSR Growth Stage (Deepening the commitment to CSR)

Inside the Company

- Published the 2014 environmental safety reports, with a total of 8 environmental safety reports.
- Have published CSR reports since 2012
- Established the Food Safety Committee in 2013
- Since 2014 the CSR reports have been assured by accountants
- Formulated Corporate Governance Best Practice Principles and Ethical Corporate Management Best Practice Principles in 2014
- Signed the second collective bargaining agreement with the enterprise union in 2014
- In 2015, Formulated Procedures for Ethical Management and Guidelines for Conduct
- In 2016 Food Safety Audit Team was spin-out to become a management unit of the President's office

Inside the Company

- In 2017 the Food Safety Building opened
- Established the CSR Committee in 2017
- Signed the third collective bargaining agreement with the enterprise union in 2017
- In 2017 unveiled the tax policy and the human rights policy
- Since 2018 has appointed a Corporate Governance Manager
- systems

Outside Recognition

- In 2019 became part of the Taiwan Labor Rights Index

2017~Now

Outside Recognition

- Since 2014 has been part of Taiwan HC 100 Index
- Since 2014 has been in the top 5% of Corporate Governance Evaluation rankings
- As of the end of 2016, a total of 10 products' carbon footprint was verified
- As of the end of 2016, a total of 21 products was accredited as Health Foods



After 2017 CSR Optimization Stage (headed for complete sustainable governance)

- In 2019 the CSR Committee began tracking the 16 sustainability performances every quarter

<u>.......</u>

• All production plants were certified by ISO 22000 or FSSC 22000 food safety management

• In 2017 became part of the FTSE4Good TIP Taiwan ESG Index

- In 2018 the Hukou plant's food production plant was certified by EEWH
- As of the end of 2019, a total of 10 products' carbon footprint was verified
- As of the end of 2019, a total of 22 products was accredited as Health Foods

Message from the Chairman and Precident

An Enterprise Built on Transparency

Create a Safe and Healthy Food Culture

Cor nmit to Su ironment

Building a Healthy Happy Workplace and

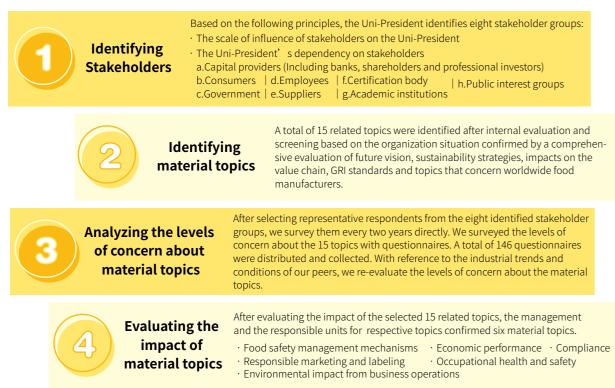
Creating a Healthy Happy Tomorrow and

About This Repo Appendix

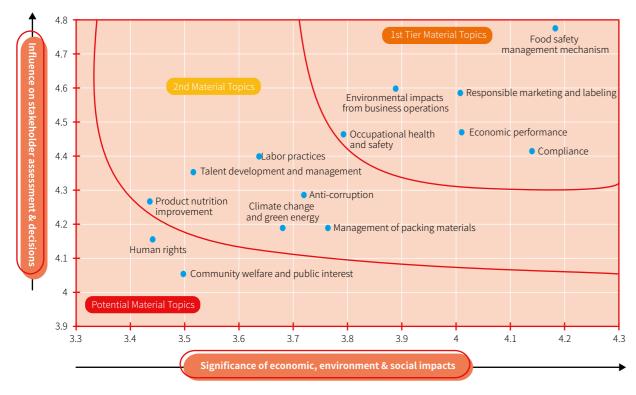
Stakeholder Engagement

The Uni-President established systemic procedures to identify major stakeholders and sustainability topics based on the materiality principle, managed them and set targets to form the basis for CSR reports. The company first identified major stakeholders, and performed investigations on them to identify the material topics for 2019.

Step 1 Identification and Prioritization



After completing the above steps, we identified the material topics for 2019 as follows



Note : Corporate governance, risk management and ethical corporate management are part of general disclosures and not shown in the material matrix. But related information is still revealed regularly in annual reports ,CSR reports and on the corporate website.

pic Levels	Topics	Significance to Uni-President	Corresponding chapters and page numbers of this report	
	Economic performance	Financial information regarding business operation, expenses and income, and financial assistance from government	An Enterprise built on Transparency and Integrity P.24	riesident
	Environmental impact from business operations ●	Consumption and recycling of energy and water resources; the status and management of exhaust gas emissions, wastewater discharge and waste disposal	Commit to Sustainable Environment P.60	and miregrity
Tier Material Topics	Food safety management mechanisms	Assessment of the impacts of products on consumer health and safety. Food safety management systems, food safety training, product tracking, food safety laboratory and supply chain management	Create a Safe and Healthy Food Culture P.36	
	Responsible marketing and labeling	Clear labeling of correct contents to promote consumer health and positive influence	Create a Safe and Healthy Food Culture P.36	ļ
	Occupational health and safety	Action to maintain OHS and employee communication	Building a Healthy and Happy Workplace P.80	
	Compliance	Compliance with regulations and laws concerning the economy, environment and society	An Enterprise built on Transparency and Integrity P.24 Commit to Sustainable Environment P.60 Building a Healthy and Happy Workplace P.80 Create a Safe and Healthy Food Culture P.36	
	Anti-corruption	Assessment of corruption risk, and anti-corruption policy and action	An Enterprise built on Transparency and Integrity P.24	
	Climate change/green energy ●	Impact of climate change, GHG emissions and reduction	Commit to Sustainable Environment P.60	
	Labor practices 🔴	Employment and welfare	Building a Healthy and Happy Workplace P.80	
ier Material Topics	Product nutrition improvement 🔵	Response to the nutrition appeals of consumers	Create a Safe and Healthy Food Culture P.36	
	Management of packaging materials ●	Utilization and reduction policies of packaging materials	Create a Safe and Healthy Food Culture P.36	
	Talent development and management	Talent development programs and performance	Building a Healthy and Happy Workplace P.80	
٩	Community welfare and public interest 🔵	Operations with local community engagement, impact assessments,and development programs	Creating a healthy and happy tomorrow P.92	l
Potential Material Topics	Human rights 🔴	Operations that have been subject to human rights reviews or impact assessments and action taken	Building a Healthy and Happy Workplace P.80	

Economy and Governance Society Environment

Step 2 Validation

After analyzing the materiality of topics, the management confirmed various material topics. To meet and respond to the needs of stakeholders for information and performances, each responsible teams had to assess the completeness, scopes, topic boundaries and reporting period for reporting. All departments produced this report based on the principles of completeness, responsiveness and stakeholder inclusiveness to ensure the information regarding the material topics is actually disclosed in this report.

Material	Within the organization		Out	side the orga	anization		GRI Standards	Corresponding Chapters/
Topics	Uni- President Corp	Capital Providers	Consumers	Suppliers	Government	Local Communities	Topics	Significance to the corporate
Food safety management mechanisms	V	V	V	V	V	V	Customer health and safety	Create a Safe and ealthy Food Culture
Responsible marketing and labeling	V	V	V	V			Marketing and labeling	Create a Safe and ealthy Food Culture
Compliance	V	V	V	V	V	V	Environmental ompliance Socioeconomic compliance	An Enterprise built on Transparency and Integrity Commit to Sustainable Environment Building a Healthy and Happy Workplace Create a Safe and Healthy Food Culture
Economic performance	V	V		V	V		Economic performance	An Enterprise built on Transparency and Integrity
Environmental impact from business operations	V	V			V	V	Energy Water Emissions Effluents and waste	Commit to Sustainable Environment
Occupational health and safety	V			V			Occupational health and safety	Building a Healthy and Happy Workplace

Step 3 Review

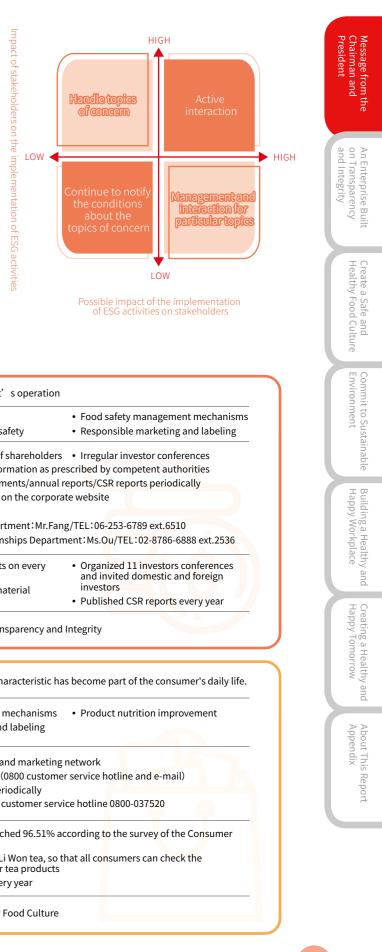
After completing the report, all departments continue to review the report to ensure the disclosed information and performances are not inappropriate. They will also refer to the review results when they are making the next year's report.

Stakeholder Communication and Its Channels

The six material topics represent where the Uni-President exerted the biggest influence in terms of environment, society and economy; Uni-President tracked performances in qualitative and quantitative ways and regularly disclosed the results internally and externally to accomplish sustainable management and effective communication.

Based on the identified stakeholder groups, the Uni-President examined the level of mutual impacts between the stakeholders and the environmental, social and governance activities of the company. It also designed and defined various ways of engagement and different communication frequencies based on the characteristics of the stakeholders. It reported the communication results to the board of directors on May 13,2020. The 2019 communication results are as follows:

P	Significance	Support for Uni-President'
ES	Topics concerned	Business performanceOccupational health and sa
Capital providers	Frequency and way of communication	 Annual general meeting of s Disclosure of material infor Publishing financial statem Disclosure of information o Contact Us Investor Relatinship Depart Legal Entities and Relations
roviders	2019 communication results	 Published financial reports quarter Announced 87 pieces of ma information
	Corresponding chapters	An Enterprise built on Trans
F	Significance	• Uni-President' s service cha
	Topics concerned	Food safety management nResponsible marketing and
Consumers	Frequency and way of communication	 Corporate website and brar Consumer Service Center (C Publishing CSR reports peri Consumer Service Center co
	2019 communication results	 Customer satisfaction reach Service Center Set up a website for Chai Li inspection records of their t Published CSR reports ever
	Corresponding chapters	• Create a Safe and Healthy F



<u>310</u>			
	Topics concerned	Economic performanceLabor practices	 Environmental impacts from business operations
	Topics concerned	Food safety management mechanisms	Responsible marketing and labeling
	Frequency and way of communication	Contact Us: Human Resources e-mail	
п 3		hr@mail.pec.com.tw	
Fmnloveec	2010	 4 labor-management communication meetings 	 Completed 2 tracings of employee reports on food safety
	2019 communication	4 meetings of the Occupational Health and Safety Committee	Publishing of 12 Uni-President Monthly magazines
ĥ	results	Union participation rate reached 98.14%	
	Corresponding chapters	Building a Healthy and Happy Workplace	e
₹ S	Significance	Suppliers and the Uni-President compo	se a close-knit sustainable supply chain.
37° 8	Significance	Economic performance	Food safety management mechanisms
8 8 8	Significance Topics concerned		
8 9 7 9	Topics concerned	 Economic performance Occupational health and safety Supply chain management and procurement practices Irregular communication meetings 	 Food safety management mechanisms Responsible marketing and labeling Compliance Supplier grievance channel
Supr		 Economic performance Occupational health and safety Supply chain management and procurement practices Irregular communication meetings 	 Food safety management mechanisms Responsible marketing and labeling Compliance
Supplier	Topics concerned	 Economic performance Occupational health and safety Supply chain management and procurement practices Irregular communication meetings Evaluation, plant visits and guidance mechanisms/audit management Notices on e-procurement system Conducted irregular on-site surveys of a 	 Food safety management mechanisms Responsible marketing and labeling Compliance Supplier grievance channel Publishing CSR reports periodically Report channel with unethical behavior
Suppliers	Topics concerned Frequency and way of communication	 Economic performance Occupational health and safety Supply chain management and procurement practices Irregular communication meetings Evaluation, plant visits and guidance mechanisms/audit management Notices on e-procurement system 	 Food safety management mechanisms Responsible marketing and labeling Compliance Supplier grievance channel Publishing CSR reports periodically Report channel with unethical behavior
Suppliers	Topics concerned Frequency and way of communication	 Economic performance Occupational health and safety Supply chain management and procurement practices Irregular communication meetings Evaluation, plant visits and guidance mechanisms/audit management Notices on e-procurement system Conducted irregular on-site surveys of 3 Conducted on-site evaluations of 158 su Audited the food safety risk of 52 interm 	 Food safety management mechanisms Responsible marketing and labeling Compliance Supplier grievance channel Publishing CSR reports periodically Report channel with unethical behavior

	Significance	 The Uni-President is in line with the stan the government, ensuring the complian 	dards demanded of food manufacturers by ce of its operation.		
	Topics concerned	Environmental impacts from business operationsOccupational health and safety	Food safety management mechanisms Compliance		
Government	Frequency and way of communication				
nent	2019 communication results	 Complied with government regulations product items registered in the traceabil Published CSR reports every year 			
	Corresponding chapters	 Create a Safe and Healthy Food Culture Building a Healthy and Happy Workplace 	2		



ue of food industry, the Uni-President devotes to Ith awareness with supplies and manpower.	POM
• Responsible marketing and labeling mechanisms	Aessage from Chairman and President
eying Values and Beliefs" school conferences ivities and seminars on health and medicine promotion	rom the and
ports periodically t Social Welfare and Charity Foundation /E-mail:noraliu@mail.pec.com.tw illennium Health Foundation	An on an
healthinfo@1000-love.org	An Enterprise Bu on Transparency and Integrity
surement Day activities, giving out 1.248 million free waist	iterprise Bu ansparency ntegrity
th Examination Day activities, with a total of 34,000	ilt
r the public on preventive medicine, with a total of 2,636 ation reports	ΞO
ppy tomorrow	Create a Safe and Healthy Food Culture
	Food
	and Cultu
e Uni-President cooperate to ensure the actual implemen- agement	
mechanisms • Product nutrition improvement	Commit to Sust Environment
nd labeling	to Sus ment
	tainat
rity • Audit management	ole
neetings	Build Happ
	uilding a Healtl Iappy Workplac
戌=ㄷ(ㅇ)ㄱ	Building a Healthy Happy Workplace
	y and
/ Food Culture	Cre Ha
	ppy To
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om business • Food safety management mechanisms • Responsible marketing and labeling	br
	About Thi Appendix
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