

# 2 Shaping a Safe and Healthy Food and Drink Culture



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## 2.1 Bring Assuring Dining Experience and Food Safety: A Chronological Review

(GRI 3-3、GRI 416-2)

Adhering to the spirit of product innovation, our top priority is customer health and safety. Moreover, we continue to develop safe and delicious products and are committed to new product research and development as well as related technology innovation or introduction, creating a variety of innovative and revolutionary leading products. To implement and uphold "food safety", Uni-President has continuously poured resources and honed its professionalism every year, to provide consumers with high-quality and safe products.

Material Topic	Food safety
 Corresponding GRI indicators	GRI 416: Customer Health and Safety
 Policy and Commitment	<p>"Zero Food Safety Risk" is Uni-President's core value and commitment</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;"> <p>Food Safety Policy of Uni-President</p>  </div> <div style="text-align: center;"> <p>Quality Assurance Policy of Uni-President</p>  </div> </div>
 Goal	<ul style="list-style-type: none"> <li>Establish 3-point food safety management and drug residue goals to strengthen food safety and quality management.</li> <li>Construct a food safety culture and implement food safety awareness to all employees while shouldering the responsibility of food safety as required by consumers.</li> </ul> <p>※See the "<a href="#">Sustainable Value Chain</a>" chapter for the annual management goals and the goal-fulfilling status.</p>
 Action Plan	<ul style="list-style-type: none"> <li>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.</li> <li>Establish a quality control laboratory and a food safety laboratory, while proactively gaining TAF and TFDA certifications to strengthen food safety testing capabilities.</li> <li>Formulate a supplier management policy and improve supplier management through on-site assessments, remote video assessment and raw materials supplier visits.</li> <li>Each production plant runs international food safety management systems such as ISO 22000 and FSSC 22000 certification to improve the management capabilities of plants.</li> </ul>
 Evaluation Mechanism	<ul style="list-style-type: none"> <li>Form a Food Safety Audit Team to periodically perform internal and external food safety risk monitoring inspections according to the annual plan, ensuring the implementation status of food safety controls.</li> <li>Continue to maintain the validity of international food safety management systems and laboratory certifications.</li> <li>Comply with food-related laws and regulations</li> <li>Report to the Board of Directors on the implementation status of ethical management and regulatory compliance on an annual basis</li> </ul>
 Grievance Mechanism	<ul style="list-style-type: none"> <li>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.</li> <li>Set up an internal food safety hotline to provide employees with a channel for product-related reporting or complaints. We also have an independent internal reporting mailbox and hotline in place.</li> </ul>

## Uni-President Food Safety Milestones



## 2.2 Food Safety Management

(GRI 3-3 \ GRI 416-1)

Food is a necessity for all mankind, and food safety issues alone are enough to cause a stir in society. As we were established over five decades ago, we have extended our businesses from meeting the basic living needs of consumers to taking care of their daily life and providing multiple services for everyday life. As well as this, we have become a leader in the industry that fulfills every aspect of people's lives.

Faced with the high expectations of society and consumers for the food industry, our food safety control system is based on the consistent management regulations. We ensure the safety and health of all products that are provided for the public from the perspective of the value chain, including traceability of raw materials, manufacturing, retail channels, and customer services. We also aim to have great influence on the food industry and bring the industry a positive development.

### 2.2.1 Creating a food safety management mechanism

At Uni-President, we ensure food safety. The Food Safety 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 food safety policy.



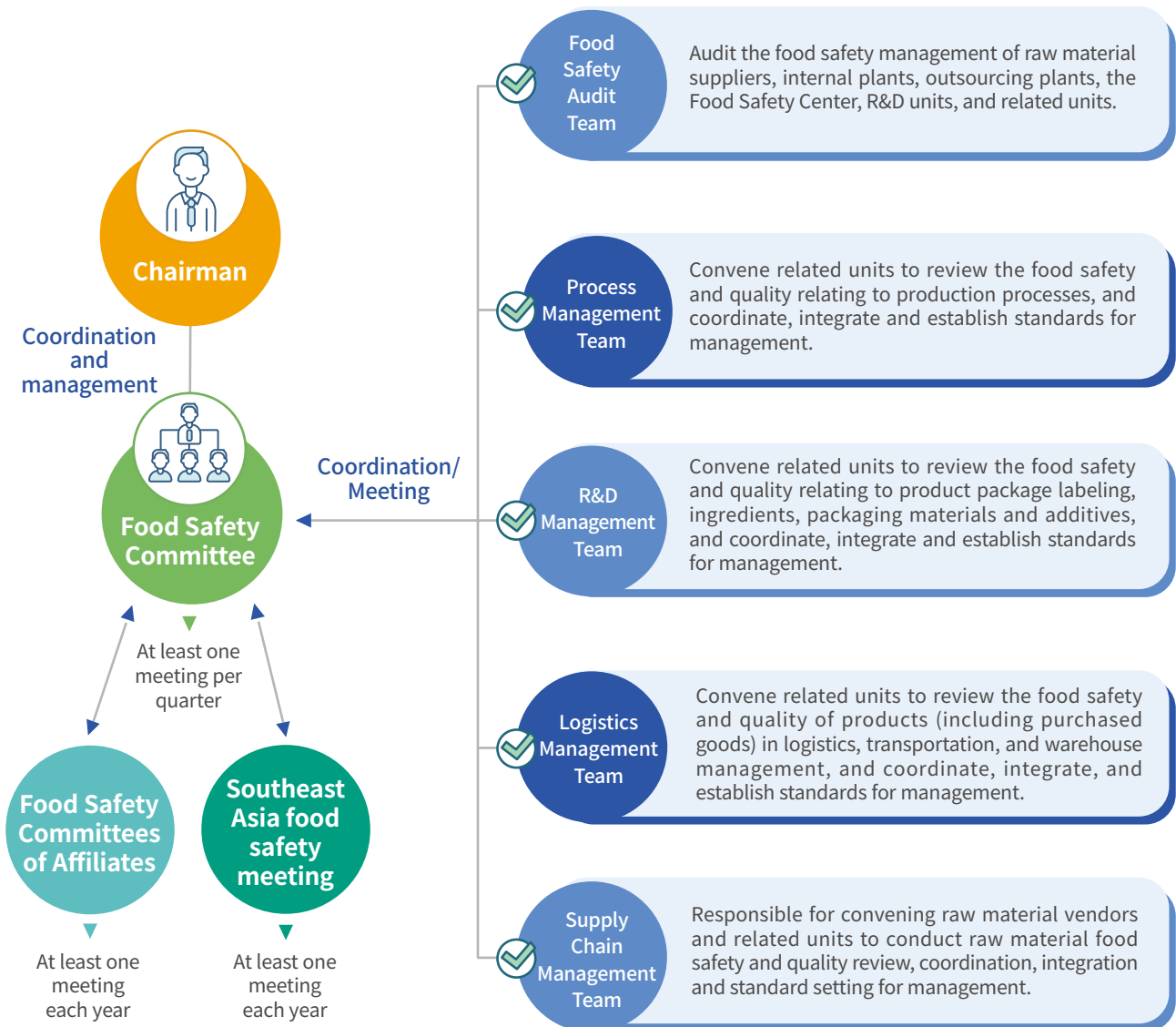
## Food Safety Committee

The chairman of Uni-President is the convener of the committee and appoints the head of the Food Safety Center, Purchasing Division, Logistics Group, Commercial R&D Institute, Technical Group, each business unit, Food Safety Audit Team, and Public Relation Office as members. The Food Safety Committee set up five groups and held at least one food safety meeting every quarter 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 36 food safety meetings in 2022. 1 Group food safety meeting was held on December 28, 2022 and 1 Southeast Asia food safety meeting was held on January 11, 2023.

## Procedures, Teams and Responsibilities of the Food Safety Committee



Each group will hold a review meeting according to their duties and needs on a monthly basis

## 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. By using the number of points as the management evaluation indicator, the security control risk caused by the target setting of the number of incidents in the past is improved. In 2022, there were no violations in public sector audits; there were no anomalies in drug residue in finished products and in customer complaints on Food Safety Point 1; customer complaints on Food Safety Point 2 decreased by 5% compared to the same period last year. Abnormal events will necessitate irregular visits to suppliers.

## The Core Working Practices of Food Safety Management

Item/Objective	Tracing and grading of customer complaints	Drug residue management
Management Focus	<ul style="list-style-type: none"> <li>Food Safety Point 1: Incidents that would potentially cause significant harm to the human body</li> <li>Food Safety Point 2: Incidents that would potentially cause minor harm to the human body</li> <li>Food Safety Point 3: Events apart from Food Safety Point 1 and 2</li> </ul>	Drug residue in finished products
Working Teams	Supply Chain Management Team, Process Management Team, R&D Management Team, Food Safety Audit Team, Logistics Management Team	Food Safety Audit Team, R&D Management Team, Supply Chain Management Team
Implementation Details	Production process, R&D, suppliers, warehousing and delivery, quality control and inspection, and project improvement	Supplier source management, pesticide and animal drug residue testing and continuous improvement and optimization of projects

## Audits on Affiliates

In addition to coordinating Uni-President Groups 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 2022, Uni-President's seven affiliated companies were audited, including President Chain Store Corporation, Uni-President Organics Organization, Uni-President Natural Industrial Corporation, President Pharmaceutical Corporation, President Nisshin Corporation, President Kikkoman Inc., and Tait Marketing and Distribution Co., Ltd. With the promotion of the policy for our food safety core work priority, affiliates and suppliers have gradually strengthened their management measures. The total score for audits performed on affiliates increased by 0.34 points from 2021. All deficiencies found during the audit were tracked and improved in the fourth quarter of 2022.



### 2022 Audit Results of Affiliates

The total score for audits performed on affiliates increased by 0.34 points from 2021.



## Affiliate Food Safety System Evaluation Items



## 2022 Statistics of Audit Defective Items

0%

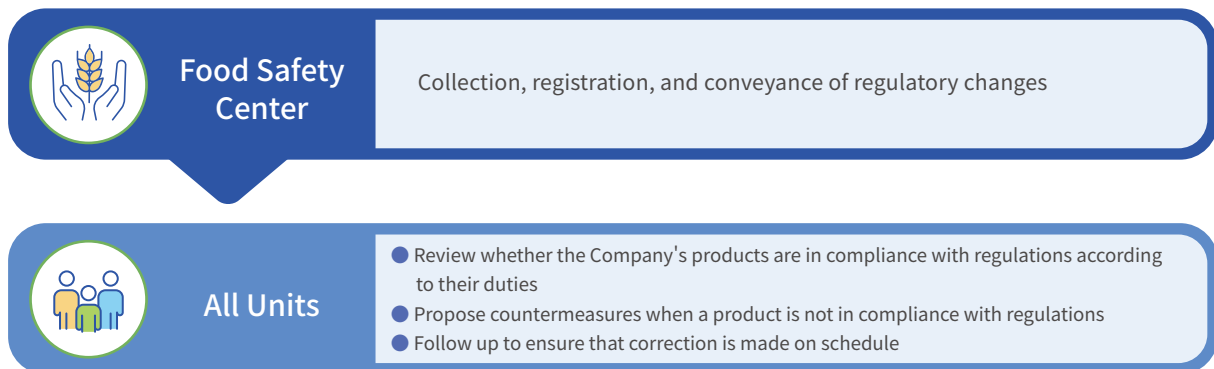
- Management and Compliance 0%
- Supplier Evaluation Management 0%
- R&D and Design Management 0%
- Nonconforming Product Management and Traceability Management 0%
- Food Protection/Emergency Response Management 0%



## Regulatory Identification System

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 immediately to ensure all products are in compliance with laws and regulations. By doing this, we are able to effectively control food safety risks and prevent damage to consumer health and the Company's business reputation.

## Product Regulatory Change Management Process



In 2022, the Food Safety Center supervised 91 cases of food-related regulatory changes, which covers all product categories (100%). The Food Safety Center initiated 85 regulation identifications in accordance with regulatory changes. These 85 cases have been closed before January 3, 2023; 6 unclosed cases were still pending review or revision of the standard document. They all will be confirmed and revised before the enforcement date of the regulations, and are expected to be finished on December 31, 2023. The Act Governing Food Safety and Sanitation and its enforcement rules promulgated by the Taiwan Food and Drug Administration (TFDA), 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> °



### Initiated 91 regulations identification cases based on changes in regulations

- ✓ 85 regulations identification cases have been closed
- ✓ 6 cases are expected to be confirmed and amended before 2023/12/31

In 2022, we were not subject to fines due to violation of the "Act Governing Food Safety and Sanitation" or related enforcement rules, regulations, or guidelines, and there was no product required by the competent authority <sup>Note</sup> to be removed from shelves.

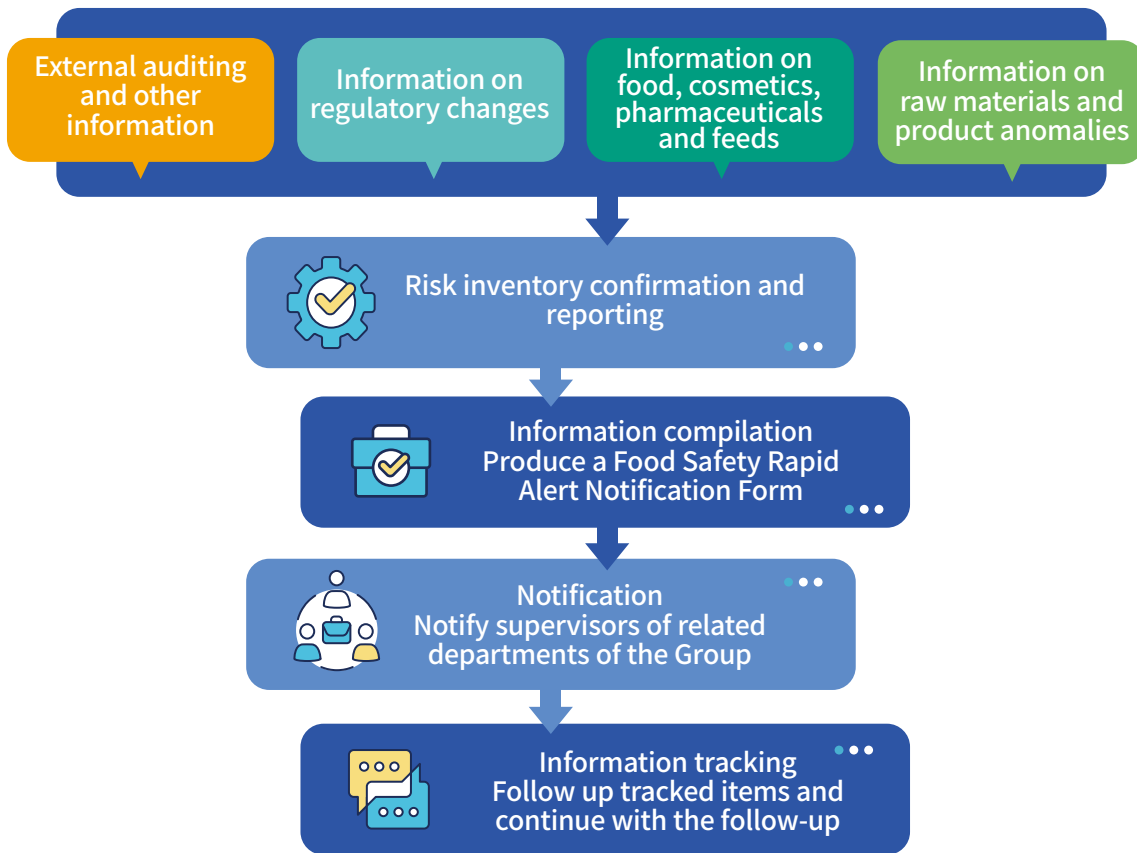
Note: The term "competent authority" refers to the MOHW, TFDA, or other local or central competent authorities.

## 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. Through the FSCRA, related units are able to propose countermeasures for food/cosmetics/pharmaceuticals/feeds.



## Operating procedures



### 2022 List of notifications from the Food Safety Center Rapid Alarm System (FSCRA)

- Number of notifications in 2022: 365
- Proportion of product category affected: 100%
- Number of cases requiring follow-up: 24

The above mentioned cases have been tracked and solved before January 4, 2023.

## Food Safety Hotline

For product safety and label content, Uni-President has established "Regulations for Encouraging Colleagues to Engage in and Maintain Product Safety" 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 Division, 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\$7.5 million. Employees can express their opinions on all company food products (100%) on the food safety hotline. In 2022, the food safety hotline received a total of 6 employee feedback cases reporting issues with nutrition labeling, manufacturing location information, and information on product literature. Upon receiving feedback from staff, the Company will launch a comprehensive inquiry to verify the feedback. However, 5 cases were verified to be not misstated or missed, 1 case was determined to be related to incorrect labeling of place of manufacture on the online shopping platform.



### 2022 Contents of employees' calls to the food safety hotline and improvement measures

- Summary of the call: The information on place of manufacture indicated on the online shopping platform differed from the actual one.
- Improvement measure: The product packaging bore correct information on the place of manufacture, but the online shopping platform administrator misstated the place of manufacture. Subsequently, the Business Unit regularly checked and demanded that the online shopping platform administrator better the management performance.

## 2.2.2 Building Food Safety Professional Capacity

Food safety has been Uni-President's ongoing and persistent commitment and our ultimate goal is to raise our food safety standards to international levels. Given this, not only have we invested in high-standard professional equipment, but we also make an effort to enhance food testing capabilities and strengthen professional talent. To build food safety professional capabilities, 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

As a means to strengthen the control capabilities of food safety, we continue to invest in equipment and additional testing items to enhance our ability. In addition to establishing QC laboratories in each production plant, the FSC has also set up a food safety laboratory. Moreover, efforts have been made for each laboratory to attain TFDA and TAF certifications. For more information on certified laboratories, please refer to appendix- ESG information – TFDA- and TAF-Certified Laboratories.

Raw materials and finished products are examined together by both the Food Safety Center and the Quality Control Section based in each factory. If the results of inspection of the incoming materials do not meet the requirements listed in the specifications, the Quality Control Section will decide them to be unfit and reject them. The Quality Control Section will issue a raw materials anomaly liaison sheet to the purchasing unit to prod the supplier to put forward improvement and prevention measures, desiring to enhance the reliability of supply quality.

In 2022, the QC Section and Food Safety Laboratory compiled a total of 219 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. 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, 2022, up to 634 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 Materials Inspection in 2022

- Anomaly rate for finished products: 0.10%
- Anomaly rate for raw materials: 0.25%

Note: The ratio of the number of cases of anomaly in finished products and raw materials identified in a test performed by the Quality Control Section in 2022 to the total number of tests of finished products and raw materials performed by the Quality Control Section in 2022.



### 2022 Food Safety Management Expense Statistics

- Food safety control expenses <sup>Note 1</sup> : NT\$326.84 million
- Percentage of net sales revenue in the standalone financial statements : 0.70%
- Investment expenditure on R&D and testing equipment <sup>Note 2</sup> : NT\$22.21 million

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

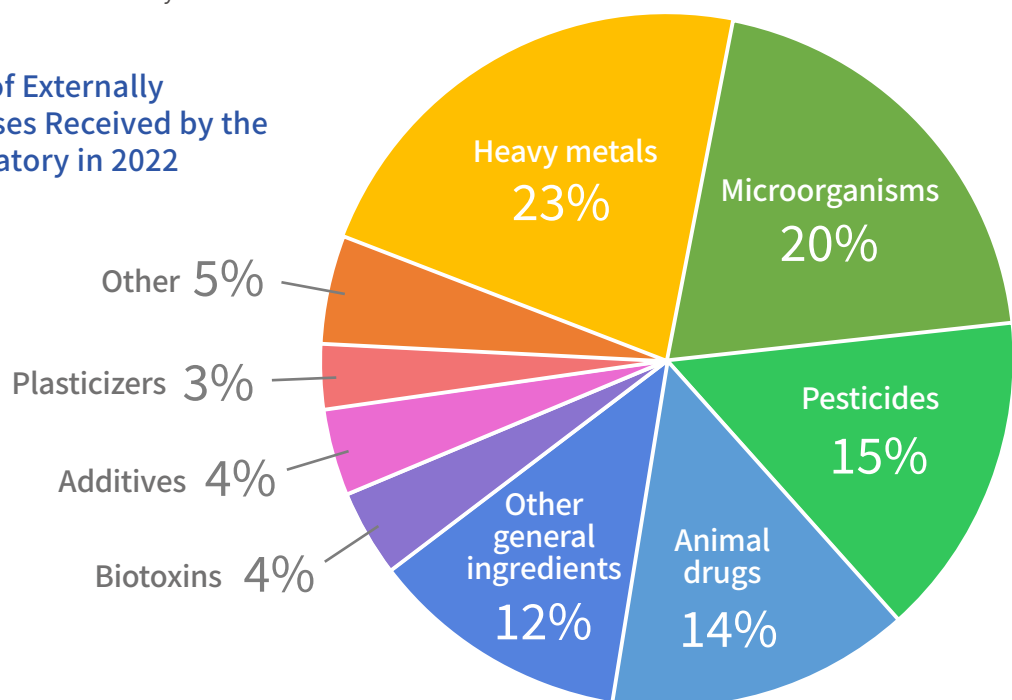
Note 2: Expenditure includes the equipment investment of Commercial R&D Institute, Food Safety Center, and Technical Group



## Expand Food Safety Testing Influence

In order to meet the demands of food safety service 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 2022, most were for heavy metals, microorganisms, pesticides and animal drugs. 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.

### Analysis of Types of Externally Commissioned Cases Received by the Food Safety Laboratory in 2022



## 2.2.3 Cultivate food safety talent

### Capacity Test Comparison

To ensure the quality of food safety inspection and the capabilities of the inspection unit upon performing tests, we conduct capability comparison between inspection units through test standards, test conditions and homogeneous samples. Finally, the test results from each inspection unit are compiled, analyzed and evaluated so as to understand the inspection capabilities of the Group's production plants, quality control and OEMs. The autonomous management capacities of inspections are also optimized according to the capacity inspection comparison results.

### Professional licenses and education and training

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, 2022, a total of 145 employees obtained food safety certifications.

Furthermore, to reinforce the soft power, increase food safety awareness, and enhance the food safety knowledge among our employees, we continue to arrange courses related to food safety, hygiene management and testing. At the same time, we strive to develop the external counseling ability of the FSC staff. In 2022, the number of participants in food safety training reached 14,387, with a total training of 27,949.8 hours.



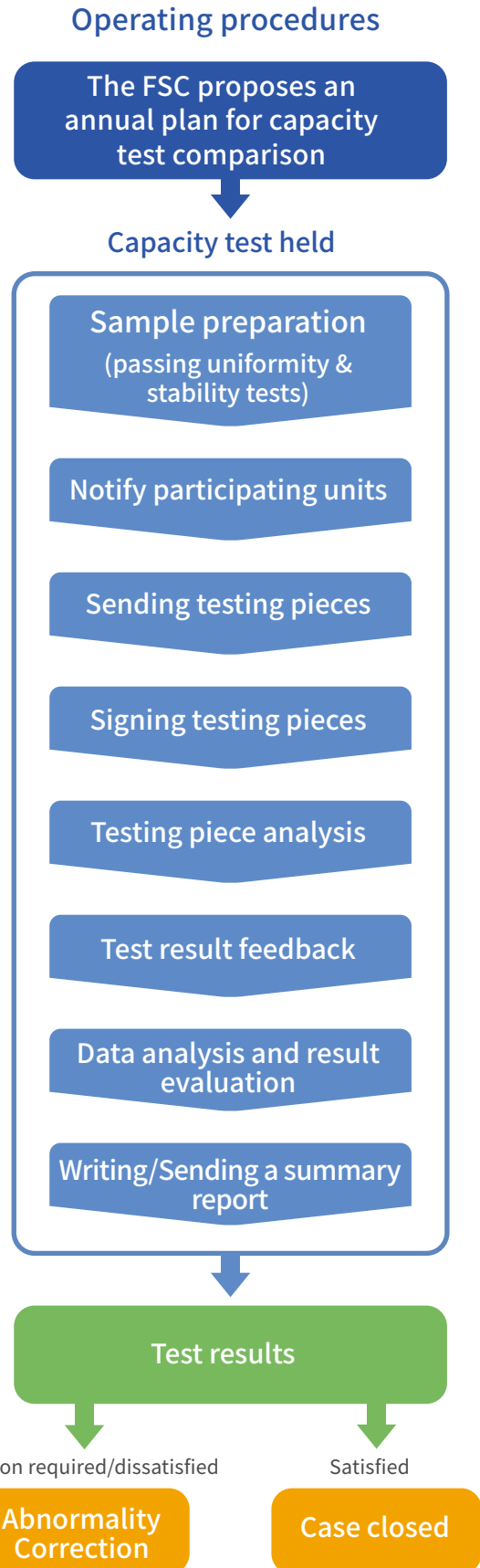
#### 2022 Food Safety Education and Training

- ✓ 14,387 employees received training
- ✓ Total 27,949.8 training hours



In 2022, as many as 145 personnel obtained food safety-related certificates, an increase of 3.6% compared with 2021

Note: For professional licenses attained within the past 3 years, please refer to Appendix – ESG Information – Food Safety-related Certificates and Licenses





## External education and training

In an attempt to increase food safety awareness among the public, we have opened education and training courses available for Uni-President's affiliates, OEMs, raw material suppliers. Through these courses, Uni-President's accumulated experience of food production and quality management for the past five decades can be shared, making an effort to increase the awareness of quality management in society and the food industry.

### Routine external courses (13 courses in total)

1. Instrument calibration and plant management practice training class
2. Food plant cleaning and disinfection practice course
3. Courses on vector control practices management in food factory
4. Food microbiological testing course
5. Food sensory evaluation and practical application course
6. Food plant cross-contamination prevention practices
7. ISO 22000:2018 food safety management system clause training and revision practice course
8. Auditor training practical class
9. Food plant sampling and statistical application class
10. Courses on environmental monitoring and management practices in food factory
11. One point lessons given in food factory
12. Training on the seven basic quality control tools in food factory
13. Courses on rectifying and managing anomalies in food factory

### 2022 customized business classes (7 courses in total)

1. Preliminary training courses on the seven basic quality control tools
2. Intermediate training courses on the seven basic quality control tools
3. Preliminary training courses on food sensory evaluation and practical application
4. Intermediate training courses on food sensory evaluation and practical application
5. Courses on rectifying and managing anomalies in food factory
6. Foot Plant vector control practice training course
7. Foot Plant environmental monitoring and management course

★ **A total of 139 people attended the class.**



## 2.3 Supplier Management

(GRI 2-6、GRI 308-2、GRI 414-2)



In order to provide consumers and society with high quality and safe food products, we make an effort to maintain the taste of our products and reduce food safety hazards. At the same time, we also strive to reduce the use of additives to eliminate food safety risks. The importance of supplier management to stakeholders and Uni-President is undeniable.

### 2.3.1 Supplier Management Mechanism

Uni-President produces a wide variety of products with complex raw materials. We manage suppliers in the production supply chain by establishing the Supplier Code of Conduct and management requirements. Moreover, we effectively reduce food safety risks through on-site assessments, remote video assessment, raw materials supplier visits and supplier traceability checks, as well as a comprehensive track and trace system.

#### Supplier management strategy

At Uni-President, we ask our suppliers to respect employees, value workplace safety, and take the responsibility for society and the environment. They are also required to comply with the laws and regulations of the countries and regions in which they operate. Moreover, suppliers are encouraged to require their upstream suppliers to endorse and adopt related guidelines.

 Code of Conduct	Code of Ethic	<ul style="list-style-type: none"> <li>• Meet regulatory requirements</li> <li>• Ethical management</li> <li>• Confidentiality obligation</li> <li>• Intellectual property rights protection</li> </ul>
	Labor and Safety	<ul style="list-style-type: none"> <li>• Compliance with relevant regulations</li> <li>• Labor rights protection</li> <li>• Provide a healthy and safe workplace</li> <li>• Occupational Safety and Health Management</li> </ul>
	Social and Environmental Responsibility	<ul style="list-style-type: none"> <li>• Compliance with relevant regulations</li> <li>• Encourage green procurement</li> <li>• Emphasis on operational environmental responsibility</li> </ul>
 Management Requirements	Qualification Review	<ul style="list-style-type: none"> <li>• All suppliers of raw materials must be approved by the evaluation team before procurement.</li> <li>• Must be registered on the "Food Business Registration System"</li> </ul>
	Quality Management	<ul style="list-style-type: none"> <li>• Food raw materials and packaging suppliers who come into contact with food must acquire ISO 9000, HACCP, ISO 22000 or FSSC 22000 food safety management system certification.</li> </ul>
	Contract Performance System	<ul style="list-style-type: none"> <li>• CSR terms must be incorporated in the procurement agreement. It may be terminated or revoked immediately when any violation of the CSR policy is involved.</li> </ul>

## Supplier Management Aspect

Through the three major aspects, we review and track deficiencies to improve our grasp of raw material quality as well as supplier operating standards in order to strengthen the control over food safety.

In 2022, due to the continuous impact of the epidemic, many on-site assessments and inspections of suppliers were affected. In response to the impact brought about by COVID-19, while at the same time keeping on top of the food safety management of high-quality products, we have been conducting remote video assessments. Apart from documents and records which are reviewed, we examine the implementation of plant management focus using video tools. As well as this, we also use mobile phones to directly video or photograph the key points of production sites as an additional aid to assessment.

Management Aspect	Audit Method
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Audit of Operational Procedures

### Document review

Execution frequency: From time to time

- Suppliers of unprocessed agricultural, livestock and aquatic ingredients

### On-site assessment/remote video assessment

Execution frequency: Audit frequency is determined by risk

- Domestic food suppliers
- Primary processing plants of agricultural and livestock products
- Traders
- Overseas manufacturers
- Traders (packing plants) of food-grade detergents/chemicals
- Suppliers of food-grade detergents/chemicals



Maintenance of Material Quality

### Visits to raw material suppliers

Execution frequency: From time to time

- Domestic food suppliers
- Primary processing plants of agricultural, livestock and aquatic products
- Traders

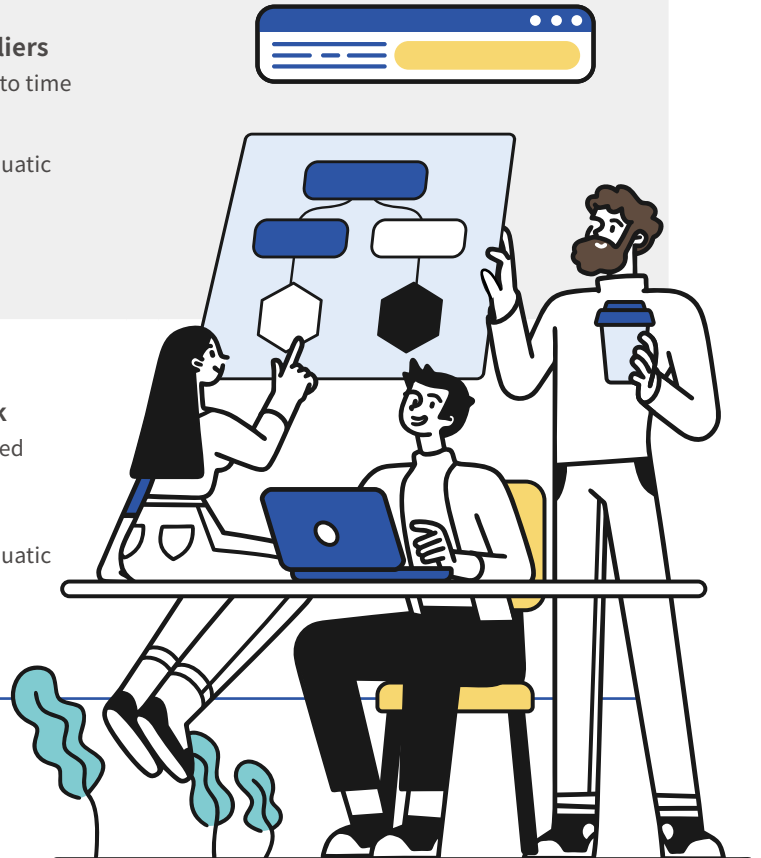


Specific Audit Topic (Audit by the Food Safety Audit Team)

### Supplier Traceability Check

Execution frequency: Unscheduled audits without warning

- Domestic food suppliers
- Primary processing plants of agricultural, livestock and aquatic products
- Traders



## On-site assessment / remote video assessment

We have formulated the "Supplier Assessment Procedures" in accordance with the "Regulations on Good Hygienic Practice for Food" and the "Regulations on Food Safety Control System." Assessment items of these Procedures are applied based on the type of the suppliers.



## Supplier Assessment Items

Suppliers of food-grade detergents/chemicals	Domestic food suppliers
<ul style="list-style-type: none"> <li>• Management and Regulations</li> <li>• Process and product control</li> <li>• Nonconforming product management and traceability</li> <li>• Environmental health</li> <li>• Employee health and safety</li> <li>• Facilities and Equipment</li> <li>• Disease vector management</li> <li>• Product Protection and Emergency Response</li> <li>• Inspection and testing</li> <li>• Warehouse and transportation</li> <li>• Corporate social responsibility</li> </ul>	<ul style="list-style-type: none"> <li>• Management and Regulations</li> <li>• Critical control point and hazard analysis food safety systems</li> <li>• Process and product control</li> <li>• Nonconforming product management and traceability</li> <li>• Environmental health</li> <li>• Employee health and safety</li> <li>• Facilities and Equipment</li> <li>• Disease vector management</li> <li>• Food safety and emergency response</li> <li>• Inspection and testing</li> <li>• Warehouse and transportation</li> <li>• Corporate social responsibility</li> </ul>
Primary processing plants of agricultural, livestock and aquatic products	Traders (packing plants) of food-grade detergents/chemicals
<ul style="list-style-type: none"> <li>• raw materials, management</li> <li>• Quality and supply capacity</li> <li>• Plant Health and Safety</li> <li>• Process management</li> </ul>	<ul style="list-style-type: none"> <li>• General Management</li> <li>• Warehouse and Transportation Management</li> <li>• Packing process management</li> <li>• Waste management</li> </ul>
Overseas manufacturers	Traders
<ul style="list-style-type: none"> <li>• raw materials, additives, processes, products, and other food safety management</li> </ul>	<ul style="list-style-type: none"> <li>• raw materials management</li> <li>• Supply capacity</li> </ul>

In 2022, 152 out of 569 food raw materials suppliers applicable to the Supplier Evaluation SOP completed the on-site or video evaluation, a 26.7% 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. All suppliers passed the assessment.

Note 1: The 569 suppliers were food raw materials suppliers who had business dealings with the Company in 2022 included suppliers not subject to the Supplier Assessment Procedures. (e.g., OEM factories, dairy farmers).

Note 2: The 152 suppliers include the number of food raw material suppliers trading with us in 2022 and undergoing an on-site or a video evaluation in accordance with the "Suppliers Evaluation Procedures", excluding the number of suppliers subject to a book review, e.g., suppliers of raw agricultural/livestock/aquatic products and suppliers importing commodities by themselves (such as: wheat, corn, etc.).

Note 3: Video assessments are performed due to COVID-19.



After the assessment, 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 assessment based on the root cause of deficiencies and follow-up result of the improvement. They may be listed as new suppliers when approved.

On-site assessments performed on overseas suppliers were completed in 2016, with each one passing the assessment. According to Risk Control Principles, as there were no recent major risk incidents, on-site assessments were not performed for overseas suppliers in 2022. When necessary, on-site assessments will be proposed for overseas suppliers in the future.

## 2020–2022 On-site Assessment Percentage

On-site Assessment	2020	2021	2022
A. Number of all raw material suppliers <sup>Note 1</sup>	540	543	569
B. Number of suppliers applicable to the Supplier Assessment Procedures	336	401	416
C. Number of domestic suppliers that performed on-site/video assessments <sup>Note 2</sup>	135	168	152
Ratio of on-site/video assessments to all suppliers (=C/A) <sup>Note 3</sup>	25.0%	30.9%	26.7%
Ratio of on-site/video assessments to suppliers applicable to the Supplier Assessment Procedures (=C/B)	40.2%	41.9%	36.5%


Note1: Food raw material suppliers who had business dealings with the Company for the year included suppliers not subject to the Supplier Assessment Procedures. (e.g., OEM factories, dairy farmers).

Note 2: The suppliers include the number of food raw material suppliers trading with us in 2022 and undergoing an on-site or a video evaluation in accordance with the "Suppliers Evaluation Procedures", excluding the number of suppliers subject to a book review, e.g., suppliers of raw agricultural/livestock/aquatic products and suppliers importing commodities by themselves (such as: wheat, corn, etc.).

Note 3: Video assessments are performed due to COVID-19.

## Visits to raw material suppliers

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.

Classification of Anomalies of Raw materials During Incoming Acceptance	Management Method
 <p>Food Safety Point 1 Food Safety Point 2</p>	The Food Safety Audit Team carries out a supplier on-site visit and follows up improvement
<p>Food Safety Point 3</p>	The QC Section will determine whether or not to initiate unscheduled visits, and based on the key points of the visit, the "Audit Form for Unscheduled Visits on Raw materials Suppliers" will be established. During the visit, if one of the items fails to reach certain qualification criteria, it will be deemed a deficiency. Suppliers with deficiencies are required to complete the Quality Improvement Tracking Form for Raw materials Suppliers within one week.

## Results of visits to raw material suppliers in 2022

Object for visits	Subject for visits
Suppliers of raw materials rejected by QC for nonconformities during the incoming acceptance, or suppliers of raw materials (excluding raw cheese farmers) with anomalies found during production	Audit the management of materials/processes/ finished products/others.

2022 results of the visits

In 2022, the QC Section audited 13 suppliers in 20 visits. Process management was the main cause of defects. Corrections of all defects had already been completed before January 5, 2023.

## 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. There are four audit topics. Among them, 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 raw material origin, COA (Certificate of Analysis), shelf-life, food safety testing reports.

Audit Topic
<ul style="list-style-type: none"> <li>✓ Production history check</li> <li>✓ Production process check (for manufacturers)</li> <li>✓ COA of testing report check</li> <li>✓ GHP (Good Hygienic Practices) management (including warehousing) check</li> </ul>



In 2022, the Food Safety Audit Team audited 278 suppliers in 744 visits. Good Hygiene Practice (GHP) was the main defect. Corrections of all defects were all completed by December 31, 2022.

## 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, food operators are required 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 livestock and aquatic feed).



In 2022, Uni-President has developed the Food Traceability Management System with a total of 457 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)" (<https://ftracebook.fda.gov.tw>).



## Uni-President Group's Supply Chain Information Sharing Platform

As a means to integrate the Group's supply chain resources, the Group's supply chain information sharing platform was planned and created in 2021. Information on current qualified suppliers is integrated and provided to affiliates with access to it. By doing this, not only can repeated assessments of affiliates be reduced, the chance for the Group to use unqualified suppliers is at the same time decreased. Furthermore, the compilation of deficiencies from the Group's supplier assessments can help the Group focus on food safety management priorities.

### Application Mechanism :

- (1) Information of qualified suppliers from assessments conducted by all affiliates/ a list of suppliers that the Company no longer trade with or will not trade with is filed in the platform to integrate the Company's partners.
- (2) The supplier information and assessment status is available on the platform for all affiliates.
- (3) All affiliates engage in exchanges on a regular basis and review current assessment measures (including using the report that has been assessed by the Group).

### Benefits :

- (1) Quick and accurate search for the Group's qualified suppliers
- (2) Reduce the management procedures and operation of repeated evaluations
- (3) Reduce the risk of using new suppliers that are not on the Group's qualified supplier list

## 2.3.2 Supplier Counseling

As a means to implement control over food safety risks, Uni-President takes a proactive approach to conduct supplier management by performing assessments and audits. Abnormalities occurring during the process are listed as projects for management and counseling for improvement. To reduce food safety risks of suppliers, improvements we make are: source management, workflow optimization, process optimization, equipment enhancement, and pollution prevention of personnel. At the same time, based on the principle of achieving mutual benefit, we continue to reinforce our suppliers to exert our influence as an industry leader.

Project	Counseling content
Project on providing guidance to suppliers planning to build a factory	Vendors are inexperienced when it comes to factory construction planning and food safety. Through discussions on six themes (building facilities, storage areas, production areas, energy requirements, quality control laboratories, and equipment acceptance), we offer proposals and resources to help vendors in terms of hardware (building facilities, environmental requirements, traffic planning) and software (personnel training) requisite for construction of a new factory, so that the new factory to be constructed can meet the requirements of laws and regulations and the FSSC 22000.
Project on remote teaching and counseling on microbial cross-contamination in ready-made food factory	To cope with the challenges that come with the pandemic, we provide vendors with remote teaching courses on microbial cross-contamination and in-factory guidance service in their ready-made food factories. By examining the five streams, namely, human traffic, materials traffic, equipment traffic, airflow, and water flow, throughout the factory for microbial cross-contamination, we walk trainees through re-examining the current situation and having in-depth discussions to identify in-factory issues, thereby prodding them to think about improvement measures and continue to autonomously manage their factory.
Vector Control Tutoring Project	We have designed specialized professional courses tailored to the needs of vendors, addressing the control of vectors and insects in the coffee bean industry. The courses are differentiated according to the level of technical proficiency, and are divided into vector index investigation and contract management, management of vector insect traps, and three no's vector control management. We examine vendors' conduct on-site, help them spot systematic issues, and provide them with optimization suggestions.
Project on establishment of a sensory evaluation mechanism	We tailor-make professional teaching materials and carry out on-site instruction and training. The curriculum is split into three stages: elementary, intermediate, and advanced, in order to assist trainees in gradually developing their understanding of evaluation and creating a solid foundation. In addition to setting up a foundation in knowledge, we also have drills and activities that involve rice elements to develop personnel's professional skill in sensory evaluation. We also walk vendors through establishment of a professional evaluation team, as a means of establishing an autonomous management mechanism.



## 2.4 Responsible Production Management

To reduce 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.



### Information on responsible production management

- In 2022, Uni-President had 24 production sites located in Yungkang General Plant, Xinshih General Plant, Taichung General Plant, Yangmei General Plant, Chungli General Plant, and Hukou Park, consisting of 23 food plants and one feed plant.
- In 2022, Uni-President sold a total of 1,294,679 metric tons of products.

### 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 ISO 22000, FSSC 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 :



- HACCP (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 FSSC 22000 certified items in the Appendix ESG Information – "food products of plants certified by ISO 22000 and FSSC 22000 in 2022."



In 2022, food products certified by FSSC 22000 accounted for 99.98% of Uni-President's total food products.

Note : The percentage of certification was calculated from dividing the total number of FSSC 22000 certified food products by the total output of food products (unit: the minimum packaging unit of each food 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.

## 2022 Self-audit Standards and Achievements

Plant Type	Management Standards	Inspection Status
Food Plants	<p>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.</p> <ul style="list-style-type: none"> <li>Level 1: Plant self-audit</li> <li>Level 2: Audits on all food plants are performed by general plants</li> <li>Level 3: The Technical Group reviews the audit of all general plants and evaluates the need for spot checks based on the risk</li> </ul>	<p><b>Level 2 Audits</b></p> <ul style="list-style-type: none"> <li>Total number of food manufacturing plants: 23</li> <li>Number of on-site audited manufacturing plants: 23</li> <li>Proportion between the number of on-site audited plants and affected products: 100%</li> </ul> <p><b>Level 3 Audits</b></p> <p>Owing to the effects of the epidemic in 2022, plant audit was put on hold.</p>
Feed plant	We have established the "Internal Quality & Food Safety Audit Procedures" in reference to ISO 9001 and ISO 22000.	100% <sup>Note</sup>

Note: In 2022, there was only one feed production plant, which had internal audits completed.

### 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 2022, a total of 54 units were audited, with 341 deficiencies found. The deficiencies mainly include improper preservation and placement of raw material, unclear labeling of raw materials, and malfunctioning hardware and equipment. Uni-President will track the progress in improvement in deficiencies one by one until improvement has been completed for all deficiencies.

#### 2022 deficiencies related to food safety risk in the production and QC research units



Unit	Food Safety Point 1 management	Food Safety Point 2 management	Food Safety Point 3 management	Drug residue management of raw materials and finished products	Subtotal
Internal plant	0%	0%	50%	0%	50%
Internal QC Unit	0%	0%	5%	0%	5%
Internal Research Unit	0%	0%	2%	0%	2%
OEM Plant	0%	1%	42%	0%	43%
Subtotal	0%	1%	99%	0%	100%

## 2.4.4 Investment in Equipment Optimization Process

Foods are manufactured through complex processes and as we manufacture a variety of products, we must reduce the number of human operations during the process in order to keep foods safe. We have introduced automation technology to improve manufacturing efficiency. Meanwhile, we have also upgraded our inspection equipment to further reduce complicated manpower work in order to ensure that food safety control and operational quality is enhanced.

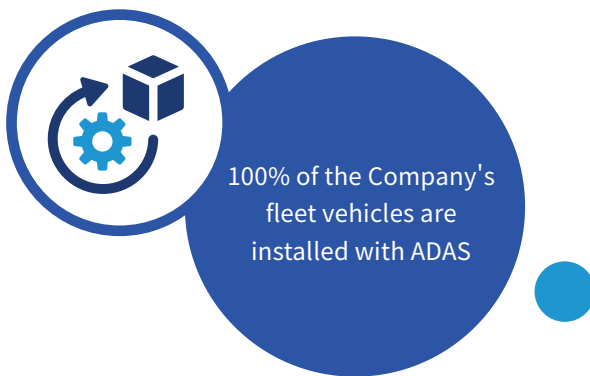
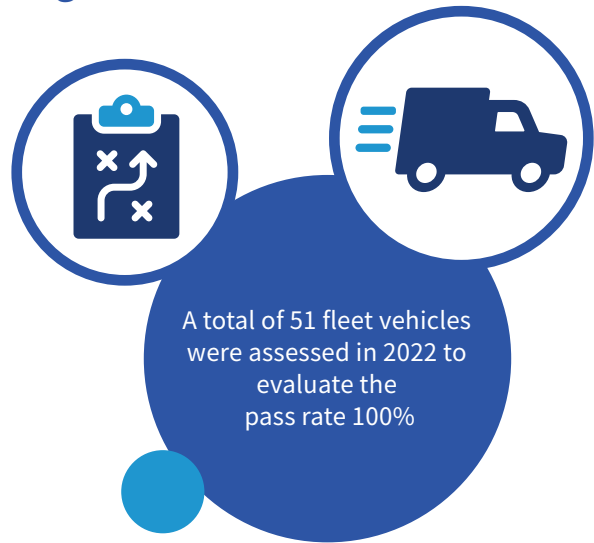
### Introduction of Equipment to Strengthen Inspection Capabilities

Equipment Name	Benefits after Implementation
<p>Automatic Colony Counter</p>    	<p>✓ Optimizing the speed of microbial count plate reading action</p>

Equipment Name	Application Benefits
<p>Automatic microbial rapid screening instrument (VIDAS Automatic Immunology Analyzer)</p> 	<p>✓ Shorten the time requisite for test for staphylococcus aureus enterotoxin in dairy products, thereby safeguarding product safety in time</p> 

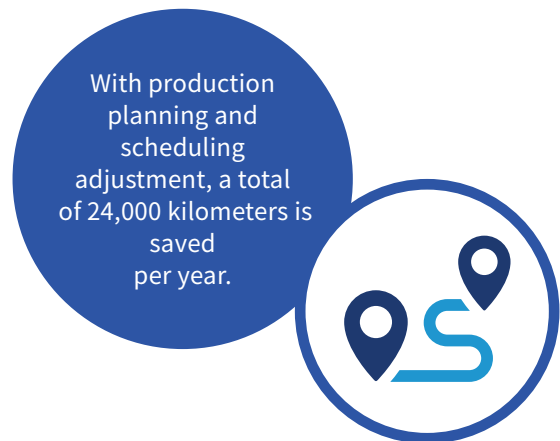
## 2.4.5 Strengthen Logistics Service Management

In 1996, Uni-President established a distribution company to integrate the Company's business and logistics activities, while at the same time managing sales and channel marketing management. With respect to business – we have the most robust sales team with products spanning room temperature, refrigerated and low temperature. We are committed to fulfilling customer needs for channel building, channel marketing and channel management. With respect to logistics – we have built first-tier and second-tier logistics services. We provide transportation, storage and distribution services with a central aim of satisfying our customers under the "punctual, correct, and high-value" principle. As a means to provide stable logistics services, Uni-President formulates evaluation standards, by which it regularly evaluates fleet vehicles in three aspects: personnel management, vehicle management, and operation management. In 2022, 51 fleet vehicles were assessed, with a pass rate of 100%.



We emphasize the importance of the safety and security of our fleets and follow the regulatory requirements. In 2021, the Advanced Driver Assistance Systems (ADAS), dash cams and vision assist systems were installed in all fleet vehicles. By doing this, we provide a safer working environment for our fleet vehicles. The installation ratio was 100% in 2022.

Apart from the introduction of safety equipment system aids, we have also integrated resources of relevant affiliates targeting transportation routes of logistics fleet vehicles, in an effort to make continuous optimization and adjustment. To illustrate, with regard to production scheduling, we enhance the performance of production scheduling to decrease the amount of goods traveling from south to north. This change can reduce mileage by 24,000 kilometers annually.





## 2.5 Product R&D and Innovation

With our overall product development principle being "fun, delicious food that is safe to eat," we make an effort to stay on top of health trends and cater to the needs of future consumers. Our current products are developed based on the low salt, low sodium and low sugar concept, with no sugar and less added sugar being our future development trend. Moreover, due to COVID-19, consumers nowadays pay more attention to what they eat. To keep pace with the changing requirements and preferences of consumers, Uni-President is devoted to creating alternative items, including fresh food products, home hotpot products, instant chicken breasts, refrigerated and frozen noodles.



### Information on Patents

Our R&D and technology units often work with affiliates. President Chain Store Corporation is licensed to use patented products in its ready-made meal products and Uni-President Enterprises (China) investment Corporation is licensed to use patented products in their instant noodle products.

Our R&D unit will continue to promote and develop design services, with a development goal of expanding intellectual property performance.



By the end of 2022

Patents were obtained

**530**

Invention **173**

New Patent **286**

Design **71**



in 2022

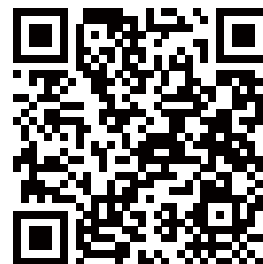
Patents were obtained

**27**



### Green trademark

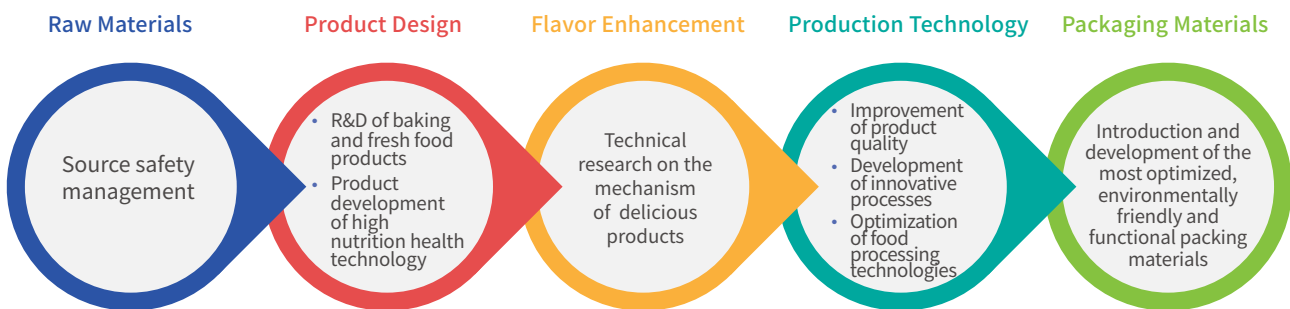
While innovating new products and technologies or improving existing ones, Uni-President is also actively pursuing green trademarks. We top the list of application for green trademarks of "Pollution Control", "Waste Management", "Reuse/Recycling", "Energy Conservation", "Energy Products", "Environmental Awareness", and "Climate Change". To learn more, see the Analysis of Industries with Green Trademark published by the Intellectual Property Office of MOEA in 2023. All of these illustrate Uni-President's commitment to attaining environmental sustainability.



## 2.5.1 R&D Strategy and Goal

The awareness of health and environmental protection among the general public has increased in recent years, leading to food safety being the focus of all industries. In the Group, food safety issues have always been the most important. On par with the business strategies, our top priority is to ensure consumer "food safety." Due to this, not only have we built a model for managing the safety of various food raw materials, but we have also further combined our core R&D capabilities. For that reason, we hope to become the leader in the industry while serving as a benchmark, guiding Taiwan's food industry towards the direction of innovative development and technology. While we create new products for consumers, our strategy also incorporates the current environmental awareness to proactively reduce the impact on the environment.

### Key R&D Strategy for Value Chain :



### Product R&D and Management Targets for the Coming Year

Management Target	2022 Achievement Status	2022 Key Achievements	2023 Targets	Mid-to Long-term Goal
Technical research on the mechanism of delicious products	Achieved and under continuous improvement.	<ol style="list-style-type: none"> <li>1. Development of spicy pepper pasta</li> <li>2. Jih-di dumplings with plant-based meat fillings</li> <li>3. To develop new refrigerated cake and snack products</li> <li>4. To develop new yogurt products milk</li> <li>5. To develop Taiwan orange juice</li> </ol>	<ol style="list-style-type: none"> <li>1. Development of light meal products</li> <li>2. Development of nutritional products for senior citizens</li> <li>3. Development of new fermented milk</li> <li>4. Development of savory bakes</li> <li>5. Development of room-temperature lemon fruit tea</li> </ol>	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 and under continuous improvement.	<ol style="list-style-type: none"> <li>1. To develop non-fried noodles</li> <li>2. To improve and upgrade bag technology</li> <li>3. To refine technology for room-temperature plant milk</li> <li>4. To build a low-temperature extraction technology</li> </ol>	<ol style="list-style-type: none"> <li>1. Advancement in non-fried noodle technology</li> <li>2. Advancement in the technology of room-temperature bakes</li> <li>3. Advancement in the technology of fermented milk strains</li> <li>4. Non-thermal processing technology for tea extraction</li> <li>5. Technology for preserving the flavor of fruit tea</li> </ol>	Meet consumer demands and improve three major product categories including fresh food, bakery, and nutrition through product R&D.



## 2.5.2 Diversified Dietary Trends to Take Into Account Both Health and Taste

As Taiwan's population ages with fewer children, lifestyles are also changing with people tending to eat out nowadays. In addition, with the arrival of the post-pandemic era and consumer's increased health awareness, dietary needs have become more diverse. Due to this, we have taken on the challenge to help consumers to move towards a healthy lifestyle. Given this, product development will require more innovation and we make an effort to develop various types of products aiming to cater for the needs of different consumer groups. In doing this, we hope to become the best partner for people's healthy-eating life.

Health Trends	Description	Number of Products
Health Food Certification	To fulfill consumer's 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, regulating blood sugar levels, and delaying aging) with various health effects with reference to the health effects announced by the Ministry of Health and Welfare.	23 products
Elderly-friendly Products	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.	18 products
Sugar-free/no additional sugar products	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.	27 products
Salt and sodium reduction	Studies have pointed out that excessive salt intake can lead to high blood pressure and cardiovascular disease. 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.	None of our 36 products exceed 2,000 mg of sodium per serving. Sodium intake is advised at 2,000 mg per day by the Food and Drug Administration.
Plant-based meat products	As consumers become more conscious of environmental protection and health, we are continuing to develop plant-based meat products. Compared to animal meat, plant-based meat helps prevent intake of excessive cholesterol and saturated fat. We are dedicated to delivering diversified products that promote health and nutrition for consumers.	1 product





### Jih-di dumplings with plant-based meat fillings

# Plant-based meat: Plant-based meat tailor-made to give a chewy texture to fillings

# Rich in vegetable: Cabbage adds flavor, jelly ear makes it smoother, and mushrooms offer a full-bodied taste.

# Mild and moist: The fragrance of sesame oil and pepper is complemented by the addition of aged ginger, producing a juicy and complex flavor.



2022.05 We adopted the modified atmosphere packaging (MAP) method to replace deoxidizer. This breakthrough in preservation technology not only minimized the wastage of deoxidizer consumables, making it more eco-friendly, but also brought greater ease-of-use for customers to enjoy.



## Brewed non-fried noodles

With the hustle and bustle of life, instant noodles have become a delicious and convenient option for people looking to quickly alleviate their hunger. Through 15 years of testing with dough, we have managed to maintain the complete wheat aroma using special wheat species and unique milling technology. Our Taiwanese-exclusive hot air ducting technique is combined with a 9-stage made-in-Japan dryer to imitate the craftsman's techniques, namely, "massaging, kneading, pinching, squeezing, tugging, tossing, hauling, dragging, and slicing". Such step-wise process yields the flavor of handmade, sun-dried noodles, making the texture of the noodles akin to that of sun-dried noodles. In doing so, we have broken through the shackles of traditional instant noodles and created a new generation of noodles - brewed non-fried noodles, enabling consumers with a hectic lifestyle to relish the taste of freshly prepared noodles with a few brewing steps.



## World Instant Noodles Association, WINA

In 1997, Uni-President Enterprises became a part of the World Instant Noodle Association and was selected as a member of the governing council. In collaboration with the global food industry, we are attentive to, advocate, and support the standards and food safety related to instant noodles. Through regular meetings and activities held by the association, we exchange knowledge about food technology R&D, supply chain security, and other related topics, aiming to enable consumers to enjoy delicious and nutritious instant noodles with peace of mind.



## Health Concept Products

### LP33 No Sugar Added Functional Yogurt

Consumers can consume the sugar-free product to supplement the patented LP33 bacteria in their daily diet, enabling them to maintain a good physical condition.



### Strong Oolong Tea/ Japanese Green Tea

Containing strong catechins, sugar-free, calorie-free, and obtained health food certification



### Uni Sunshine Sugar-free & Hi-fiber Soymilk

Produced from EU non-GMO, food-grade soybeans, this product offers superior plant-based protein. Added with dietary fiber, it also provides a feeling of fullness and stimulates intestinal movements.

Health Food Certification

- ✓ Helps lower total blood cholesterol
- ✓ Helps increase blood HDL cholesterol
- ✓ Helps alleviate risk factors associated with cardiovascular disease.



### Xinbei chicken essence

- ✓ This product has been duly recognized as an elderly-friendly product, offering senior citizens a sense of security when consuming it.
- ✓ The Health Food Society of Taiwan presented the product with the Innovation Award, signifying a great appreciation of its design.
- ✓ Carefully-picked nourishing ingredients: Red dates, wolfberry, fish maw, bearded tooth mushroom, Taiwan native chicken, and compound ingredients simmered for a prolonged period to break down the chicken's protein into smaller molecular amino acids, making it easier to digest and absorb.



## Sugar reduction products

### La Gauche de la Seine - Cafe Mandheling

To meet the heightened health consciousness of our customers, we have lowered the sugar content of existing products by 32%, enabling them to enjoy delicious food without exceeding their recommended sugar intake.



Apart from heeding to the dietary trends and health of consumers, we likewise persist in keeping an eye on the pet breeding environment and health requirements, and have since developed professional natto probiotic formula. Assured of the intestinal health benefit of the product, in 2022 we further released the health function series for it.

### Petlife - Health Function Series

"Worry-Free Good Mood Formula" is the first-ever stress-relieving kibble in Taiwan. It contains naturally-sourced tryptophan, and GABA synthesized by lactic acid bacteria certified as safe to eat by GRAS in the United States; The two components are instrumental in synthesizing serotonin (happy hormone) and relieving the pets' emotions and stress. A survey revealed that 99% of owners believe the product assists in taking care of their dogs' emotional troubles.



Committed to optimizing its products, as always, Uni-President has upgraded its technology and food flavor, and has been recognized with external recognition and awards, making its quality products visible to the world. The following external certifications and medals were achieved in 2022:

## A.A. certification

A certification promoted by the Anti Additive Clean Label Organization, a global independent and impartial certification body. A.A. advocates and promotes "Anti Additive, healthy and sustainable". A.A. adopts "Clean Label" as the principle for implementation and promotion. Apart from advocating the cutting down of additives in food and other items, A.A. demands conspicuous and understandable labeling so that consumers can easily assess the amount of additives in them and steer clear of dangerous substances.



Uni-President  
Enterprises  
A total of  
**21 products**  
have passed the  
A.A.  
certification

## Superior Taste Award (ITI)

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).



Uni-President  
Enterprises  
**10 products**  
won the Superior  
Taste Award  
(ITI) Note

Note: 6 products obtained ITI awards in 2022 and 4 products by the end of 2023Q1

## Moscow International Salon of Inventions and Innovative Technologies (Archimedes)

The Moscow International Salon of Inventions and Innovative Technologies (Archimedes) is jointly planned and hosted by the Moscow City Organization VOIR and The International Innovation Club "Archimedes". Aiming to stimulate invention and creation, boost patent licensing, activate the market, and promote innovative products, it is one of the largest innovation forums in the world. All the prizes of the exhibition have been chosen carefully by the expert committee and the international jury in order to pick the most remarkable and unique pieces.



Uni-President  
Enterprises  
**2 products**  
won a gold medal at the  
Moscow International  
Salon of Inventions and  
Innovative  
Technologies  
(Archimedes)

## Taiwan Biotechnology Great Award

This is a selection conducted by the Taiwan Association of University Professors, which encourages enterprises to upgrade their industries and enhance their product competitiveness. The professor group selects companies that contribute to society, achieve sound operations, and performed exceptionally in terms of marketing, research and development, service, and quality, and commends them.

Through the selection process, professors interact with manufacturers, so that companies can understand the advantages and disadvantages of their marketing, research and development, quality, and service, and that professors can provide advice and assistance that will enable companies to continue to grow and increase their international competitiveness.



Uni-President  
Enterprises  
**1 product**  
won the Taiwan  
Biotechnology  
Great Award

## 2.6 Responsible Marketing and Labeling

(GRI 417-2、GRI 417-3)

At Uni-President, we have always adhered to the spirit of ethical management and are committed to using its core competencies to create higher value for our products. We hold a sincere attitude when it comes to communicating with consumers and provide accurate product information in order to avoid misunderstandings with our products. Based on this notion, we use "responsible marketing" as our Management Target and adopt stringent standards from product labels to after-sales service so as to protect consumers' rights.

### 2.6.1 Product Labeling and Creative Review

In the age of innovative marketing, we uphold the principle of transparency and we do not boast. The government's laws and regulations only provide the minimum standards. When it comes to labeling of raw materials and ingredients, we adopt high standards and have set up a "Packaging Label Review Process." All business groups, the Commercialization R&D Institute, Strategic Marketing Group, the Production Plant, and the QC unit of the FSC are combined to jointly establish 2-tier inspection of key points of primary and secondary review in order to carry out review of package labeling and advertising terms. The review covers trademarks, brand and product names, ingredients and nutrition labels, content weights, factory addresses, shelf life and conditions, place of origin, certification marks, etc.

We understand that product labeling and marketing innovation are the first product information obtained by consumers. By correctly understanding a product, can misunderstanding be avoided. In 2022, out of the 1,091 items reviewed, 809 were approved and 282 were rejected due to the omission or error of labeling of text or ingredient.

- Name of product
- Ingredients
- Date of expiry
- Storage life
- Storage condition
- Manufacturer
- Nutrition label
- Allergen information



Review Contents	Responsible Unit
Reasonable wording, company services and image, and trademark approval	Strategic Marketing Group- brand management, trademark management unit
Correct labelling and information used is scientifically reasonable	Commercialization R&D Institute, QC Unit of the FSC, Production Plant



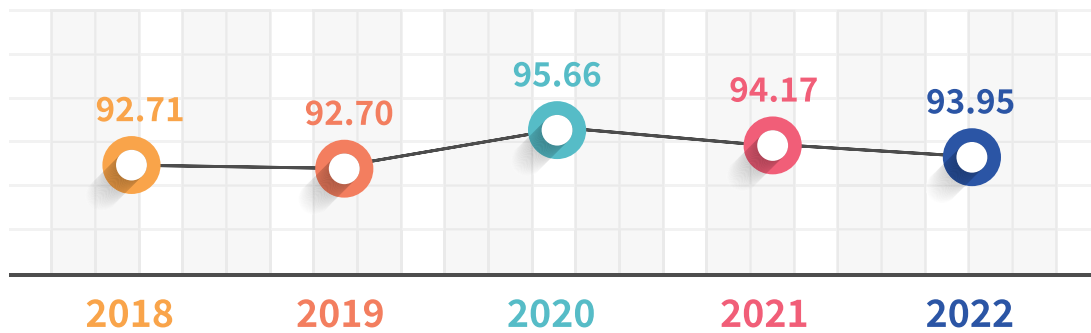
2022 Product Labeling Review	
Items were reviewed: 1,091	
• Items were approved: 809	• Items were rejected: 282

## 2.6.2 Consumer Inquiry Service

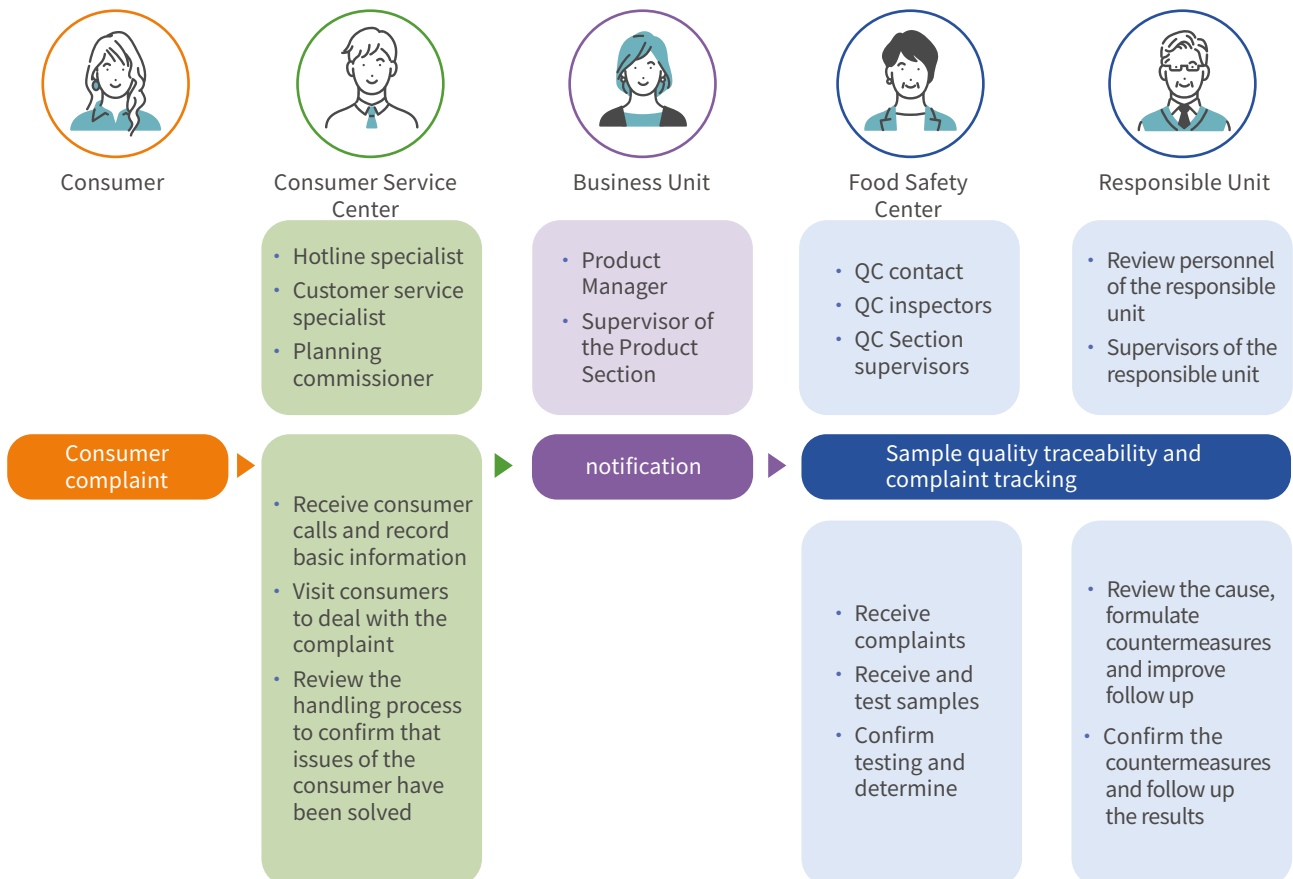
The Consumer Service Center receives comments from our customers via multiple channels (0800 hotline, official website, service mailbox, retail feedback). For those who call us, we vow to return the call within one hour and aim to close a general customer complaint case within 24 hours. We provide consumers 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. We started to refine the calculation method for our satisfaction survey in 2021. The original weighting method was adjusted and we now adopt the method that the difference in scores across all levels is equalized. We continue to uphold an honest and responsible attitude so that consumers can enjoy first-rate satisfaction and services.

### Satisfaction Score





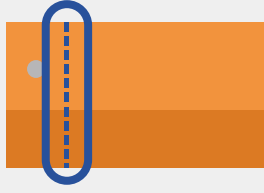
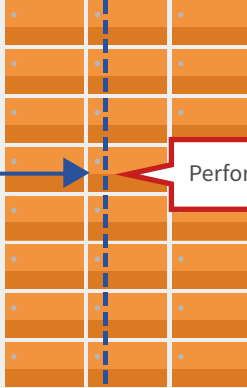


### Consumer Service Center Complaint Handling Process





## Take in the feedback of consumers

Issues Received	Understand the Reason	Optimize Measures
<p>The shrink film around the carton of products is not easily detached.</p>	<p>The PE shrink film outside the carton has been perforated, but the varying depths of the dots may impair the ease of tearing.</p>	<p>To ensure that the perforations have the same depth, we have changed the punching tool from a two-dimensional 30-degree tool to a three-dimensional 20-degree tool.</p>
<p><b>Before</b></p> <p>Tools before improvement</p>  <p>Perforations before improvement (schematic diagram)</p>   <p>Perforations</p>		<p><b>After</b></p> <p>Tools after improvement</p>  <p>20 degree chamfer on sides</p> <p>Perforations after improvement (schematic diagram)</p>   <p>Perforations</p>

