遠東 SOGO



2024

Environment Social Governance Report

Cover Design Concept



Pacific SOGO Department Stores starts from its core business, actively practicing environmental sustainability and social care. Just like Team Taiwan stepping up to bat with strength, it demonstrates resilience and opens a new chapter of inclusive sustainability.

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I. Report

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Pacific SOGO Department Stores Co., Ltd. (hereinafter referred to as "Pacific SOGO") has published its Sustainability Report for the 11th consecutive year. Upholding the principles of transparency and shared progress in sustainability, the Company has prepared this Report with reference to the Global Reporting Initiative (GRI) Universal Standards 2021. The Report is published annually to communicate with stakeholders regarding the Company's performance in economic, environmental, and social aspects of sustainability for the previous year, while presenting concrete outcomes.

Compilation Basis

This Report also references the following international standards and guidelines:

Issuing Organization	Frameworks / Regulations
United Nations (UN)	United Nations Sustainable Development Goals (SDGs)
Global Sustainability Standards Board (GSSB)	GRI 2021 Universal Standards (Universal Standards 2021)
International Sustainability Standards Board (ISSB)	Task Force on Climate-related Financial Disclosures (TCFD)
	Sustainability Accounting Standards Board (SASB)
Other International Organizations	Task Force on Nature-related Financial Disclosures (TNFD)

Reporting Scope

The reporting period of this Report is from January 1, 2024 to December 31, 2024, covering management policies, material topics, action plans, and performance results. The reporting boundary is centered on Pacific SOGO's operations in Taiwan and includes the corporate social responsibility activities and performance of the Pacific SOGO Cultural & Educational Foundation and the Pacific SOGO Social Welfare Foundation, spanning economic, social, and environmental aspects.

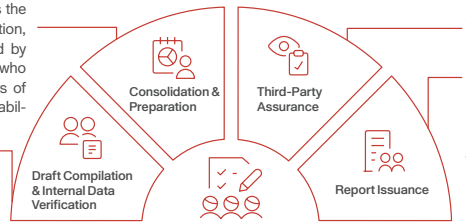
- The term "local" in this Report refers to the eight operating sites in Taiwan included in the Company's financial statements, comprising seven Pacific SOGO stores and the Far Eastern Garden City Dome Store. Information from these locations is disclosed in the Report, and the Company is referred to as "Pacific SOGO" or "the Company."
- When specifically referring to "Pacific SOGO," it covers only the headquarters and seven Pacific SOGO stores, excluding the Far Eastern Garden City Dome Store.
- The Far Eastern Garden City Dome Store began phased opening in May 2024 (not yet fully operational). This Report discloses only its financial data and certain non-financial data; information on "2.2 Energy Management," "2.3 Water Resources Management," and "2.4 Circular Economy and Waste Management" is not included for this location.

Financial data in this Report are based on information verified by certified public accountants. Where performance coverage boundaries differ, specific explanations are provided in the Report. Non-financial data are compiled and consolidated internally by the Company. To enhance comparability, certain performance data are disclosed over a three-year period. Any changes to calculation boundaries or methodologies are noted within the respective sections.

Report Management Process and Publication

The Sustainability Office consolidates and plans the overall report preparation, which is then reviewed by responsible unit heads (who also serve as members of the Company's Sustainability Committee).

Responsible units provide data, which are verified by the Audit Office.



Verified by external parties.

Following review and confirmation by the Sustainability Committee (hereinafter referred to as the ESG Committee), the Report is submitted to the Chairperson of the Committee (Chairperson of the Board) for approval, and then published on the ESG website.

External Verification	Certification Bodies
• Financial Data	Deloitte & Touche
• SO 14064-1 Greenhouse Gases	BSI Group, SGS Taiwan Ltd.
• ISO 14067 Carbon Footprint	BSI Group, SGS Taiwan Ltd.
• ISO 45001:2018 Occupational Health and Safety Management System (valid until October 2026)	BSI Group
• ISO 27001:2022 Information Security Management System (valid until October 2027)	Aries International Certification Corp.
• ISO 20400 Sustainable Procurement Guidelines	afnor Certification
• MAS Certification (valid until January 2025)	Data Systems Consulting Co., Ltd.

First Published	Previous Edition	Current Edition	Next Edition
June 2015	June 2024	August 2025	August 2026

Report Content Assurance

To ensure the transparency and reliability of disclosed information, this Report has been assured by SGS Taiwan Ltd. in accordance with the GRI Standards 2021 (Reference option) and AA1000 AS v3 Type 1 Moderate Assurance level. The assurance methodology and results are provided in the Assurance Statement in the Appendix of this Report.

Contact Information

Thank you for reading this report. Should you have any questions or suggestions, please feel free to contact us through the channels below.

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Far Eastern SOGO ESG official website

Stakeholder Contact Window: Please visit the ESG website → Contact Us

Report Download: Please visit the ESG website → Sustainability Report Download

II. About Pacific SOGO GRI 2-22 GRI 2-23

Message from the Chairperson

Guided by the Spirit of Sportsmanship, Leading Sustainability for a Decade

In 2024, 76 countries worldwide held elections, marking a "global election year" characterized by economic volatility, intensifying geopolitical conflicts, and even warfare in some regions. Amidst this turbulence, major international sporting events reminded the world of the value of peace. Taiwanese athletes representing the nation in the Olympics, along with Team Taiwan's battles on the baseball field, brought the National Flag Anthem of the Republic of China to solemn international ceremonies abroad, moving the nation to tears.

In 2025, the Taipei Dome proudly hosted part of these moments. We cheered as Team Taiwan advanced in the WBSC Premier12 and celebrated together watching them clinch the championship in Tokyo. This marked Taiwan's first-ever victory across all three of the world's premier baseball tournaments (Olympics, World Baseball Classic, and Premier12), creating history and sparking nationwide jubilation.

Far Eastern Garden City Opens with the Dome, Breathing Together with the Stadium

Developed by the Pacific SOGO management team, Far Eastern Garden City opened in phases alongside the Taipei Dome in late May 2024. The first phase featured 14 flagship restaurants, many being the first of their kind nationwide or in department stores. This was followed by the launch of "Taiwan's Most Beautiful Underground Street" at the Dome's basement entrance, offering dine-in and takeaway options to fuel sports fans as they cheered for their teams.

As Far Eastern Garden City and the Dome breathe in unison, we are reminded that true success is never instant, nor is any championship eternal. Only the enduring spirit of sportsmanship can sustain greatness. As the legendary boxer Muhammad Ali once said: "Don't count the days. Make the days count."

While spectators roar with passion inside the stadium, we quietly advance the United Nations Sustainable Development Goals (SDGs) within our shopping complex—promoting SDG 8 (Decent Work and Economic Growth), SDG 13 (Climate Action), SDG 16 (Peace, Justice, and Strong Institutions), and SDG 17 (Partnerships for the Goals). Together with stakeholders, we are committed to building a better society.

Outstanding ESG Performance in 2024, Over 210 Awards Accumulated

In 2024, thanks to the collective efforts of all employees, Pacific SOGO delivered outstanding sustainability performance. The Company was recognized with multiple prestigious ESG honors, including the *Global Views ESG Corporate Sustainability Award* (Service Industry Model), *CommonWealth Magazine CSR Award* (Top 20 Large Enterprises in Service), *Taiwan Corporate Sustainability Awards (TCSA)* (Top 100 Model Enterprises), and the *Asia Pacific Enterprise Awards (APEA)*, among other domestic and international accolades.

We are committed to building low-carbon operations and working with stakeholders to advance carbon reduction pathways. Pacific SOGO is the first in the retail industry to receive the Ministry of Environment's *National Corporate Environmental Protection Award* at the Silver level or above for six consecutive years, and the first large-scale department store chain in Taiwan to submit a Science Based Targets (SBT) commitment letter.

At the same time, we emphasize talent development and building a happy workplace, while creating high-quality customer experiences. On the social inclusion front, we collaborate across our stores to establish a public welfare ecosystem. These efforts earned us an additional 37 sustainability awards in 2024, bringing our cumulative total to more than 216 domestic and international honors.

A Decade of Sustainable Transformation: Choosing the Road Less Traveled

Looking back, Far Eastern SOGO Department Stores' sustainable transformation began in 2014 and has now reached its tenth year.At that time, the gutter oil scandal had widespread impact, deeply affecting people's livelihoods and causing social anxiety.Far Eastern SOGO, as the first in Taiwan's retail department store industry, proactively removed all problematic group-related products from its shelves to ensure food safety. This action earned strong consumer trust and created the opportunity to launch internal corporate social responsibility (CSR) initiatives.

Since then, although Far Eastern SOGO is not a listed company, it has consistently practiced proactive and self-directed management.When the Financial Supervisory Commission launched the first wave of CSR reporting requirements in 2015, SOGO began voluntarily disclosing its ESG performance annually, embarking on a path of comprehensive transformation.After 2021, it went beyond the FSC's reporting schedule for listed companies by introducing TCFD-aligned climate-related financial disclosures and initiating climate governance, becoming the first in Taiwan's retail department store industry to join international initiatives such as EP100 and SBT.

In 2015, we were the first department store in Taiwan to define product category rules for carbon footprint in retail. Over the past decade, we have adhered to the belief that "when the path is right, we need not fear the distance," while remaining true to our original aspiration of being "a company that does the best for society."This has led us to continuously choose "the road less traveled" on our path to sustainability, making all the difference.



Sophia Huang 黃晴雯

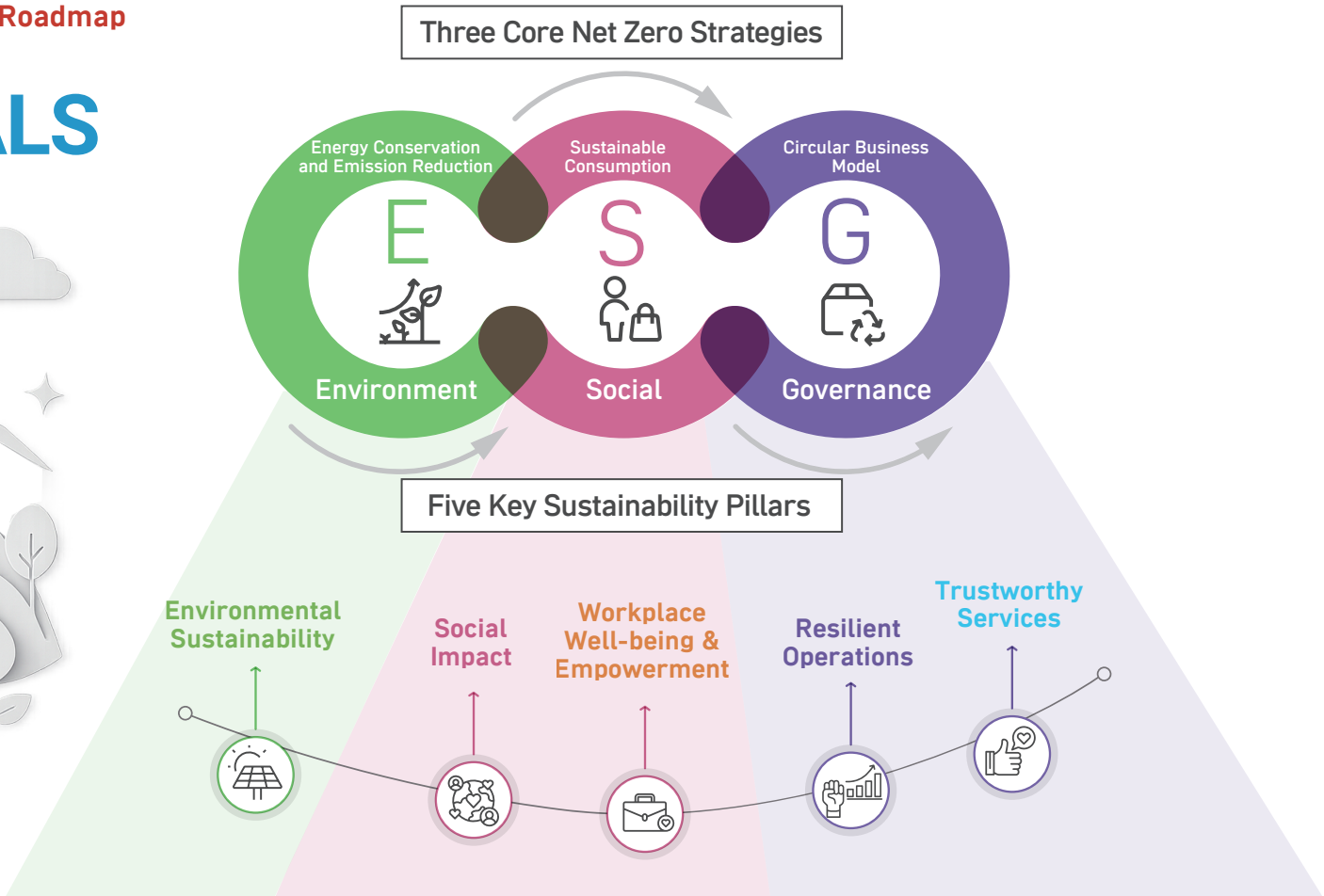
August 2025

ESG Feature

Pacific SOGO echoes the United Nations Sustainable Development Goals (SDGs), while considering the operating model of the department store industry. It adopts the “Five Key Sustainability Pillars” as its sustainability development framework, which include: “Resilient Operations,” “Environmental Sustainability,” "Trustworthy Services,” “Workplace Well-being & Empowerment” and “Social Impact.” These serve as the guiding principles for managing sustainability issues in daily operations.In response to the growing global consumer and capital market attention and expectations on ESG issues, Far Eastern SOGO has long been dedicated to promoting and integrating sustainability strategies into its business operations, aiming to become Asia’s leading green department store.The company collaborates with stakeholders across the value chain—including brand partners, suppliers, employees, and consumers—to implement multiple governance, environmental, and social action programs.This is aligned with the company’s vision: “To keep pace with the times, foster shared prosperity, and become a benchmark retail enterprise that provides society with a comprehensive and stylish lifestyle experience.”

Company Sustainability Development Roadmap





Five Key Sustainability Pillars – Key Achievements

Alignment with SDGs

Three Core Net Zero Strategies – Key Achievements

Resilient Operations



With a sustainable management approach and an agile spirit of innovation, we optimize the shopping experience and build a leading department store brand image.

- After 12 years, a new store is launched! The "Far Eastern Garden City" restaurants and underground mall at Taipei Dome opened, attracting younger customers.
- Demonstrated commitment to digital governance by completing the ISO 27001:2022 information security management system transition.

Trustworthy Services



Strictly safeguarded product safety, strengthened consumer trust, and set a benchmark in food safety management within the department store sector.

- Customer satisfaction reached 81.3%.
- 93.5% of food court and restaurant counters across Taiwan stores were certified with GHP, with 97% achieving premium grade.
- Received the Gold Award in Taiwan Service Industry Evaluation.



Circular Business Model



- Pioneered the department store sector in Taiwan by adopting ISO 20400 Sustainable Procurement Guidelines, building a sustainable supply chain, and completing due diligence for Tier-1 general affairs and engineering suppliers.
- Completed a three-year supplier coaching program, with members of the Supplier Carbon Reduction Alliance achieving an average 5% energy saving.
- Sustainable procurement amounted to NT$87.88 million, an annual growth of 59%.
- Launched the sustainable sourcing program "SOGO Sustain Good Choice," featuring over 604 sustainable products recommended by counters, reaching 1.99 million customer engagements.
- Added SOGO Sustain products to the green e-commerce platform SOGOplus, with annual sales volume growing 120% and sales revenue increasing 54%.

Five Key Sustainability Pillars – Key Achievements		Alignment with SDGs	Three Core Net Zero Strategies – Key Achievements	
Workplace Well-being & Empowerment	**Providing a safe working environment in line with international occupational safety and health standards, with employee recruitment, development, retention, and compensation benefits exceeding industry benchmarks, creating a happy workplace.** ● Average monthly salary of NT$50,061, 9.22% higher than the industry average. ● Promoted gender-friendly policies, with 100% completion rate for managers and 69% for non-managers. ● Employee welfare expenditure increased by 11% year-on-year. ● All stores adopt the ISO 450001 occupational safety and health management system, implementing strict daily self-management, and winning the Taipei City Occupational Safety Award for 12 consecutive years.	3 Good Health and Well-being 4 Quality Education 5 Gender Equality 8 Decent Work and Economic Growth	**Sustainable Consumption**	● Strengthened employee sustainability awareness: In 2024, the employee sustainability awareness survey had a participation rate of 70% with an average score of 94. ● Advocating sustainable consumption and collaborating with stakeholders to foster consumer awareness and actions for a friendlier planet: 1. Invested nearly NT$27.7 million to host 68 sustainability co-creation activities, engaging 78,000 participants and benefiting 335,000 people. 2. Organized 2 SOGO Sustain campaigns, reaching 1.99 million people. 3. Held 13 small-farmer-related markets throughout the year; Zhongxiao Store hosted Taiwan's largest small-farmer exhibition with cumulative 110,000 transactions, increasing average transaction value by 74%. 4. Released 11 sustainability advocacy campaigns through owned media, reaching over 210,000 people. 5. 89.7% of restaurants across Taiwan were certified as eco-friendly restaurants by the Environmental Protection Administration. 6. Since 2015, pioneered electronic gift vouchers among Taiwan's department stores, saving enough paper over 10 years to equal the height of 17.64 Yushan mountains. 7. First department store chain in Taiwan to consolidate sales receipts with credit card slips, saving thermal paper equivalent to the length of two Zhongshan Expressways
Social Impact	**Building a sustainable ecosystem through the three pillars of "Caring," "Sustainability," and "Reliability."** ● Using nationwide locations as impact hubs, collaborated with 590 external partners to launch 620 community engagement activities, contributing resources worth over NT$84 million and benefiting more than 1.5 million people. ● The "SO GOOD Youth Model Awards" granted NT$4.127 million in scholarships over 12 years, supporting 337 young role models, continuously enhancing child welfare and promoting DEI, while collaborating with stakeholders to build a public welfare ecosystem that drives positive social cycles.	10 Reduced Inequalities 11 Sustainable Cities and Communities 17 Partnerships for the Goals		

Five Key Sustainability Pillars – Key Achievements

Alignment with SDGs

Three Core Net Zero Strategies – Key Achievements

Environmental Sustainability

Implementing energy-saving and energy-creating measures to build a one-stop green consumption platform, aiming to become a benchmark for green department stores in Asia.

- Revenue per kWh reached a record NT$502.41, an annual growth of 1.08% and a 40.81% increase compared to the 2018 baseline year.
- Pioneered the introduction of TNFD.
- Water consumption per unit floor area was 8.53, 13.31% better than the 2024 benchmark recommended by the Water Resources Agency.

7 Affordable and Clean Energy

12 Responsible Consumption and Production

13 Climate Action

Energy Conservation and Emissions Reduction

- All stores completed ISO 14064-1:2018 greenhouse gas inventories.
- Signed the SBT commitment.
- Share of renewable energy use reached 0.54%.
- Green power re-supplied to international luxury boutiques.
- Net Zero Targets: Achieve carbon neutrality at the Hsinchu Store by 2028, nationwide carbon neutrality by 2040, and align with the government's 2050 net zero policy.



Honors and Recognitions

Performance Category / Number	Awards / Initiatives / Certifications
Overall Performance – 4 Awards	· Global Views ESG Corporate Sustainability Awards – Service Industry Model Award · CommonWealth CSR Corporate Citizen Awards – Top 100 Large Enterprises for Sustainability and Top 20 in the Service Industry · TCSA Taiwan Corporate Sustainability Awards – Sustainability Report, Category 1 Trade & Department Stores, Platinum Award · TCSA Taiwan Corporate Sustainability Awards – Top 100 Model Companies for Sustainability in Taiwan
Environmental Sustainability (E) – 5 Awards	· National Corporate Environmental Protection Award – Silver Level or Above, **for 6 Consecutive Years** · TCSA Taiwan Corporate Sustainability Awards – Climate Leadership Award · APSAA Asia-Pacific Sustainability Action Awards – SDG13 Silver Award · AREA Asia Responsible Enterprise Awards – Green Leadership Award · Taipei City Zero Carbon Benchmark Award – Group A Industrial & Commercial Incentive Award (Tianmu Store)
Corporate Governance (G) – 8 Awards	· TSAA Taiwan Sustainability Action Awards – SDG12 Gold Award · APEA Asia Pacific Enterprise Awards – Excellence in Corporate Management · Buying Power – Social Innovation Products & Services Procurement, Second Prize · Buying Power – Diversity Response Award · Taipei City Outstanding Private Enterprises & Organizations in Green Procurement (8 Consecutive Years) · Taiwan Service Industry Evaluation – Gold Award · Taiwan Customer Service Center Evaluation – Gold Award · Internet Word-of-Mouth Star – Innovation Leadership Award



Performance Category / Number	Awards / Initiatives / Certifications
Social Inclusion (S) – 20 Awards	· Global Views ESG Corporate Sustainability Awards – Social Innovation Model AwardTCSA · TCSA Taiwan Corporate Sustainability Awards – Workplace Well-being Leadership Award · TCSA Taiwan Corporate Sustainability Awards – Social Inclusion Leadership Award · TSAA Taiwan Sustainability Action Awards – SDG12 Gold Award · TSAA Taiwan Sustainability Action Awards – SDG8 Bronze Award · AREA Asia Responsible Enterprise Awards – Investment in People Award · AREA Asia Responsible Enterprise Awards – Social Welfare Development Award · HR Asia Best Companies to Work for in Asia Awards (Best Employer, Employer Care, Sustainable Workplace, Diversity & Inclusion Awards) · FAPRA 2024 Country Awards – Best Social Impact Award · FAPRA Online Awards Asia-Pacific Grand Prize – Outstanding Social Responsibility Award · Taipei City Family-Friendly Enterprise Award – Financial Support Measures · Taipei City Workplace Gender Equality Certification – Bronze Award · Taipei City Labor Safety Award – Outstanding Unit · Taipei City Labor Safety Award – Workplace Reassurance Award · Taipei City Labor Safety Award – Outstanding Personnel · Occupational Safety & Health Excellence Award – Outstanding Unit & Individual Merit Award · ASSET Humanistic Enterprise Award – Excellence in Social Care

Award Photos


Global Views ESG Corporate Sustainability Award – Service Industry Model Award

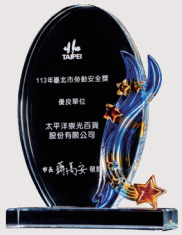

CommonWealth Sustainable Citizenship Award – Top 100 Large Enterprises


TCSA Taiwan Top 100 Model Enterprise Award


HR Asia Best Companies to Work for in Asia Award


HR Asia Best Companies to Work for in Asia – Employer Care Award


FAPRA Online Award – Outstanding CSR in Asia Pacific


Taipei City Occupational Safety Award – Outstanding Unit


Occupational Safety and Health Award – Personnel Contribution Award


TSAA Taiwan Sustainability Action Award – SDG 12 Gold


APEA Asia-Pacific Enterprise Award – Excellence in Corporate Management

Sustainability Strategy Blueprint and Value Creation

Six Capitals

1. Financial Capital
Leverage shareholder investments and bank financing to achieve the vision of "optimal business profitability."

2. Human Capital
Cultivate employees' professional knowledge and skills, and provide comprehensive benefits to achieve the vision of being "the best service rating" and "highest employee compensation."

3. Social Capital
Care for disadvantaged groups and strengthen ties with local communities by investing resources and outreach, enabling the Company to align with local development dynamics.

4. Natural Capital
Promote energy conservation and waste reduction, and integrate sustainability concepts into daily consumption, leading the industry's green transition.

5. Intellectual Capital
Continuously implement digital management principles and invest in software and hardware to optimize shopping processes and enhance operational resilience.

6. Product and Channel Capital
Plan store layouts with innovative models, enhance product quality and food safety, and strengthen the Company's position as the most trusted retail brand.

2024 Performance

Revenue: NT$49.433 billion
Net Income After Tax: NT$1.36 billion

Total Employees: 1,297
Training Attendance: 10,839 participants

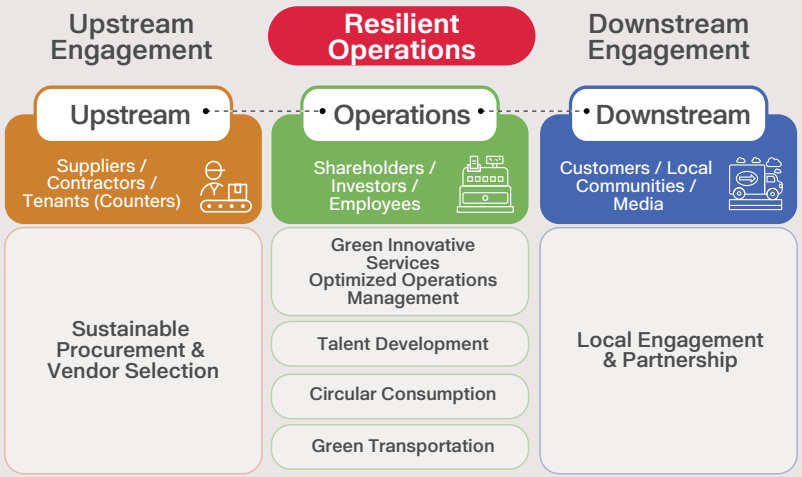
Events Held: 620
Total Participants: 397,000

Revenue per kWh: NT$502.41
Growth: 1.08%

APP Members: 1.59 million
E-Vouchers Issued: 7.3 billion

Green Procurement Ratio:7.31%
Sustainable Procurement Growth: 59%

Business Model & Value Chain



2030 Sustainability Blueprint

Energy Conservation & Emission Reduction (Environment)

Pacific SOGO is leading the retail industry's sustainability transformation, actively engaging in international initiatives, implementing comprehensive financial and non-financial risk assessment and management, and embedding sustainability into its DNA to amplify its role as an industry benchmark.

Leading Green Retail

Sustainable Consumption (Social)

To integrate sustainability into daily life, Pacific SOGO actively increases the share of green products and strengthens product traceability, enabling stakeholders to easily engage in sustainable shopping practices.

Building a Net-Zero Green Lifestyle

Circular Business Model (Governance)

To achieve zero-waste goals, Pacific SOGO leverages its upstream collaboration and downstream engagement to create circular business models and drive sustainable transformation across the value chain.

Launching the Net-Zero Alliance

Impact

Leading the Creation of a Happy City

Circular
Circular models of retail and consumption

Integrate
Integrated innovation across physical and digital realms

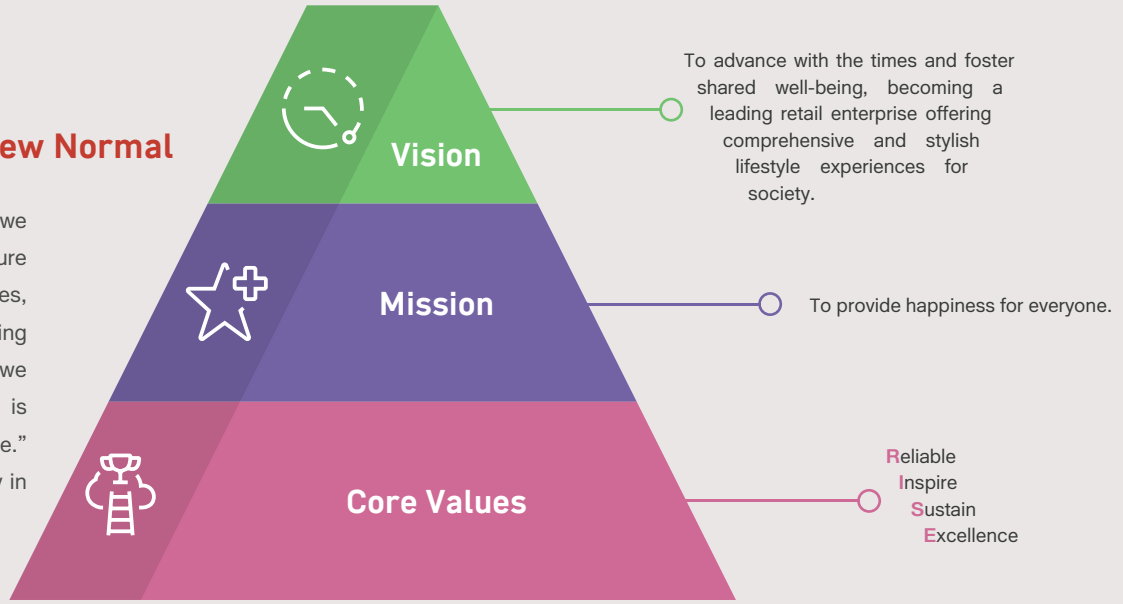
Trust
Strong and enduring relationships of trust

Year
Annual sustainability innovation

Pacific SOGO Vision Project

Launching the Vision Project in Response to the New Normal

To envision the future and map out forward-looking strategies, in 2020 we launched the "Vision Project," using the three ESG dimensions to guide future operational strategies and reshape the corporate vision: advancing with the times, fostering shared well-being, and becoming a leading retail enterprise offering comprehensive and stylish lifestyle experiences for society.At the same time, we defined our corporate mission: to provide happiness for everyone.Happiness is supported by four core values: "Reliable," "Inspire," "Sustain," and "Excellence." The initials form R.I.S.E., symbolizing the company's positive and resilient energy in embracing the new normal.



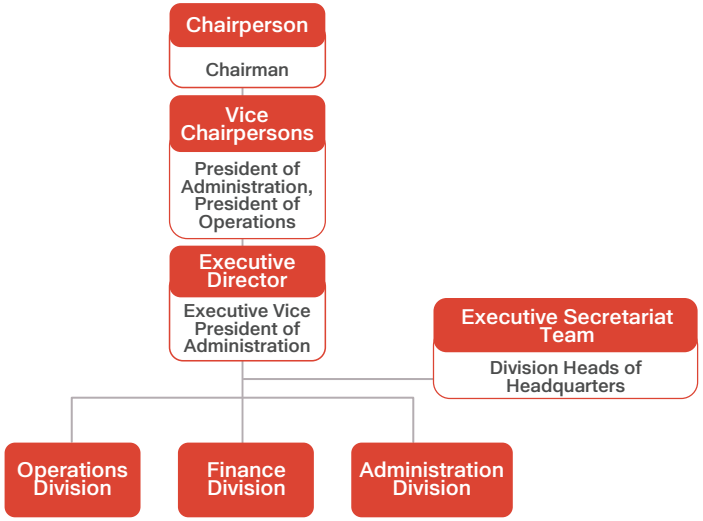
III. Sustainability at Pacific SOGO

GRI 2-13 GRI 2-14 GRI 2-29

Since 2007, the Company has launched the "NEW LIFE Project" to advance sustainability through four guiding principles: "Caring and Sharing, Sustainable Communities, Quality Living, and Cultural Innovation." In 2015, the Company designated the year as the "CSR Inaugural Year," establishing a committee to oversee relevant management policies and actions. In response to international sustainability trends, the "CSR Committee" was renamed the "Corporate Sustainability Committee" (ESG Committee) in 2020, with the same year designated as Pacific SOGO's "Sustainability Year."

The ESG Committee is chaired by the Chairman, with the President serving as Vice Chair and the Executive Vice President of Administration as Executive Director. The organization includes the Operations Division (Sales and Promotions), Finance Division, Accounting Division, and Administration Division.ESG-related policies are formulated by the ESG Committee and jointly implemented by departments such as Human Resources, Promotions, Merchandise, Sales, Engineering, Occupational Safety, Accounting, Finance, Auditing, and Sustainability Development, as well as all branch stores. These efforts deliver appropriate internal and external management policies tailored to different stakeholder groups.The ESG Executive Secretariat Team facilitates cross-departmental discussions and resource integration on key issues, promotes sustainability strategies, monitors project progress, and compiles the *Corporate Sustainability Report*. Through this cross-functional execution and communication platform, the Company accelerates its sustainability development progress.

ESG Committee Organizational Structure



Sustainability Project Promotion Mechanism

The ESG Executive Secretariat Team convenes every three to four weeks to review and track progress. Every six months, sustainability performance and strategic plans are reported to the ESG Committee (attended by Vice President-level and above), where the Chairman and senior management collectively make decisions. These are then implemented by the Sustainability Office, relevant departments, and each store in daily operations. Annual sustainability performance of Pacific SOGO is regularly reported to and approved by the Board of Directors.

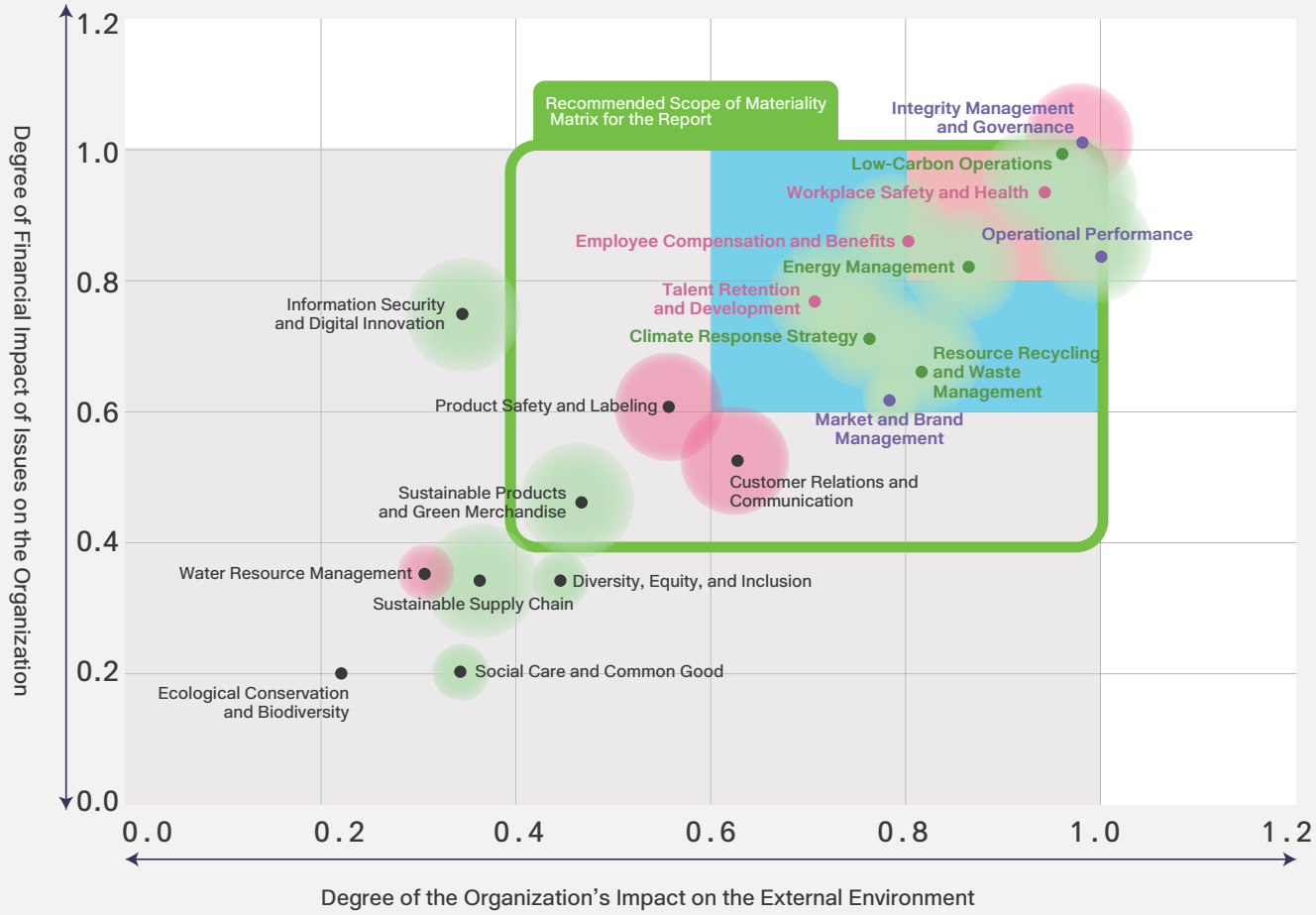


Sustainability Issue Management Process

The identification and management of sustainability issues and stakeholders form the core foundation of advancing ESG. When preparing the annual corporate sustainability report, the Company, through the ESG Executive Secretariat Team, refers to global sustainability reporting standards and frameworks, takes into account the specific characteristics of the department store retail industry, and follows the AA1000:2018 Accountability Principles of *Inclusivity, Materiality, Responsiveness, and Impact*. Stakeholders are engaged in the process of identification, analysis, prioritization, and other management procedures.

Understand the Organization's Sustainability Context	Step1 Stakeholder Identification	Far Eastern SOGO refers to the AA1000 Stakeholder Engagement Standards (AA1000SES) and applies the five principles of dependency, responsibility, influence, diverse perspectives, and attention. By reviewing business operations within the sustainability context and through core team discussions validated by senior management, the Company identified eight categories of stakeholders.	8 Categories of Stakeholders
	Step2 Identification of Organizational Impact Factors	By referencing international standards and frameworks such as GRI Standards, SASB, TCFD, TNFD, ISO 26000 Social Responsibility Guidelines, global rating agencies' industry issues, the UN SDGs, domestic and international industry topics, global trend issues, and media reports, the Company identified impact items and their positive or negative influence on the business. A total of 140 impact factors were compiled, assessing the actual/potential and positive/negative effects of business operations on the external environment.	140 Impact Factors
Identify Impacts and Potential Risks	Step3 Consolidation of Organizational Impact Factors into Sustainability Issues	Based on recommendations from the consulting team, the impact items were consolidated into sustainability issues by theme. After discussions between the ESG Core Team and external consultants, 19 annual sustainability issues were identified for further evaluation.	19 Sustainability Issues
	Step4 Material Topic Analysis and Prioritization	Online surveys were conducted with internal and external stakeholders, distributed through various functional units and business departments, to understand stakeholders' level of concern regarding each sustainability issue. The issues were then assessed through high, medium, and low-level analyses based on "financial impact on the organization" and "the organization's impact on the external environment" to determine their materiality.	1,257 Questionnaires (18 Senior Executives, 1,239 Stakeholders)
Assess Materiality of Impacts	Step5 Evaluation of Topic Impact	Following the GRI 3 materiality analysis principle, the financial impacts and likelihood of high- and medium-level issues were assessed. Recommendations from external consultants and academic experts were also considered. As a result, five highly material topics and five moderately material topics were identified in alignment with GRI topic standards.	10 Material Topics
Disclose and Evaluate Customer Impact Topics	Step6 Issue Response and Disclosure	Based on the Company's assessment, 10 material topics were designated as the key areas of disclosure in this Report, with corresponding management approaches established. The Company will continue to review the significance of each sustainability issue to respond to stakeholder expectations and ensure that disclosures remain transparent, reasonable, and balanced.	

Recommended Scope of Materiality Matrix for the Report



High to Medium Material Topics

E Environmental Sustainability
- Climate Response Strategy
- Low-Carbon Operations
- Resource Recycling and Waste Management
- Energy Management

S Social Inclusion
- Workplace Safety and Health
- Employee Compensation and Benefits
- Talent Retention and Development

G Corporate Governance
- Operational Performance
- Integrity Management and Governance
- Market and Brand Management

Scope of Management Policies ■ 數量

5	High Material Topics	3	Low Material Topics
5	Medium Material Topics	6	Issues Tracked Outside the Matrix

Opportunity/Risk Issues

13	Opportunity Issues
6	Risk Issues

Likelihood of Occurrence

14	High Likelihood	1	Low Likelihood
4	Medium Likelihood	0	No Likelihood of Occurrence

Explanation of Changes in Sustainability Topics

Topic Name	Materiality in 2024	Materiality in 2023	Adjustment Method	Reason for Change /Additions	Corresponding Page
Market and Brand Management	High	NA	New	Pacific SOGO's operational scope was adjusted (addition of Far Eastern Garden City), along with evolving market demands and structural transformation. Therefore, this sustainability topic was newly added and classified as a material topic to be monitored and managed for the company's future business development and brand image.	P.37

Value Chain and Sustainability Topics Relationship

	Material Topics	Definition	Impact Dimension: Actual / Potential	Impact Dimension: Aspect	Impact Dimension: Degree	Level of Financial Impact	Financial Assessment Items
Corporate Governance	Operational Performance	Financial performance, financial impacts caused by climate change, employee compensation and benefits, and government subsidies.	Actual	Opportunity	76.9%	Low	● Revenue and gross profit from products and services ● Costs of operational disruptions caused by climate events or supply chain interruptions ● Amount of government subsidies, incentives, and insurance compensation
				Risk	23.1%		
	Integrity Management and Governance	Assess the diversity of internal directors and senior executives, as well as the integrity and lawful conduct of business partners/suppliers, and evaluate risks of significant fines, non-monetary penalties, or reputational damage arising from violations of environmental, socio-economic laws, or regulations.	Potential	Opportunity	41.2%	Medium	● Fines and legal expenses resulting from violations and lawsuits ● Loss of customers or revenue due to reputational damage
				Risk	58.8%		
	Market and Brand Management	Address the transformation of consumer demand in the department store retail market, shifts in brand recognition among the new generation, and collaboration with partners such as banks, focusing on meeting diverse customer needs, enhancing brand value, and maintaining market competitiveness through innovative partnerships.	Potential	Opportunity	82.0%	Low	● Effectiveness of brand promotion, advertising, and marketing expenses ● Revenue and customer growth from new stores and co-branded card strategies
				Risk	18.0%		
Environmental Sustainability	Low-Carbon Operations	Mechanisms and practices for providing low-carbon green services to internal and external stakeholders.	Actual	Opportunity	100%	Low	● Increased costs of sustainable procurement ● Expenses for low-carbon product promotion and customer education
				Risk	0%		

Material Topics		Definition	Impact Dimension			Level of Financial Impact	Financial Assessment Items
			Actual / Potential	Aspect	Degree		
Environmental Sustainability	Energy Management	Manage internal and external energy consumption based on demand, categorized by renewable and non-renewable energy sources.	Potential	Opportunity	64.5%	Low	● Cost of purchasing green electricity ● Electricity savings from energy-saving and emission-reduction measures ● Capital depreciation and amortization for equipment optimization, replacement, and maintenance ● Feasibility of converting carbon reduction achievements into carbon credits
				Risk	35.5%		
	Climate Response Strategy	Measures to manage greenhouse gas emissions during operations, establish carbon inventory and reduction targets, and implement mitigation and adaptation strategies to reduce the risks of climate change on operations.	Actual	Opportunity	87.0%	Low	● Increased equipment and labor costs due to stricter regulations ● Long-term revenue from selling or providing green products and services
				Risk	13.0%		
	Resource Recycling and Waste Management	Management of total waste generated during operations, its environmental impact, and related mechanisms, as well as actions promoting circular economy practices and concepts.	Actual	Opportunity	100%	Low	● Outsourcing costs for waste sorting, recycling, and disposal ● Costs of circular reuse or resource regeneration
				Risk	0%		
Social Inclusion	Workplace Safety and Health	Mechanisms and practices related to employee workplace environment and health management.	Actual	Opportunity	53.3%	Medium	● Provisions for occupational disaster compensation, insurance costs, and legal risks ● Labor cost losses due to sickness or injury absenteeism
				Risk	46.7%		
	Employee Compensation and Benefits	Recruitment status, employee welfare system, reinstatement and retention rates after parental leave.	Actual	Opportunity	100%	Low	● Expenses for base salary, overtime pay, and bonuses ● Health insurance, pension contributions, and employee welfare costs ● Costs of related employee benefits
				Risk	0%		
	Talent Retention and Development	Measures and systems to enhance employee engagement and fair promotion through performance evaluation, along with career development planning and diverse training programs.	Actual	Opportunity	100%	Low	● Investments in employee training and career development programs ● Promotion incentives and performance bonus expenses ● Costs of external recruitment, replacement, and post-departure handover
				Risk	0%		

Note Based on the Company's climate-related financial disclosure (TCFD) scenario analysis and financial impact assessment, the levels are categorized as follows:
High: Results in a decrease of over 60% in Far Eastern SOGO's average revenue.
Medium: Results in a decrease of 20%–60% in Far Eastern SOGO's average revenue.
Low: Results in a decrease of less than 20% in Far Eastern SOGO's average revenue.

Corresponding Chapter	Material Topics	GRI Topic Standards	Value Chain Impact Boundary								Sustainable Development Goals (SDGs)
			Upstream			Operations		Downstream			
			Government Agencies	Tenants (Counters)	Suppliers / Contractors	Shareholders / Financial Institutions	Employees	Customers	Communities (Local Communities and Media)	Non-profit and Non-governmental Organizations (NGOs)	
1. Resilient Operations	Operational Performance	201 Economic Performance	✓	△	○	○	○	△	△	✓	SDG 8.2 Diversify, innovate, and upgrade economic productivity SDG 8.3 Promote policies supporting job creation and enterprise growth SDG 8.4 Improve resource efficiency in consumption and production SDG 8.5 Full employment and equal pay for equal work
	Integrity Management and Governance	2-27 Compliance with Laws and Regulations	✓	△	△	○	○	○	△	✓	SDG 16.5 Substantially reduce corruption and bribery SDG 16.6 Develop effective, accountable, and transparent institutions
	Market and Brand Management	Self-defined Topic	✓	△	△	○	○	○	△	✓	SDG 8.3 Promote policies supporting job creation and enterprise growth SDG 8.9 Promote beneficial and sustainable tourism
2. Environmental Sustainability	Low-Carbon Operations	Self-defined Topic	✓	○	△	✓	○	✓	✓	✓	SDG 12.6 Encourage companies to adopt sustainable practices and sustainability reporting
	Energy Management	302 Energy	✓	○	△	✓	△	✓	✓	✓	SDG 7.2 Increase the global share of renewable energy
	Climate Response Strategy	201 Economic Performance, 305 Emissions	✓	△	△	✓	△	✓	✓	✓	SDG 8.4 Improve resource efficiency in consumption and production SDG 13.2 Integrate climate change measures into policies and planning SDG 13.3 Build knowledge and capacity to address climate change
	Resource Recycling and Waste Management	306 Waste	✓	△	△	✓	△	✓	○	✓	SDG 12.4 Responsible management of chemicals and waste SDG 12.5 Substantially reduce waste generation

○ Cause/ △ Contribute/ ✓ Direct Link

Corresponding Chapter	Material Topics	GRI Topic Standards	Value Chain Impact Boundary: Upstream – Government Agencies	Upstream – Tenants (Counters)	Upstream – Suppliers / Contractors	Operations – Shareholders / Financial Institutions	Operations – Employees	Downstream – Customers	Downstream – Communities (Local Communities and Media)	Downstream – Non-profit and Non-governmental Organizations (NGOs)	Sustainable Development Goals (SDGs)
4. Workplace Well-being & Empowerment	Workplace Safety and Health	403 Occupational Health and Safety	✓	○	✓	✓	○	△	△	✓	SDG 3.4 Reduce mortality from non-communicable diseases and promote mental health
	Employee Compensation and Benefits	401 Employment Relationships	✓	○	✓	✓	○	△	✓	✓	SDG 5.1 End all forms of discrimination against women SDG 5.5 Ensure full participation in leadership and decision-making SDG 8.5 Full employment and equal pay for equal work
	Talent Retention and Development	404 Training and Education	✓	△	✓	✓	○	△	✓	✓	SDG 4.3 Ensure equitable access to affordable, vocational, and quality education SDG 4.7 Promote sustainable development and global citizenship education SDG 8.2 Diversify, innovate, and upgrade economic productivity

Note
1. An asterisk (*) indicates issues not directly aligned with GRI Standards but prioritized by the company.
2. Level of Involvement: Cause (O) → Impacts caused by the organization's own activities; Contribute (△) → Activities facilitate, enable, or incentivize impacts by another entity; Direct Link (v) → No direct impact, but linked through business relationships (operations, products, or services).

○ Cause/ △ Contribute/ ✓ Direct Link

Stakeholder Engagement

Far Eastern SOGO's ESG Committee conducts stakeholder engagement with reference to the AA1000 Stakeholder Engagement Standard (SES, 2011), which is based on the five principles of Responsibility, Dependence, Influence, Diversity of Perspectives, and Tension. The process involves the participation of the President, Vice Presidents, store managers, and assistant managers, and identifies eight key stakeholder groups: customers, employees, shareholders/financial institutions, concessionaires (in-store counters), suppliers and contractors, government agencies, non-profit and non-governmental organizations, and society (communities and media). Through deepening stakeholder engagement, the Company strengthens its sustainability development strategy while enhancing corporate social responsibility.

8 Key Stakeholder Groups

- Customers
- Employees
- Shareholders / Financial Institutions
- Concessionaires (In-store Counters)
- Suppliers and Contractors
- Government Agencies
- Non-profit and Non-governmental Organizations (NGOs)
- Society (Communities and Media)

Customers

Significance to Pacific SOGO

The Company evaluates market trends and introduces various brands and counters. Customer visits and support are the key factors in assessing whether Pacific SOGO truly captures consumer trends.

Communication Channels and Frequency

【Regular】	【Ad hoc】
Annually:Customer Satisfaction Survey	Social media fan pages, customer feedback forms, toll-free hotline, online message board

Engagement Outcomes

- 398 customer feedback responses
- 1,068 participants in the satisfaction survey
- Over 40,000 visits to the sustainability website
- 128 ESG posts published on Facebook fan page, reaching

Responsible Departments

- Operations Department
- Sales Promotion Department
- Human Resources Department
- E-commerce Department
- Information Technology Department
- General Affairs Department
- Customer Service Center

Key Issues of Concern

Key Issues of Concern	Corresponding Chapters
Integrity management and governance; market and brand management	1. Resilient Operations
Low-carbon operations	2. Environmental Sustainability
Workplace safety and health; employee compensation and benefits	4. Workplace Well-being & Empowerment

Employees

Significance to Pacific SOGO

In response to changing consumer trends and the diversification of channels and brands, all employees adopt innovative thinking in their respective roles, actively seeking improvement to earn customer recognition and achieve optimal business performance.

Communication Channels and Frequency

【Regular】	【Ad hoc】
Annually: Employee Engagement and ESG Survey Quarterly: Labor-Management Meetings Daily: Morning Briefings/Meetings	Internal system announcements (ework, ehr), employee suggestion boxes, workshops

Engagement Outcomes

- 1,162 employees participated in the satisfaction survey
- 900 employees participated in the sustainability awareness survey
- 16 labor-management meetings held
- 233 employees received EAP (Employee Assistance Program) support
- 65 EAP seminars held, with 1,464 participants
- 787 employees participated in sustainability training

Responsible Departments

- Human Resources Department
- Occupational Safety Office
- Employee Welfare Committee

Key Issues of Concern

Key Issues of Concern	Corresponding Chapters
Integrity management and governance	1. Resilient Operations
Low-carbon operations and energy management	2. Environmental Sustainability
Workplace safety and health; employee compensation and benefits	4. Workplace Well-being & Empowerment

Shareholders / Financial Institutions

Significance to Pacific SOGO

By endorsing ESG principles and investing resources, shareholders and financial institutions support the Company's various sustainability initiatives, setting a benchmark in the department store industry.

Communication Channels and Frequency

【Regular】	【Ad hoc】
Annually: Shareholders' Meeting, Parent Company (Far Eastern Department Stores) Annual Report Quarterly: Board of Directors Meeting	Market Observation Post System (MOPS)

Engagement Outcomes

- 3 Board of Directors Meetings
- 1 Shareholders' Meeting

Responsible Departments

- Secretariat
- Finance Department
- Accounting Department

Key Issues of Concern	Corresponding Chapters
Integrity management and governance; market and brand management	1. Resilient Operations
Low-carbon operations	2. Environmental Sustainability
Talent retention and development	4. Workplace Well-being & Empowerment

Tenants (Counters)

Significance to Pacific SOGO

As a leading brand in the department store industry, the Company not only relies on the collective efforts of all employees but also on the services, support, and cooperation of concessionaires. This ensures customers enjoy the best shopping and service experience.

Communication Channels and Frequency

【Regular】	【Ad hoc】
Annually: Contract signing/renewal Quarterly: Vendor networking meetings Daily: Morning meetings/briefings	Phone calls, emails, written correspondence, and explanatory/coordination meetings (e.g., vendor orientation sessions, campaign coordination meetings, floor renovation briefings, brand launch events, sustainability cup training

Engagement Outcomes

- 2 SOGO Sustain campaigns promoting 504 sustainable products
- 2,478 concessionaires signed sustainability clauses, with a coverage rate of 98.06%
- Daily morning briefings to deliver updates
- 660 brands and suppliers participated in the Earth Day Lights-Off campaign

Responsible Departments

- Merchandising Department
- Operations Department
- Sales Promotion Department

Key Issues of Concern	Corresponding Chapters
Integrity management and governance; business performance	1. Resilient Operations
Low-carbon operations	2. Environmental Sustainability
Workplace safety and health; employee compensation and benefits	4. Workplace Well-being & Empowerment

Suppliers and Contractors

Significance to Pacific SOGO	Engagement Outcomes	Responsible Departments	Key Issues of Concern	Corresponding Chapters
The driving force behind providing the most competitive products to our stores, working together with Pacific SOGO to create a rich product assortment and a comfortable environment.	● 100% of suppliers signed sustainability clauses ● Formed a supplier decarbonization alliance, guiding suppliers to set internal carbon reduction targets ● Sustainable procurement spending increased by 59%	● General Affairs Department ● Procurement Department ● Sales Promotion Department	Business performance	1. Resilient Operations
			Low-carbon operations, energy management	2. Environmental Sustainability
			Workplace health and safety, employee compensation and benefits	4. Workplace Well-being & Empowerment

Communication Channels and Frequency

【Regular】	【Ad hoc】
Annually: Contract signing/renewal	Phone calls, emails, written correspondence, on-site inspections, and various meetings (quality improvement meetings, sustainability briefing sessions, supplier decarbonization alliance, employee surveys, etc.)

Government Agencies

Significance to Pacific SOGO	Engagement Outcomes	Responsible Departments	Key Issues of Concern	Corresponding Chapters
Government agencies are crucial to the Company as they formulate regulations, oversee operations, provide infrastructure, and influence investment directions. Establishing good relationships with the government and complying with regulations help ensure stable business operations.	● Received the National Enterprise Environmental Protection Award for six consecutive years ● Recognized as an Outstanding Unit for Green Procurement by Taipei City for eight consecutive years ● Joined as a member of the Ministry of Environment's "Sustainable Fashion Alliance" ● Adopted Dingliao Beach in New Taipei City as an exclusive coastal cleanup site	● General Affairs Department ● Accounting Department ● Finance Department ● Legal Affairs Office ● Sustainability Office	Market and brand management	1. Resilient Operations
			Low-carbon operations Climate adaptation strategies	2. Environmental Sustainability
			Workplace health and safety Employee compensation and benefits	4. Workplace Well-being & Empowerment

Communication Channels and Frequency

【Regular】	【Ad hoc】
Each year, the parent company Far Eastern Department Stores discloses financial statements and related information on the Market Observation Post System, and submits regular reports as part of the Ministry of Environment's "Sustainable Fashion Alliance."	Two-way communication via phone, email, official documents, and meetings; participation in forums, seminars, public hearings, and briefings organized by authorities; compliance with regulations and supervisory audits of competent authorities, actively supporting government policies.

Non-Profit and Non-Governmental Organizations (NGOs)	Significance to Pacific SOGO	Engagement Outcomes	Responsible Departments	Key Issues of Concern	Corresponding Chapters
The Company continues to collaborate with non-profit and non-governmental organizations to actively communicate public welfare issues to stakeholders, exert external influence, and mobilize social goodwill; while internally enhancing employees' awareness and familiarity with various sustainability and public welfare programs, encouraging active participation and generating tangible impact.		● Over 40,000 visits to the sustainability website ● Posted 128 articles on the ESG Facebook fan page, reaching 43,200 people	● Sales Promotion Department ● E-commerce Department ● Sustainability Office	Operational performance Market and brand management	1. Resilient Operations
				Low-carbon operations Climate adaptation strategies Resource recycling and waste management	2. Environmental Sustainability

Communication Channels and Frequency

【Regular】	【Ad hoc】
Annually: Earth Day advocacy in April, year-end charity events, small farmers' markets, and social innovation fairs	Phone, email, ESG official website, owned media, event partnerships, and sustainability advocacy

Society (Community and Media)	Significance to Pacific SOGO	Engagement Outcomes	Responsible Departments	Key Issues of Concern	Corresponding Chapters
Implementing corporate social responsibility within the broader social environment helps enhance positive social impact and builds a prosperous community together with stakeholders.		Stores across Taiwan actively serve as sustainability influence hubs, organizing diverse activities under the three pillars of "Caring, Sustainability, and Reliability." Collaborating with 590 external organizations, they initiated 620 social participation activities, benefiting 1.5 million participants.	● Sales Promotion Department ● General Affairs Department ● Legal Department ● E-commerce Department ● Sustainability Office ● Media & Public Relations Department	Operational performance Market and brand management	1. Resilient Operations
				Low-carbon operations	2. Environmental Sustainability
				Workplace safety and health Employee compensation and benefits	4. Workplace Well-being & Empowerment

Communication Channels and Frequency

【Regular】	【Ad hoc】
"Taipei East District Business Development Association" board and member meetings, East District Anniversary celebrations, and Lights-Off advocacy activities	Phone, email, letters, owned media, various meetings, off-site inspections, and event collaborations



CHAPTER 1.

Resilient Operations

Pacific SOGO Department Stores (hereinafter referred to as Pacific SOGO) has long been the most trusted department store brand among consumers. With 37 years of leadership in Taiwan's fashion retail industry, the company continues to evolve with the times, fostering a culture of inclusivity and shared prosperity. Committed to sustainable management and agile innovation, Pacific SOGO consistently enhances the in-store shopping experience, striving toward its vision of becoming a "benchmark enterprise in retail." While pursuing operational excellence, the company also actively fulfills its corporate social responsibilities, solidifying its position as a market leader and ESG front-runner in the department store sector.

8 Decent Work and Economic Growth

12 Responsible Consumption and Production

New Store Opening After 12 Years!

The Garden City underground mall launched at the Taipei Dome site, attracting a younger demographic.

Department Store First: Sustainable Supply Chain Initiatives

- Implemented ISO 20400 Sustainable Procurement Guidelines.
- Hosted a Supplier Carbon Reduction Alliance results presentation, reporting an average 5% electricity savings among alliance members.
- First to conduct due diligence on cosmetic brands.

Strategic Partnership: CTBC x SOGO Co-branded Card

The CTBC-SOGO co-branded card outperforms standard department store cards with nearly 3 times higher spending per transaction.

Certified to ISO 27001:2022

Pacific SOGO successfully passed certification for ISO 27001:2022, the most significant update to the information security standard in a decade, underscoring the Company's commitment to robust information governance.

NT$260 Million in Green Time Deposits

Pacific SOGO doubled its deposits into financial institutions over the past two years to facilitate the development of green finance and accelerate the transition toward net-zero.

Preventing Power-Based Sexual Harassment

Following the enactment of Taiwan's three Gender Equality Acts, 100% of managerial personnel have completed training on gender equality.

1.0 Strategic Outcomes and Planning

Since its establishment on November 11, 1987, the Company has led the way in fashion and remained one of the most trusted department store brands in Taiwan. For the past 37 years, we have advanced toward our vision of becoming a "benchmark enterprise in retail" with a commitment to sustainable operations and a spirit of innovation.

Policy Commitment

The Company advances its business strategy through the three core pillars of ESG, establishing itself as both a leading department store and a benchmark in ESG performance.

Organizational Vision

The Company is a benchmark retail enterprise that evolves with the times and fosters inclusivity, offering the public a comprehensive fashion and lifestyle experience.

Material Topics

- Operational Performance
- Ethical Operation and Governance
- Market and Brand Operations

International Frameworks and Indicators

- GRI 201 Economic Performance
- SASB Operating Metrics
- CG-MR-000.A
- CG-MR-000.B

Management Action	2024 Action Performance Tracking		Achievement Overview	Short-Term Goals (1–3 Years)	Mid-to-Long-Term Goals (3+ Years)
Revenue Performance	Stable revenue growth	ACHIEVED	In 2024, the export trend and inflation posed challenges for the department store sector. Pacific SOGO maintained consolidated annual revenue at NT$49.4 billion, remaining flat year-over-year.	Upon full launch of Far Eastern Garden City, it will contribute to overall revenue.	
Brand Management	Launched new brands to reach younger demographics	ACHIEVED	The new brand “Far Eastern Garden City” officially launched at the Taipei Dome, successfully entering the youth market.	The full opening of Far Eastern Garden City will attract new customers, lower the average age of core clientele, and synergize with the Zhongxiao and Fuxing Stores to revitalize the East District business area.	● Each store will develop its own operational and integrated e-commerce to align with domestic and international sustainability trends, enhance operational resilience, and secure market leadership. ● Establish sustainable partnerships with upstream and downstream suppliers to jointly build a green and sustainable supply chain.
	Launched co-branded credit card	ACHIEVED	On October 8, 2024, partnered with “Card King” CTBC Bank to launch a co-branded credit card. By year-end, the card had 51,000 users and NT$2.5 billion in spending.	Continue promoting co-branded credit cards, increasing cardholder numbers during major campaigns.	
	Sustainable sourcing; enhanced supply chain resilience	ACHIEVED	Industry-first: Introduced ISO 20400 Sustainable Procurement Guidelines in the department store sector.	Continue conducting supplier due diligence and providing sustainability guidance.	
Corporate Governance & Compliance	Ensured no major violations	ACHIEVED	Throughout 2024, no penalties or formal administrative sanctions were imposed by regulatory authorities.	● Obtain TPIPAS (Taiwan Personal Information Protection and Management System) certification. ● Draft performance evaluation guidelines for the Board and its functional committees, referencing TWSE’s “Board Performance Evaluation Guidelines.	● Strengthen internal training and external audits to ensure no major compliance violations. ● Link board and executive remuneration to sustainability performance outcomes.
nformation Security & Digital Innovation	Established a comprehensive information security management system	ACHIEVED	Completed transition to ISO 27001:2022 (Information Security Management System), enhancing continuous improvement and resilience in risk management; passed third-party certification.	● Implement ISO 27701 Privacy Information Management System. ● Reassess and renew MAS app certification upon expiration. ● Utilize generative AI to enhance customer experience.	● Strengthen digital governance to enhance system resilience. ● Advance digital transformation to further improve customer experience.

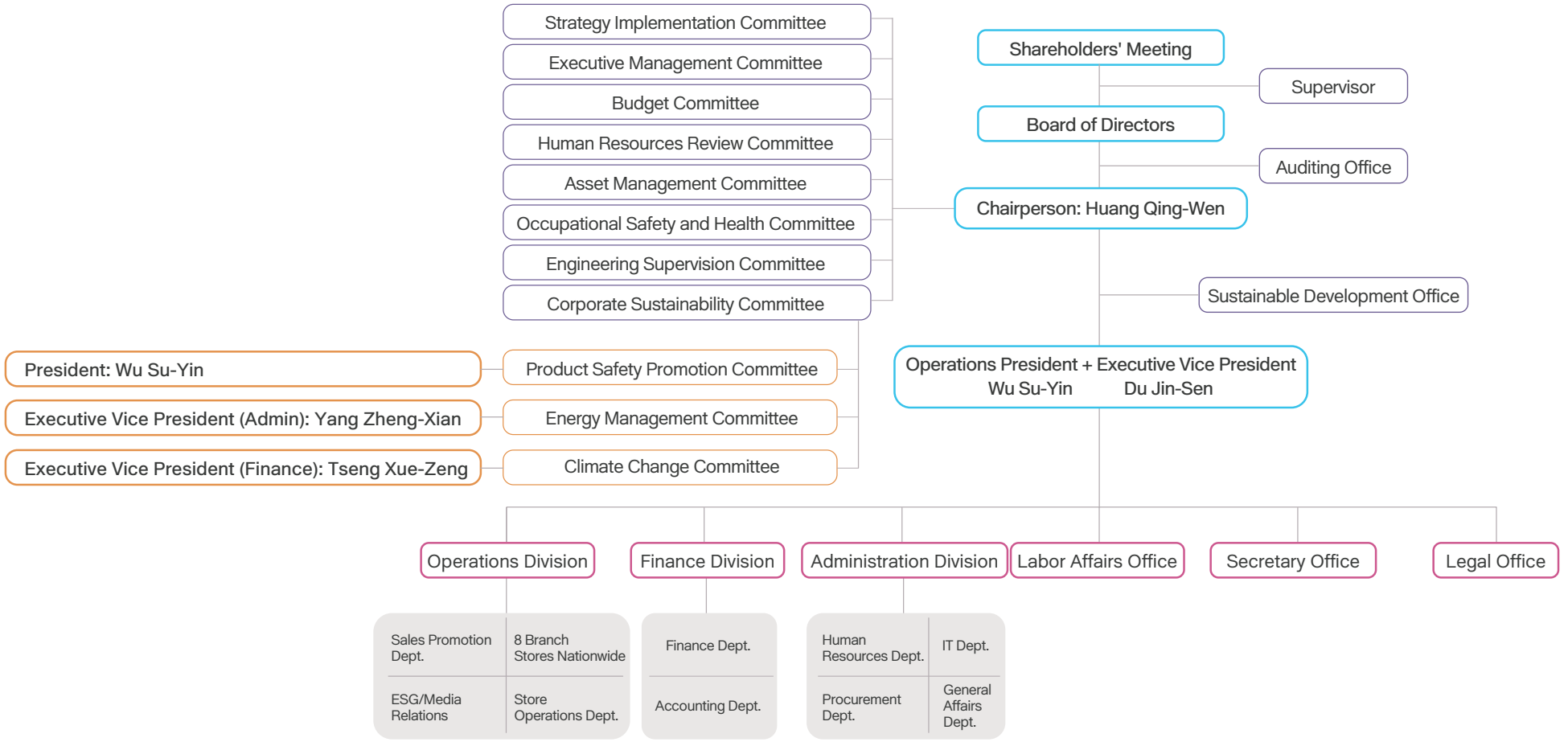
akeholder Group	Engagement Channels	2024 Outcomes
Shareholders / Financial Institutions	• Press releases on new store openings and major performance milestones • Regularly convened board and shareholders' meetings	• 3 board meetings were convened in 2024, with an 87% attendance rate. • Annual shareholders' meeting held as scheduled. In 2024, shares represented by attending shareholders and proxies accounted for 81.58% of total issued shares.
Tenants / Suppliers	• ESG website Morning briefings Supplier orientation sessions and training	• ESG due diligence: (1)A total of 27 Tier-1 suppliers completed ESG due diligence, accounting for 54.69% of total transaction volume. (2)ESG due diligence was conducted on the global cosmetic and fragrance brands in the Taiwan market, with a 77% response rate.
Employees	• Legal compliance announcements Internal training programs ESG website Internal audit Compliance hotline Employee satisfaction surveys	• No reports of major labor disputes or whistleblower cases. • Participation rate in gender equality and anti-discrimination training: 17% (male), 65% (female). • 84% of employees agree ESG practices are sustained at work; among those with over 20 years of service, 91% agree ESG has been integrated into daily operations.
Customers	• Owned media: Official website, social media, e-newsletters, direct mail, etc. • In-store service counters • Customer service hotlines • Online forums and message boards	• 88.6%- 87.7% of customers recognize brand identity. 87.7% • 88.6% of customers are satisfied with products and services. 88.6%



1.1 Corporate Governance

1.1.1 Organizational Structure GRI 2-11

Under the Board of Directors, Pacific SOGO Department Stores has established a President's Office, an Operations President's Office, and an Executive Vice President's Office. The Operations President oversees front-line store operations, while the Executive Vice President oversees administrative management. This complementary structure ensures operational and administrative separation, enabling effective governance that maximizes corporate benefits.



1.1.2 Board of Directors

GRI 2-9 GRI 2-10 GRI 2-15 GRI 2-16 GRI2-17 GRI 2-19 GRI 2-21 GRI 2-28 GRI405-1

The Board of Directors is the highest governance body of the Company and consists of five directors and one supervisor. Members are selected based on their professional expertise and industry experience and are appointed at the shareholders' meeting. Among the directors, one is elected as Chairperson. The Chairperson convenes the board meetings, with extraordinary meetings held as needed. In 2024, the Board held three meetings, with a director attendance rate of 87% and a supervisor attendance rate of 67%.

Board members serve a three-year term and may be re-elected. The nomination and selection of board members take into account stakeholder perspectives, comply with the Articles of Incorporation, and ensure professionalism, independence, and diversity in board composition to enhance organizational resilience. On June 14, 2023, at the annual shareholders' meeting, both directors and supervisors were re-elected. Among current directors, two are women, representing 40%.

The Chairperson, Ms. Sophia Huang, is a highly respected figure in the media industry. All board members possess the knowledge, insight, judgement, and innovation necessary to guide the company and sustain its leadership in Taiwan's department store sector. In 2024, the grand opening of Far Eastern Garden City was led by Chairperson Huang, who spearheaded local procurement efforts to establish the largest retail shopping complex in downtown Taipei. The project became a trending topic online and earned her recognition as one of Taiwan's Top 10 Female Business Leaders by NetTemperature.

Board Composition

Representation by gender: 40% — 2Seats / 5Seats — 2 out of 5 directors are female

2024 Board Operations Summary

Number of meetings held	3	Average attendance rate of directors	87%	Supervisor attendance rate	67%

Key Resolutions

Regular

Date & Meeting No.		Agenda Items	Resolution
15th Term	3rd Meeting – 2024.2.23	・Approval of annual financial statements ・Approval of supervisor remuneration and earnings distribution ・Approval of annual operations report	All directors present unanimously approved
	4th Meeting – 2024.7.9	・Discussion on annual profit distribution	All directors present unanimously approved
	5th Meeting – 2024.12.11	・Approval of annual budget ・Amendment of "Cash Capital Management Procedures" and "ESG Implementation and Climate Response Guidelines" ・ESG performance and climate action response report	All directors present unanimously approved

The Role of Pacific SOGO' s Board of Directors

Board Philosophy



All board members uphold a strong sense of duty, guiding and supporting executive departments to steadily advance the Company's sustainability goals in environmental protection, social inclusion, and corporate governance (ESG).

Vision for Sustainable Development

To remain progressive and inclusive, to serve as a retail benchmark delivering comprehensive and stylish lifestyle experiences to society at large.

Strategies and Policies for ESG Integration

- The Board assesses ESG-related opportunities and risks to ensure optimal decision-making. For instance, when selecting new business locations, considerations include the environmental impact and the social benefits (such as revitalizing commercial areas, creating jobs, and advancing the department store industry).
- Pacific SOGO implements three core ESG strategies—"energy conservation and emissions reduction," "sustainable consumption," and "circular business models." These strategies are carried out in collaboration with tenants, suppliers, and customers to co-create a sustainable future.

Conflict of Interest Avoidance

To ensure sound corporate governance, the Company has established a Code of Ethical Conduct that explicitly prohibits conflicts of interest at the highest governance level. To safeguard independence and prevent conflicts, the Chairperson and President are separate individuals, and no directors have employment or close kinship ties (within three degrees) with one another.

In 2024, there were no incidents of corruption, bribery, anti-competitive behavior, conflicts of interest, money laundering, or insider trading.

The Company follows corporate governance laws and regulations applicable to listed companies, in alignment with its parent company Far Eastern Department Stores Co., Ltd. (TWSE: 2903). Details regarding avoidance of director conflicts of interest can be found in the 2024 Shareholders' Meeting Report (pp. 29, 56, 57), and the presence of controlling shareholders is disclosed in the Q4 2024 Financial Report (p. 93, Organizational Chart).

Chairperson and Senior Executive Remuneration Policy

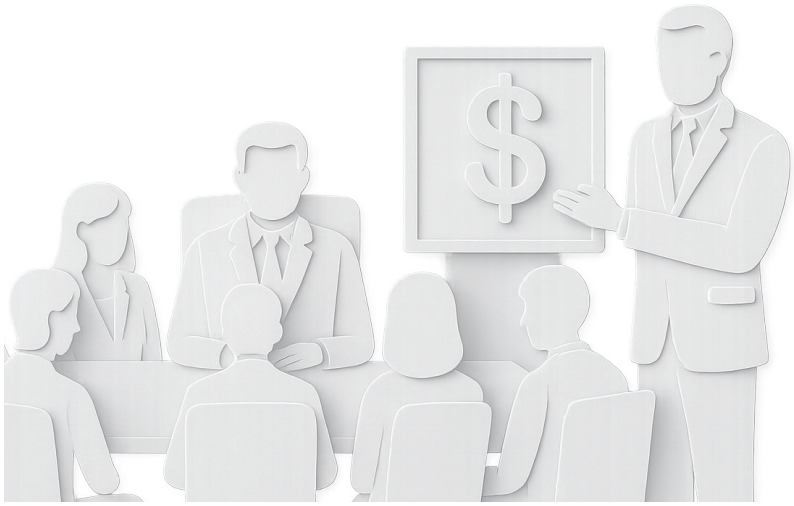
Board Director and Executive Remuneration Policy

Category	Performance Evaluation	Remuneration Items
Board of Directors and Supervisors	● In accordance with Article 17 of the Articles of Incorporation, up to 2% of annual profits may be allocated as director remuneration if the company is profitable. The actual distribution rate and amount are determined by the Board of Directors based on factors such as corporate sustainability performance, business results, and future operational risks, and reported to the shareholders' meeting. ● In 2024, the total director remuneration paid was NT$20 million, accounting for 1.47% of net profit after tax.	Transportation fees, bonuses, etc.
Executives (President, Vice Presidents, and other senior managers)	Remuneration for Vice Presidents and above is based on corporate performance, benchmarked against industry peers, and reasonably adjusted based on performance appraisals and future operational risk factors.	● Fixed monthly salary, various bonuses (including special performance bonuses, employee profit-sharing, anniversary bonuses, year-end bonuses), managerial incentives, and monthly contributions to retirement funds (both new and old systems) and employee benefits in accordance with the law. ● In special cases, additional remuneration such as retirement payments, severance packages, or condolence payments may be granted.

Highest-Paid Individual/Group Remuneration Metrics

Item / Year	2022	2023	2024
Annual Total Remuneration Ratio	1,947%	1,812%	**2,316%**
Year-over-Year Increase in Remuneration Ratio	564%	6%	**399%**

Notes
1. Annual Total Remuneration Ratio = Annual total remuneration of the highest-paid individual in the organization ÷ Median annual total remuneration of all other employees.
2. Year-over-Year Increase in Remuneration Ratio = Percentage increase in annual total remueration of the highest-paid individual ÷ Median percentage increase in employee remueration (Calculation method adjusted: Denominator was previously “median percentage increase in annual remueration of other employees”).
3. Employee total remueration includes both fixed and variable components.
4. Employee annual total remueration is determined through the following process: A salary adjustment budget (percentage and total amount) is prepared in August of the previous year, approved by the Board of Directors. During the implementation year, HR proposes adjustment recommendations based on prior-year performance and budget; these are reviewed and approved by senior executives and the Chairman, and finalized by the Group Chairman.



Board Diversity and Member Profile

Position	Name	Gender	Age Range			Concurrent Positions in This and Other Companies		
			50-65	65-75	75+			
Director & Chairman of Far Eastern Group	Douglas Hsu	Male			●	・Far Eastern New Century – Chairman ・Asia Cement – Chairman ・Oriental Union Chemical – Chairman ・Pacific SOGO Department Stores – Chairman	・Far EasTone Telecommunications – Chairman ・U-Ming Marine Transport – Chairman ・Far Eastern International Bank – Vice Chairman	
Chairperson	Sophia Huang	Female	●			・Pacific China Holdings (BVI) – Chairman ・Pacific SOGO Cultural and Educational Foundation – Chairman ・Pacific China Holdings (Hong Kong) – Chairman ・Pacific SOGO Social Welfare Foundation – Chairman	・Shangri-La's Far Eastern Plaza Hotel – Director ・Ding Ding Integrated Marketing Services – Director	
Director	Wang Hsiao-I	Male			●	・Far Eastern New Century – Director ・Far Eastern New Century – CEO, Corporate Social Responsibility Division ・Far Eastern International Bank – Executive Director ・Farglory Construction – Chairman	・Yuan Ze University – Board Director	
Director	Chee Chyi	Female	●			・Far EasTone Telecommunications – President ・Far Eastern Info Service (Holding) – Chairman & President ・Chun Hong Enterprise – Chairman ・Far Eastern Sincere – Chairman ・Suntech Energy – Chairman	・Ding Ding Integrated Marketing Services – Director ・New Century InfoComm Tech – Director & President ・Far Eastern Ennova – Director ・Far Eastern Digital Technology – Chairman	・Pacific SOGO Department Stores – Director ・Far Eastern Creative Original – Chairman ・Fullhon Net – Chairman ・Far Eastern Electronic Toll Collection – Director ・Po Hong Cloud Technology – Chairman
Director	Tsai Chin-Hsiung	Male	●			・Far Eastern New Century – Senior Vice President ・Ding Yuan International Investment – Chairman ・Far Eastern Ding Investment – Director ・Chun Hong Enterprise – Director ・Far Eastern Ding – Director	・Yu Ding Industrial – Chairman ・Shanghai Far Eastern Investment Information Technology – Chairman	
Supervisor	Wang Ching-Yi	Male			●	・Yuan Ze University – Board Director ・Song Tso-nan Education Foundation – Former Chairman & Director		

For more information, please visit the Far Eastern SOGO ESG website in "Investor Information" section under "Corporate Governance".

Sustainability Knowledge Development

Based on industry characteristics and board members' academic and professional backgrounds, the Company assists directors in formulating annual training plans and course arrangements to strengthen professional competencies and enhance corporate governance. In total, 5 board members participated in 45 hours of training.

Theme	Course Title	Participants	Duration
E	Net Zero Revolution 2.0: The Deep Link Between Climate Change and Corporate Sustainability	1	2 hours
E	From Carbon Reduction to Sustainability: The Critical Concept of Anti-Greenwashing	1	2 hours
E	From Carbon Reduction to Sustainability: The Critical Concept of Anti-Greenwashing	2	3 hours
E	ESG Actions in the Era of De-Compensated Business Corporate Governance Forum – ESG Actions in the Era of De-Compensated Business	1	3 hours
S	Human Rights Issues in ESG On-Site Audits	1	2 hours
G	From Digital Transformation to AI Empowerment	4	3 hours
G	Corporate Governance and Securities Regulations	1	3 hours
G	Interpreting Key Financial Data to Strengthen Early Warning Capability	1	6 hours
G	Board and Governance Executive Series – Corporate Control Disputes and Introduction to Business Litigation Law	1	3 hours
G	Strengthening the Board's Operational Mechanisms Through Internal Control and Practical Case Studies	1	6 hours



Participation in External Organizations

Through participation in external associations, Pacific SOGO engages in cross-sector exchanges with industry, government, and academia to enhance competitiveness in the department store sector. The Company maintains active involvement in the Retailers Association of Chinese Taipei(RACT) and the "Taipei Department Store Commercial Association," providing policy advice to support industrial development.

Year	External Organization	Position	Company Representative	Purpose / Significance
1987	Taiwan R.O.C. Department Store and Retail Enterprise Association	Executive Director	Chairperson Sophia Huang	Promote business development, offer suggestions, and lead the advancement of the department store sector.
		Director	General Manager James Wang Kuo	
		Executive Supervisor	General Manager Du Jin-Sen	
	Taipei Department Store Commercial Association	Supervisor	Manager Huang	Provide policy advice to support industry growth.
2014	Taichung City Government International Affairs Committee	Committee Member	Chairperson Sophia Huang	Support Taichung's internationalization through strategic recommendations.
2017	Taiwan Corporate Sustainability Training Center (CCS)	Director	Chairperson Sophia Huang	Exchange sustainability practices and build partnership networks.
2018	Taiwan Women on Boards Association	Director	Chairperson Sophia Huang	Promote women's empowerment and leadership transformation.
2019	Taipei East District Business Development Association	Executive Director	Deputy General Manager Yang Zheng-Xian	Stimulate local commercial growth and foster community prosperity.
2022	International Initiative EP100	Member	Pacific SOGO	Showcase successful business cases; serve as a model for sustainable retail in the Asia-Pacific.
	R20 Regional Climate Action Organization	Member	Pacific SOGO	Exchange sustainability experiences and build regional impact networks.
2023	International Initiative TCFD	Member, Supporter	Pacific SOGO	Demonstrate strong commitment to climate governance and serve as a national benchmark in retail.
2024	Science Based Targets initiative (SBTi)	Member	Pacific SOGO	Lead the industry as the first Taiwanese department store to commit to carbon reduction targets.
迄今	Sustainable Fashion Alliance, Circular Economy Coalitions (8+N Circular Economy Alliances)	Member	Pacific SOGO	Participate in policy dialogues and promote circular economy and resource reuse.

International Sustainability Initiatives: EP100, R20, TCFD Supporter, SBTi

First large-scale department store chain in Taiwan to submit a Science Based Targets (SBTi) commitment letter in 2024

First large-scale department store chain in Taiwan to submit a Science Based Targets (SBTi) commitment letter in 2024

In response to global net-zero trends, the Company has actively participated in international sustainability initiatives. In 2022, it officially joined EP100 (the global initiative for energy productivity improvement), becoming the first department store in the Asia-Pacific region to do so. Using 2018 as the baseline year, the Company committed to improving energy productivity by 50.52% by 2028 and successfully reached the target in 2024.

That same year, the Company also joined R20 – Regions of Climate Action, a UN-supported initiative, aiming to amplify its environmental influence by engaging in global sustainability exchanges and forward-looking dialogues.

Since 2021, the Company has voluntarily disclosed climate-related financial information in alignment with the Task Force on Climate-related Financial Disclosures (TCFD), strengthening its internal climate governance framework through the four core elements: governance, strategy, risk management, and metrics and targets. In 2023, it became the first department store in Taiwan to officially register as a TCFD Supporter, reinforcing its commitment to transparent climate governance.

In 2024, the Company became the first large-scale department store chain in Taiwan to submit a formal commitment letter to the Science Based Targets initiative (SBTi), addressing Scope 3 emissions — the most challenging and least controllable category of corporate carbon emissions.

Empowering Women and Sharing Sustainability Practices

In 2024, the Company became the first large-scale department store chain in Taiwan to submit a formal commitment letter to the Science Based Targets initiative (SBTi)

Shared ESG strategies and practices at the 2024 Women Directors Forum

With the rise of the “she-conomy,” Chairperson Sophia Huang serves as a board member of the Taiwan Women On Boards Association, where she contributes to the regular publication of the White Paper on Women in Governance, organizes international forums, and promotes the establishment of the WOB Academy to cultivate a new generation of outstanding female leaders.

Chairperson Huang has been an invited guest speaker at numerous forums hosted by the association and the academy, where she shares corporate governance insights and advocates for women’s empowerment. Since the launch of the first WOB Academy in 2021, she has served as a leadership lecturer for four consecutive years.

At the 2024 annual forum, themed “The Future of Resilient Leadership 2024,” she participated in the sub-forum titled “The Path to Net-Zero: Practical Insights on ESG Strategies and Key Roles” alongside Lora Ho, Senior Vice President of Human Resources at TSMC, and Jeff Chang, Chairman of Cathay SITE, discussing corporate sustainability organization and implementation.

In recent years, Chairperson Huang has responded to international sustainability trends by leading initiatives in energy conservation, carbon reduction, circular business models, and sustainable consumption. Collaborating closely with stakeholders, she has built a sustainability ecosystem and positioned Pacific SOGO as a regional benchmark for sustainability in the Asia-Pacific.

In 2024, she was invited by the Chinese Global Industrial Development Association to speak at the Global Chinese Deep Engagement Forum, delivering a keynote titled “From EPS to ESG: The Corporate Path to Sustainability.”



Chairperson Ching-Wen Huang (second from left) participated in the Taiwan Women Directors Association, sharing governance experience and advancing women’s empowerment.

1.1.3 Internal Control Mechanisms GRI 2-12

Functional Committees

To enhance corporate operations and governance, Pacific SOGO has established eight internal committees to strengthen governance capacity.

Committee	Established	Responsibilities
Management Committee	2002	● Formulate the Company's operational direction, set strategic plans, and ensure alignment with annual goals. ● Chaired by a Board Director; attended by senior management and Group Chairperson. ● Meet quarterly.
Budget Committee	2012	● Oversee budget forecasting to align targets with resource allocation and strategic decisions. ● Review, report, and track quarterly execution and revision of budgets. ● Meet quarterly.
Information Security Committee	2012	● Formulated in response to SOGO's operational characteristics, responsible for personal data protection policy and process oversight. ● Include external consultants and internal compliance officers. ● Review latest cybersecurity trends and propose internal upgrades.
Occupational Safety and Health Committee	2012	● Top decision-making body for workplace safety and health; responsible for reviewing and advising on safety and health policies and plans. ● Supervise occupational safety and health practices, inspections, and reporting. ● Led by senior management; meet every 3 months.
Personnel Review Committee	2014	● Establish and adjust the organizational structure of the Company. ● Review and revise staffing plans and personnel regulations. ● Review and investigate major rewards or disciplinary actions for managerial-level staff and above. ● Evaluate promotion quotas based on annual performance appraisals; review termination cases. ● Deliberate on major personnel and employee welfare policies.
Executive Strategy Committee	2014	● Serve as the highest-level unit for corporate operations and strategic planning ● Include the Chairman, President, Executive Vice Presidents, and senior management as members ● Hold monthly meetings to review operational performance, evaluate management strategies, and discuss potential challenges in achieving business goals; propose improvement plans accordingly ● Convene meetings every 1–2 weeks
ESG Committee	2015	● Establish subgroups such as the "Product Safety and Carbon Reduction Task Force" to lead long-term ESG initiatives; enhance energy efficiency, reduce carbon emissions, and assess climate-related risks and opportunities ● Appoint the Executive Vice President as Committee Chair, as designated by the Chairman; assign department heads as core members; form a dedicated ESG Secretariat under the Strategic Planning Department to report periodically to the Board of Directors ● Hold regular meetings by the ESG Secretariat to coordinate progress, assess impact levels, take mitigation actions, and reduce stakeholder risk (1) Monitor international ESG trends and regulatory changes; formulate ESG action plans (2) Propose ESG initiatives and track effectiveness (3) Organize cross-departmental or supplier workshops to share experiences and explore collaboration opportunities (4) Conduct annual ESG materiality assessments ● Convene semiannual ESG Executive Meetings, chaired by the Chairman and attended by the President and senior executives; present key initiatives by the ESG Secretariat ● Submit regular updates to the Board on committee activities and mitigation outcomes
Brand & Vision Engineering Committee	2020	● Shape a customer-centric culture; promote service innovation; enhance customer satisfaction and engineering quality; strengthen brand reputation

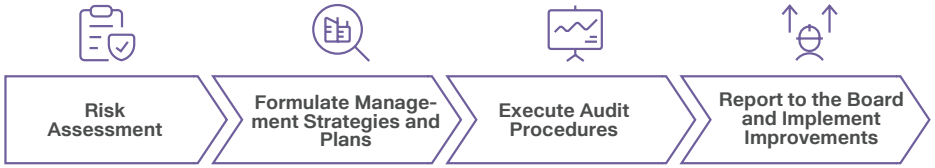
Note Far Eastern SOGO is not a publicly listed company; therefore, it is not legally required to establish an Audit Committee, a Remuneration Committee, or appoint Independent Directors.
For more information, please visit the Far Eastern SOGO ESG website in "Investor Information" section under "Corporate Governance".

Audit Mechanism

The Board of Directors has established an independent Internal Audit Office. The appointment and dismissal of the Chief Audit Officer are subject to Board approval. Full-time dedicated auditors are also in place. In alignment with the internal control and audit requirements of listed companies, Pacific SOGO has established a comprehensive risk management strategy and related systems, which are continuously refined and optimized.

The Internal Audit Office formulates an annual audit plan based on regulatory requirements and risk assessments. In addition to executing planned audit tasks, the office also conducts special audits in response to regulatory changes or newly identified risks, to strengthen comprehensive risk management, enhance operational performance, and safeguard the Company's overall interests.

Audit reports are submitted regularly to the Board of Directors. The 2024 report has been presented, and follow-up on improvement actions will continue to be monitored.



1.1.4 Ethical Business Conduct GRI 2-25 GRI 2-27

Integrity and Corporate Anti-Corruption

In line with its ethical business principles, the Company conducts its operations in full compliance with applicable internal and external laws and regulations. In response to newly promulgated laws, standard operating procedures are regularly updated and revised. All external contracts must undergo legal review, and all employees are required to uphold business ethics and comply with relevant laws in their work New hires must complete regulatory and ethical training, and periodic sessions are held for all staff to enhance awareness of legal compliance, codes of conduct, ethics, and human rights, thereby fostering a culture of integrity and professionalism.

The Company's sustainability website includes a dedicated "Corporate Integrity" section, where stakeholders may report any suspected misconduct. Ethics-related inquiries can be directed to the Internal Audit Office, which is responsible for investigating and handling reported cases.

In 2024, no major whistleblower reports were received, and no internal corruption incidents occurred. These results were reported to the ESG Committee.

To strengthen corporate governance and instill a culture of integrity, the Board of Directors has adopted a "Code of Ethical Conduct" to guide directors, executives, and all employees in adhering to ethical standards and enhancing long-term sustainability performance.



Integrity and Anti-Corruption System

Code of Conduct

The Board of Directors has adopted a "Code of Ethical Conduct" that sets out clear provisions on fair trade, conflict of interest prevention, prohibition of improper personal gains, strict protection of trade secrets, and compliance with laws and regulations.

Management Mechanisms

1. Supplier Management Requirements:
   (1) Starting in 2024, the "Sustainability Clause" includes anti-corruption provisions, which are signed as part of all contracts.
   (2) New suppliers must agree to the Sustainability Clause when completing the Supplier Information Form.
   (3) Group procurement contracts (Supplier CSR Commitment) explicitly state anti-bribery provisions, prohibiting all forms of bribery, extortion, theft, abuse of power, and improper gain.
2. Employee Integrity Guidelines:
   (1)The Employee Handbook stipulates that accepting bribes or seeking personal or third-party gain will lead to internal investigation and dismissal.
   (2) The Company has established a "Whistleblower and Disciplinary Policy for Breaches of Ethics and Integrity."
   (3) Internal control systems and standard operating procedures are in place to reinforce ethical conduct.

Awareness and Communication Channels

Internal training sessions or briefings, eWork App, morning meetings, internal memos, and bulletin board notices.

Whistleblower Channels

Please visit our ESG website > "Stakeholder Area" > "Corporate Integrity" to file reports or inquiries.

Integrity Management	Description	Awareness / Implementation	Implementation Performance
Anti-Discrimination	Pacific SOGO has announced its Human Rights Policy, signed by the Chairman, to demonstrate its commitment to diversity, equality, and inclusion. The policy prohibits any form of discrimination based on gender, race, class, age, marital status, language, ideology, religion, political affiliation, facial features, physical or mental disabilities, astrological signs, or blood type. The company upholds the principles of respecting human rights and ensuring equal protection for all employees, while actively eliminating any form of harassment or unfair treatment in the workplace.	• Internal training sessions or briefings • Handbook walkthrough • eWork App • Internal meetings • Morning announcements • Internal memos & bulletin board notices	• Promoted social inclusion through DEI (Diversity, Equity and Inclusion) workplace strategies. In 2024, awarded the Taipei City Government's Gender Equality Workplace Certification (Silver) and HR Asia's "Best Companies to Work for in Asia" (Diversity & Inclusion category).
Gender Equality	Since 2018, Pacific SOGO has amended its internal policies in accordance with the Gender Equality in Employment Act, making timely adjustments in line with central government regulations, such as provisions for menstrual leave. In 2020, the company announced its Sexual Harassment Prevention Act, which was further revised in 2024 to strengthen autonomous prevention mechanisms. That same year, the company formulated the Sexual Harassment Prevention Measures, Complaint and Investigation Procedures, in compliance with the Ministry of Labor's Guidelines for Preventing Unlawful Infringement in the Execution of Duties and Procedures for Preventing Unlawful Infringement in the Execution of Duties. To foster a diverse and inclusive workplace culture, the company requires all employees to complete unconscious bias training.		• Anti-harassment posters with reporting channels are displayed in all offices and stores to maintain confidentiality and ensure proper handling. • Since 2023, gender equality workshops have been mandatory. In 2024, 21 sessions were held nationwide, with 100% participation from managers and 69% from general staff.

Whistleblower Channels

- Please visit our ESG website > "Stakeholder Section" > "Contact Us"
- Reporting mailboxes are also available via labor-management meetings, employee welfare committee, HR audit committee, and store manager briefings.

Legal Compliance

The Company promotes awareness of legal and regulatory requirements among employees through daily internal morning briefings and online bulletin boards. The Legal Department conducts regular on-site training sessions at each business location on topics such as customer complaints, personal data protection, and store safety, to ensure that all activities comply with relevant laws and regulations. The Legal Department also periodically assesses key operational activities, products, and services, managing significant customer complaints or regulatory compliance risks that could result in legal violations, penalties, or negative media coverage. In addition, a horizontal communication and coordination mechanism has been established with other second-line defense functions. In 2024, Pacific SOGO Department Stores recorded no fines or administrative sanctions imposed by competent authorities and organized a series of legal workshops across Taiwan to strengthen company-wide compliance awareness.

Anti-Corruption and Anti-Bribery Policy

Article 3: Anti-Corruption Statement

The Company does not engage in or accept any activities that violate this policy or any relevant anti-corruption laws and regulations.

Code of Ethical Conduct

Article 4: Prevention of Conflict of Interest

Article 5: Prohibition of Personal Gain

Article 6: Confidentiality Obligation

Article 7: Fair Transactions

Article 9: Compliance with Laws and Regulations

Employee Handbook Excerpt: Chapter 6 – Resignation and Termination

Article 6: Termination

If an employee meets any of the following conditions, the Company may terminate employment in accordance with legal procedures without prior notice or severance pay.

Clause 21:

Serious misconduct involving abuse of position for personal or others' benefit.

Clause 22:

Engaging in similar business activities outside the Company without approval, thereby affecting the performance of the employment contract.

1.2 Operational Results

1.2.1 About the Company GRI 2-1 GRI 2-6

Dual Department Store Brand Strategy

While pursuing operational excellence, Pacific SOGO Department Stores is committed to fulfilling its corporate social responsibility. Guided by ESG (Environmental, Social, Governance) principles, the Company has developed future operational strategies to reshape its corporate vision—becoming a retail benchmark that evolves with the times, fosters mutual prosperity, and offers the public a comprehensive and fashionable lifestyle experience.

In 2024, despite a slowdown in the domestic retail market, the Company delivered stable performance with an annual revenue of NT$49.43 billion, remaining flat compared to the previous year.

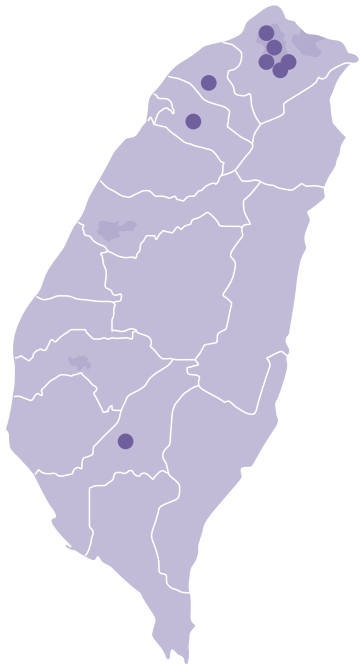
Starting in June 2024, new retail operations gradually launched in Taipei's Xinyi District around the Taipei Dome, marking the beginning of Far Eastern's dual-brand strategy with "Far Eastern SOGO" and "Far Eastern Garden City." The latter, located adjacent to the Xinyi commercial district, attracted 80% new customers, with 36% under the age of 40, injecting fresh vitality into the Company's operations and brand development.

Search the "National Business Administration Service Portal

Basic Information

Company Name	Pacific SOGO Department Stores Co., Ltd.	Products and Services	Department Store Retail
Year Founded	1987	Number of Employees	1,297 (as of 2024)
Paid-in Capital	NT$8.28 billion	Company Type	Privately Held
Head Office	No. 45, Sec. 4, Zhongxiao East Road, Da'an District, Taipei City		

Operating Locations



Across Taiwan (a total of 8 operating sites, all key business locations)

遠東 SOGO

As a one-stop premium shopping destination, Far Eastern SOGO offers high-quality products and refined services while exerting social influence. The Company has been deeply rooted in Taiwan over the years, with a total of 7 operating locations:

Taipei Zhongxiao Store	No. 45, Sec. 4, Zhongxiao East Road, Taipei
Taipei Dunhua Store	No. 246, Sec. 1, Dunhua South Road, Taipei
Taipei Fuxing Store	No. 300, Sec. 3, Zhongxiao East Road, Taipei
Tianmu Store	No. 77, Sec. 6, Zhongshan North Road, Taipei
Taoyuan Zhongli Store	No. 357, Yuanhua Road, Zhongli District, Taoyuan
Hsinchu Store	No. 239, Zhongyang Road, Hsinchu
Kaohsiung Store	No. 217, Sanduo 3rd Road, Kaohsiung

遠東 Garden City

Located in the Taipei Dome complex, Far Eastern Garden City covers a vast retail space of 36,000 ping (approximately 119,000 square meters), making it the largest shopping mall in central Taipei. It represents a full-scale upgrade in department store retail operations in Taiwan. With an "all-weather, all-inclusive, all-demographic" strategy, the mall aims to meet the diverse lifestyle needs of urban residents. Upon its full opening in 2025, the site will feature four major retail and dining zones, combined with high-profile international sports events, performances, and the cultural heritage of the Songshan Cultural and Creative Park. It is set to become a mega international hub for leisure, recreation, and tourism.

- No. 505, Sec. 4, Zhongxiao East Road, Taipei

Operating Locations and Store Characteristics

Far Eastern SOGO operates department stores across Taipei, Zhongli, Hsinchu, and Kaohsiung, with a total of seven locations. Each store is tailored to meet local customer needs and target segments, delivering distinctive store features, quality products, and satisfying services.

Year Opened 1987

Flagship of Fashion & Beauty in Eastern Taipei

Taipei Zhongxiao Store

With American styling blended with Japanese aesthetics, the modern Zhongxiao Store features a "simple yet warm" ambiance. It offers Taiwan's latest fashion products and integrates digital technologies to enhance the shopping journey, establishing itself as the flagship department store for fashion in Taipei's Eastern District.



2024 Operational Highlights

- Upgraded store image in the first and third quarters; optimized layouts to strengthen competitive positioning and enhance product offerings
- Enhanced customer experience through targeted campaigns for core customer segments; strengthened experiential marketing for younger customers and all age groups
- Planned seasonal campaigns to attract new customers and increase engagement among existing ones, including large-scale events such as Christmas décor photo spots, AR immersive installations, and family-friendly activities featuring the SOGO Children's Choir
- Deepened transit-oriented economic strategy; expanded cooperation with transport operators; strengthened advertising campaigns to drive increased customer traffic
- Completed Liugong Public Corridor renovation at the Taipei Zhongxiao Store in May 2024; reduced parking space to open public areas; implemented spatial improvement plan to create a linear green corridor, fostering a landmark connection between Far Eastern SOGO and the local community

Year Opened 1994

Low-Key Luxury for Elegant Living

Taipei Dunhua Store

- Cultivated strong relationships with local clientele, establishing itself as a key fashion hub in Taipei's East District for premium goods
- Delivered high-quality, personalized services that earned long-term trust and loyalty from core customers
- Deepened operations in premium skincare and luxury beauty lounge services, offering exclusive one-on-one high-end experience areas
- Shaped a premium dining image in the East District, creating an elegant space for refined gourmet experiences



2024 Operational Highlights

- Introduced new brands (Loro Piana / Valextra) and maintained stable sales performance
- Strengthened collaboration with partner stores to attract new customers
- Enhanced diverse experiential activities to deepen customer loyalty

Year Opened 1996

A public welfare base in Southern Taiwan, cultivating strong ties with the local business community

Kaohsiung Store

Rooted in the community for 28 years, the Kaohsiung Store has fostered strong emotional ties with residents and customers. It promotes local cultural development and supports performing arts through regionally tailored programs.



2024 Operational Highlights

- Responded to SDG1 (No Poverty), SDG4 (Quality Education), SDG11 (Sustainable Cities and Communities), SDG12 (Responsible Consumption), SDG13 (Climate Action), and SDG15 (Life on Land) by organizing various public welfare activities, building a public benefit base in southern Taiwan
- Participated in government social housing initiatives and utilized idle assets to create sustainable value
- Carried out community service in cooperation with relevant organizations, including district public health centers, Kaohsiung City Fire Department, affiliated hospitals, and Shengli Elementary School, offering free cancer screenings, vaccination services, and disaster prevention experiences for children; promoted regular health checks and correct disaster prevention concepts; and actively engaged in community and business district development, such as participating in the Shengli Park renovation opening ceremony and health promotion events
- Organized customer-engagement public welfare activities, including second-hand markets, beetle exhibitions, and Christmas wish-tree campaigns.

Year Opened 1998

Retail Hub in Southern Taoyuan: Integrating Regional Business Districts

Zhongli Store (Taoyuan)

Located in the heart of southern Taoyuan, the Zhongli Store leads regional fashion trends and actively supports local government policy initiatives.



2024 Operational Highlights

- Expanded strong-performing product categories and increased exposure for new brands by introducing HR, Aesop, Chanel, La Mer, and Swarovski
- Renovated existing stores and introduced popular large-scale restaurants such as Smooth Tofu, Puffer Fish Cuisine, and Stubborn Tea Banquet to boost dining traffic and online visibility
- Implemented five major annual campaigns to engage Club members, strengthen customer loyalty, enhance digital promotion, and increase digital advertising investment
- Participated in Taoyuan Shopping Festival activities, fostering collaboration with local business districts and promoting the spirit of shared prosperity

Year Opened 2006

Taiwan's First Luxury Anchor Store with the World's Top Five Luxury Brands

Taipei Fuxing Store

As Taiwan's premier luxury department store, the Fuxing Store is the only location in the country to gather the world's five leading luxury brands—Hermès, Gucci, Louis Vuitton, Cartier, and Chanel—making it a benchmark in premium retail.

Its B3 floor features the high-end supermarket city'super, offering an extensive range of gourmet items from Taiwan and abroad, earning it the nickname "Kitchen of the East District."



2024 Operational Highlights

- Launched the largest renovation to date, upgrading the luxury and women's fashion floor, with significant results.
- Major renovation of Hermès, CHANEL, and LV flagship counters (1F–3F) to be completed by late 2024 or early 2025, setting a new national standard for premium department store spaces.

Year Opened 2009

Taiwan's Model Green Department Store

Tianmu Store

Tianmu Store became Taiwan's first department store to obtain carbon labels and the first service-oriented department store to incorporate carbon labeling into green procurement. The Store collaborated with Taipei City Government's Market Administration Office and Beitou Farmers' Association to promote local agricultural products and seasonal flowers from nearby rural areas. The Store also hosted creative handicraft markets to facilitate interaction between local residents and vendors.



2024 Operational Highlights

- Leveraged the extended impact of the green department store concept to launch three major Lunar New Year gift promotions, actively promoting sustainable value; collaborated with 547 listed companies and key suppliers to generate NT$17,795,000 in gift voucher sales, with enterprises eligible to apply for 30% green procurement subsidies from the government.
- Responded to Earth Day and participated in Open House Taipei by opening the rooftop Sky Garden twice during the year, attracting over 2,000 visitors to view environmental facilities (rainwater system, solar power generation), guided by staff explanations; continued to partner with schools and youth groups to promote environmental education.
- Upgraded store image by renovating parts of the sales floor and adjusting tenant mix; introduced new brands including Dior Fragrance Boutique, Marugame Seimen, and Unagi Shijūhachi no Kawah…
- Curated themed markets to showcase a diverse retail atmosphere.

Year Opened 2012

Family-Friendly and Socially Inclusive Department Store

Hsinchu Store

- Integrate department store and shopping mall operations to create new retail formats closely connected to local life
- Incorporate ESG themes to build a customer-friendly department store environment
- Open premium indoor performance venues for city volunteer lectures, college arts and cultural showcases, and other community activities to strengthen the shared corporate image
- Serve as Hsinchu's most comprehensive shopping destination for cosmetics, women's fashion, and sports and leisure



2024 Operational Highlights

- Achieved annual revenue of NT$6.53 billion, exceeding pre-pandemic growth levels by over 25%
- Continued to introduce trending new brands to differentiate the market and increased the share of exclusive brands to nearly 50%
- Supported the United Nations Sustainable Development Goals by co-organizing the "Women's Power Market" to promote female entrepreneurship; held large-scale "Second-hand Clothing Recycling" activities, attracting over 1,600 participants; organized the "Grandparents Forever" intergenerational comedy stand-up show; established Taiwan's first 24-hour unmanned recycling station in a department store, collecting 3,251 kilograms of resources in six months
- Introduced a global chain children's theme park to enhance family services; organized diverse thematic markets such as Halloween and Christmas to promote family-friendly cultural experiences

Far Eastern Garden City: The latest flagship project marking Pacific SOGO's transition from department store operations to shopping mall management, planned and operated by the Far Eastern SOGO management team. It is currently the largest shopping mall in downtown Taipei, with a floor area of 36,000 ping (approximately 119,000 square meters). Targeting all customer segments, it offers a comprehensive, multi-themed new retail model.

Year Opened 2025

The Largest Shopping Complex in Downtown Taipei

Garden City – The Big Dome

- Zone D / The Rim (Dining Garden): Independent restaurant zone adjoining the Taipei Dome complex, featuring all-day dining including breakfast and late-night meals
- Zone C / Garden Corridor: Known as "Taiwan's Most Beautiful Underground Street," targeted nearby office workers and Taipei Dome event-goers as the main customer base; featured flagship themed stores, fitness centers, fast food, and convenience retail
- Zone A / Garden of Lights: Offering trend-setting fashion brands alongside rooftop garden dining, aligning with Taipei Sky City's urban planning
- Zone B / Monet Garden: Taipei city center's largest department store sales floor, integrating five major categories including premium goods, cosmetics, sports and leisure, children's cultural spaces, and dining

2024 Operational Highlights

- On May 30, 2024, opened the "Dining Garden" on the upper floors of the Taipei Dome complex as the first phase, featuring 14 themed restaurants; linked with the night economy of Taipei's East District and Xinyi District; first in company history to operate until early morning, with some restaurants open 24 hours, creating a new "Night Dining" trend
- In late September, opened the "Garden Corridor" on B1–B2 levels of the Taipei Dome complex, dubbed "Taiwan's Most Beautiful Underground Street," offering Chinese, Korean, Hong Kong, and Japanese cuisine to attract both domestic and international visitors
- Far Eastern Garden City recorded approximately NT$500 million in 2024 revenue, surpassing forecasts by 10%



1.2.2 Business Performance GRI 201-1 GRI 201-4

2024 Business Performance

In 2024, the company reported total revenue of NT$49.433 billion, remaining flat year over year; however, the pre-tax profit growth rate declined by –22.75%.

Key Factors:

1. Major renovation of multiple floors was undertaken at Far Eastern SOGO Fuxing Store in coordination with the expansion of three major luxury brand counters.
2. Zones D (dining area) and C (underground shopping area) of the Taipei Dome opened in May and September respectively, contributing to revenue. However, in accordance with IFRS 16, the company was required to recognize right-of-use assets.



Far Eastern SOGO Financial Information Over the Years

Unit: NT$1,000; EPS in NT$ per share

	2022	2023	2024
Operating Revenue (IFRS, Gross Method)	45,013,913	49,661,966	49,433,078
Pre-Tax Profit	1,824,575	2,914,351	2,251,376
Net Profit After Tax	1,398,046	2,193,039	1,360,130
Earnings Per Share (EPS, After Tax)	1.69	2.65	1.64
Return on Equity (ROE, %)	11.43	16.82	10.24
Capital	8,280,000	8,280,000	8,280,000

Note: For more information, please refer to the Market Observation Post System (MOPS) (stock code: 2903)
http://mops.twse.com.tw/mops/web/t146sb05

Far Eastern SOGO Historical Revenue and Expenditure Overview

Unit: NT$1,000

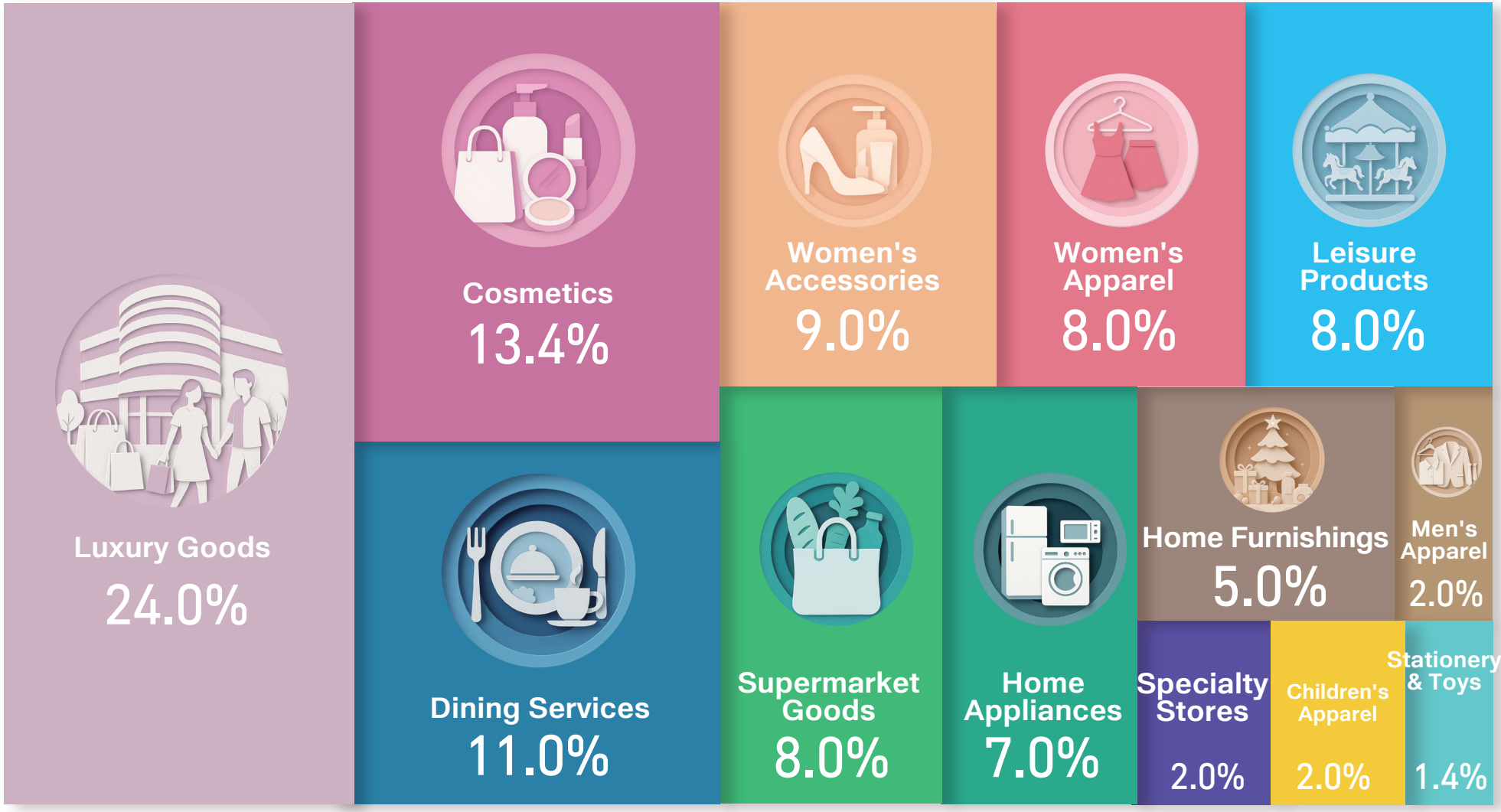
	2022	2023	2024
Operating Revenue (IFRS, Gross Method) (A)	45,013,913	49,661,966	49,433,078
Operating Costs (B)	41,078,942	44,893,775	45,676,322
Employee Salaries and Benefits (C)	1,343,106	1,507,295	1,424,131
Payments to Suppliers (D)	1,043,280	1,904,400	1,200,600
Payments to Government (E)	850,119	951,030	835,133
Donations (F)	12,578	16,573	12,892
Retained Economic Value (G)	685,888	388,893	284,000
Total Government Financial Subsidy	94,397	17,280	11,384

Notes

1. Employee Salaries and Benefits: Includes non-regular salaries paid to company employees as well as other employee benefits.
2. Payments to Providers of Capital: Total amount of dividends distributed.
3. Payments to Government: Includes taxes and fines.
4. Government Financial Assistance: Includes subsidies for energy-saving projects, COVID-19 relief (including pandemic relief subsidies, rent subsidies, and rent reduction subsidies), electricity bill reduction programs, and deductions under the Industrial Innovation Act. In 2024, the primary source was energy-saving project subsidies from the Ministry of Economic Affairs and the Department of Commerce, accounting for 95.83%.

Product Categories and Sales Revenue Distribution

Pacific SOGO's product offerings in 2024 were primarily concentrated in luxury goods, cosmetics, and dining services, which together contributed 49.4% of total sales revenue. Dining saw an 11% increase, mainly driven by new restaurant additions following store renovations and the opening of the Taipei Dome store, which primarily features dining establishments. Categories such as menswear and stationery/toys ranked lower; the former declined by 7% due to outbound tourism and competition from e-commerce and fast fashion, while the latter dropped 3.3% owing to declining birthrates and the phasing out of lower-margin categories (such as bookstores) in favor of higher-margin segments.



1.2.3 Digital Development

In light of the pandemic's impact and significant shifts in consumer shopping habits and behaviors, the importance of digital transformation for organizations has become more pronounced. Pacific SOGO views this crisis as a digital opportunity and has adopted a dual strategic approach: enhancing digital governance and deepening the digital experience. Through the use of Customer Relationship Management (CRM) tools for data analytics, the Company seeks to strike a balance between protecting stakeholder digital privacy, improving shopping quality, and gaining insights into the customer journey.

Since the relaunch of the Far Eastern SOGO APP in 2020, the Company has actively developed an Online-Merge-Offline (OMO) marketing strategy, promoting real-time, high-quality, and sustainable shopping services. By the end of 2024, total app membership had grown to 1.59 million, representing a 15% year-over-year increase.

In April 2023, in response to the post-pandemic era, the Company launched its e-commerce initiative with the creation of a new concept shopping platform, SOGOplus. This platform expands sales channels and adopts ESG principles as its core selection criteria, making it Taiwan's first department store-operated comprehensive e-commerce platform. It features a wide range of socially driven products, including those from social enterprises, young entrepreneurs, female-led startups, welfare organizations, B Corporations, and fair trade and local revitalization initiatives. The integration of SOGO APP as a promotional and transactional medium further enhances the synergy between online and offline operations. With one-click shopping convenience across platforms, consumers can enjoy seamless purchasing experiences while supporting products that align with social and environmental values, effectively cultivating a sustainable customer base.

Internal — Enhancing Digital Governance

Shaping future governance policies and market strategies through digital transformation

Real-Time Digital Communication and Precision Marketing

- Utilizing the Customer Data Platform (CDP) to segment customer groups for targeted and precise marketing.
- Vendor Intelligence Platform: Integrates vendor data to support merchant recruitment and risk/public opinion response.

Enhancing System Resilience

- System deployment and development shifted to the cloud, enabling integrated data linkage across systems, workflows, and customer touchpoints.
- Implemented energy-saving measures across systems to reduce energy consumption and costs.

2024 Achievements

- Deployed Microsoft 365 for cloud-based collaboration and cross-platform operations, enhancing office efficiency and security. Administrative systems such as ework, ehr, and the bonus system were fully updated and launched to improve operational efficiency.
- Upgraded prize redemption system to prevent data breaches.
- Energy-Saving Measures: Reduced the use of non-green electricity physical data centers by adopting AWS cloud services, cutting mechanical energy consumption by 46% and reducing the carbon content in concrete by 35%. Implemented scheduled start-up and shutdown of individual cloud workstations, lowering server usage time by 52%. During the anniversary sales period, adjusted the number and specifications of AWS hosts for the prize redemption system based on daily customer traffic, saving NT$1.29 million compared to the previous year—a 56% reduction—and significantly decreasing electricity consumption.

2025 Targets

- Obtain the MAS certification for the SOGO APP.
- Ensure continued compliance and surveillance for ISO 27001.
- Obtain ISO 27701 Privacy Information Management System certification — a first for Taiwan's department store sector to complete cloud system certification.
- Provide Microsoft 365 digital office system training to enhance digital competency.
- Upgrade and migrate the CLUB system to AWS cloud, aiming for continued carbon reduction of 35%.

2大策略面向

Ex- — Deepening the Digital Experience

In an era where everyone carries a mobile device, SOGO is building joyful and seamless digital experiences to enhance the customer

Upgrading the Shopping Experience

- Optimized POS systems to monitor both online and offline transactions; supported diverse payment methods and mobile checkout.
- Launched a multifunctional SOGO APP integrating ten core features to enhance interaction, increase engagement, and boost brand stickiness and customer return rate.
- Positioned SOGOplus as a value-oriented e-commerce platform; strengthened integration with existing platforms to increase customer reach.

2024 Achievements

- Integrated China Trust co-branded card "SOGO Points" (shopping cashback) with the SOGO APP, enhancing brand loyalty. Enabled real-time member status checking via the app, reducing manual processing costs by 60%.
- Listed sustainable products under SOGO Sustain on SOGOplus. Sales of these items grew by 54%, while sales of local goods grew by 36%.
- The total value of e-vouchers used reached NT$643 million, growing by 5.72% year-over-year, effectively reducing the use of paper vouchers.

2025 Targets

- Apply generative AI to enhance the customer experience.
- Introduce upgraded POS systems in all stores to support mobile checkout.
- The green e-commerce platform SOGOplus will add a "Quick Login" function to improve user convenience by reducing login time by 30 seconds per customer and lowering the barrier for digital participation.

Pacific SOGO was the first department store in Taiwan to launch e-vouchers and now supports 11 mobile payment options to streamline checkout experiences.

Mobile Payment Tools

Apple Pay, LINE Pay, Samsung Pay, HAPPYGO Pay*, Google Pay, WeChat Pay, Alipay, and others

E-vouchers



E-Gift Voucher *



Prize Voucher

Instant Use Coupon

Note * Exclusive to the SOGO APP.

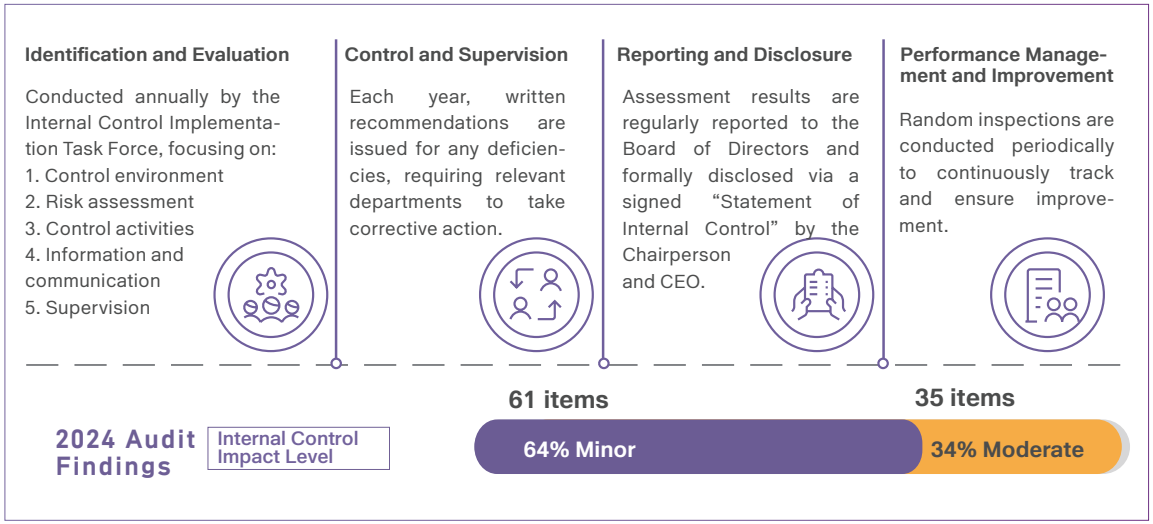
1.3 Risk Control

1.3.1 Risk Management

Under the influence of globalization, economic and trade issues around the world are closely interrelated. In recent years, external environmental risks such as geopolitical conflicts, climate change, wars, and cybersecurity threats have intensified, posing significant challenges and volatility to consumer markets in the department store retail industry.

The Company assesses business operation risks by establishing internal control mechanisms and promoting ethical business practices, enabling timely prevention and management of threats and opportunities posed by various risks, while proactively formulating countermeasures. In addition, regular meetings are held by functional committees to ensure the effectiveness of risk management strategies. Evaluations of the internal control system are conducted in accordance with the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" issued by the Financial Supervisory Commission. In the 2024 internal audit, no major deficiencies were found in the internal control system. A total of 96 audit recommendations were issued, of which 64 were classified as minor, and 35 (34%) were considered moderate deficiencies based on internal control impact levels. Most deficiencies were related to improper documentation or procedural non-compliance, and failure to follow company management rules. The Audit Office has issued written recommendations to the relevant departments for corrective action, enhanced management, and will continue to monitor improvements.

Risk Management Process



Summary of Internal Control Deficiencies in 2024

Unit: Number of Audit Deficiencies

Item No.	Internal Control Cycle	Deficiencies in Control Design	Misstatements in Reporting	Impact on Finance / Reputation	Inadequate Documentation / Process	Noncompliance with Management Rules	Inadequate Security Measures	Insufficient Automation	Total
1	Sales and Collection	3	-	4	16	13	-	-	36
2	Information Security	1	-	-	11	3	8	-	23
3	Procurement and Payment	-	-	1	11	9	-	-	21
4	Payroll	-	-	-	14	1	-	-	15
5	Fixed Assets	-	-	-	-	1	-	-	1
6	Investment Activities	-	-	-	-	-	-	-	0
7	Regulatory Compliance	-	-	-	-	-	-	-	0
	Total	4	-	5	52	27	8	-	96

Far Eastern SOGO's highest decision-making body, the Decision Execution Committee, comprises heads of Operations, Sales Promotion, Administration, and Finance. It reviews board directives, establishes projects as needed, tracks progress, and, with the Audit Office, evaluates internal and external risks. Internal risk management in 2024 is as follows:

Risk Category	Operational Risk	Response Measures
Operational Risk 	Department stores are known for attracting customers through dining services and offering high-quality products. If incidents related to product safety, food safety, or consumer disputes occur, they could damage the company's reputation, endanger customer health and safety, and cause economic losses.	● Verify the accuracy of prize redemption system data to reduce operational losses. ● Check for mislabeling of in-house products, including inconsistencies in packaging information. ● Execute joint review and approval of procurement price negotiations and acceptance procedures to ensure compliance with regulations, providing customers with a safe shopping environment and high-quality gifts.
Financial Risk 	Strengthen internal controls and conduct regular reviews of the company's financial position to ensure sufficient capacity to respond to uncertain scenarios.	● Randomly audit sales accounts and contractual fee deductions of in-store concessionaires to ensure compliance with economic integrity and tax regulations. ● Randomly inventory fixed assets across departments to reduce the risk of operational asset loss.
Regulatory Compliance Risk 	Failure to comply fully with regulations could lead to penalties from competent authorities or regulators, adversely affecting revenue and corporate reputation.	● Execute funding responsibility, endorsements and guarantees, asset acquisition and disposal, and subsidiary supervision in accordance with legal and regulatory requirements.
Human Resources Risk 	Taiwan's service industry faces dual challenges of an aging population and declining birth rate, resulting in a tightening labor supply. In addition, violations of the Labor Standards Act could lead to substantial fines and reputational damage.	● Randomly inspect recruitment processes to ensure compliance with relevant regulations.
Information Security Risk 	In the retail industry, customer personal privacy and transaction data security may be at risk at various stages, from marketing to shopping and checkout, and must be effectively managed.	● Verify the adequacy of personal data retention procedures.
Sustainability Disclosure Risk 	Inaccurate or misleading disclosures could prompt criticism from the public, media, or non-governmental organizations, damaging corporate reputation and eroding market trust.	● Conduct pre-approval review of Corporate Sustainability Report content. ● Carry out greenhouse gas inventory operations.

1.3.2 Crisis Incident Management

The Company adheres to the "Far Eastern Group Crisis Management Guidelines" by assigning one Duty Supervisor from senior management on a rotating schedule and one to two deputy supervisors on call daily to respond to emergencies. During normal operations, these personnel are responsible for monitoring crisis risks. In the event of natural disasters, energy shortages, industrial accidents, environmental protests, labor disputes, criminal incidents, statutory infectious disease outbreaks, unplanned power outages, or other major crises, the Company is required to notify the Group within 30 minutes and record the incident in the online crisis reporting system, followed by periodic updates on the situation's progression.

Upon the occurrence of a crisis, the emergency response command system is immediately activated. A crisis command center is established, led by the General Manager as Commander-in-Chief and reporting directly to the Chairman. Sufficient manpower and resources are mobilized in the shortest possible time to prevent the incident from affecting business operations or damaging the Company's reputation.



2024 Incidents

Event	Summary	Actions Taken	Outcome
Painter Falls in SOGO, Awarded NT$1.429 Million in Compensation	In 2018, Ms. Hou tripped over a temporary power cable installed between display counters at the Company's Taipei store, leading to a lawsuit. The case lasted five years, and in March 2024 the Supreme Court awarded NT$1.429 million in compensation. Ms. Hou told the media she had never received an apology from the Company.	• This was a five-year-old case. At the time, using temporary power cables between counters was a common retail practice and considered lawful. To prevent recurrence, the Company subsequently strengthened store safety management and prohibited laying cables across customer walkways. • The Company expressed concern after the incident, sending managers to visit Ms. Hou, and continued to follow the case. As the Supreme Court had ruled and the case concluded, the Company made no further comment.	After years of litigation, the Supreme Court awarded Ms. Hou over NT$2.7 million in damages (including interest). The Company's responsible and respectful approach helped media and the public understand its proactive handling of customer incidents.
Consumer Reports Sudden Drop of Fuxing Store Elevator	A customer reported that an elevator at the Fuxing Store suddenly jolted and dropped, filing a complaint with the media.	• Media Relations promptly obtained the customer's video footage and informed the internal reporting system. • The Ministry of Labor stated the incident was a false perception of a "drop" caused by the elevator system's normal protective mechanism, which resulted in a jolt. The elevator was immediately stopped, inspected, repaired, tested, and resumed normal operation. • Media Relations promptly explained the situation to the media to avoid misunderstanding. Professional maintenance staff confirmed it was not an actual "drop" and clarified the matter.	By addressing the situation promptly and actively, and through clear media communication, the Company was able to dispel misunderstandings among the public and consumers, restoring confidence in escalator safety.
Fuxing Store Parking Space Collapse Raises Public Safety Concerns	A video showing a mechanical parking space malfunction at the Fuxing Store was uploaded to social media, sparking online discussion and media attention.	• For safety, the parking unit was immediately suspended from use, and it was confirmed that no one was injured. Inspection records and valid inspection certificates were provided. • Arranged for compensation and repair of the damaged vehicle.	The malfunction caused no injuries. The Company's related mechanical parking equipment all passed required inspections, with regular inspections scheduled. Follow-up remedial measures were actively implemented, and balanced media reporting was used to address public concerns.

1.4 Information Security Protection

1.4.1 Information Security Management Committee

Given the growing volume of personal data handled in the department store industry, the Company strictly adheres to legal regulations to protect the privacy and property of customers and employees. The "Information Security Management Committee" was established under Pacific SOGO, chaired by the General Manager, with representatives from relevant departments responsible for handling personal information serving as committee members.

The Committee periodically reviews personal data usage across departments. All personal data is encrypted, with strict access controls and audit procedures. Regular vulnerability scans and disaster recovery drills are conducted. The Company has completed data inventory, personal data collection process establishment, revision of data clauses in third-party contracts, comprehensive employee training, and implementation of a cross-departmental change management process. A "Security Incident Reporting System" has been set up to ensure that any department discovering or involved in a data issue is obligated to report it to the Committee. The Legal Office coordinates response measures.



The Company's Information Security Committee completed revisions to the Information Security and Personal Data Protection Management Regulations in April 2022. The regulations comprise three main sections: Information Security and Personal Data Protection Organizational Rules, Information Security Management Regulations (41 articles), and Personal Data Protection Management Regulations (10 operating procedures). In 2023, the Committee structure was reformed to include a dedicated Information Security Group and Personal Data Protection Group. An "Information Security Officer" role was created, concurrently held by the Information Technology Department Deputy General Manager, responsible for strategy, risk assessment, and incident response. In May 2023, the Company adopted the ISO/IEC 27001 Information Security Management System (ISMS) to improve efficiency and build a comprehensive protection framework. In 2024, the ISO 27001:2022 version transition was completed and certified by BSI. On August 28, 2024, the Company passed the first wave of personal data protection audits by the Ministry of Economic Affairs with excellent results, serving as a model for policy promotion. In 2025, the Company plans to adopt the "TPIPAS Taiwan Personal Information Protection Accountability System."

Internal Strategy: Strengthening Operational Governance

- Implement the ISO 27001 Information Security Management System.
- Advance the migration of information systems to the cloud to enhance data security and system capacity, utilizing AWS cloud security protection mechanisms, and conduct regular vulnerability scans and disaster recovery drills.
- Comply with regulatory requirements and conduct regular internal audits; obtain information security certifications to reduce operational risk.

2024 Achievements

- Obtained ISO/IEC 27001:2022 certification, covering the development, operation, and maintenance of core systems.
- Established a rapid response mechanism for information security incidents by forming a Computer Security Incident Response Team (CSIRT), with defined procedures for reporting and responding to suspicious events such as system anomalies or data breaches, reducing response time.
- Passed the Ministry of Economic Affairs' "Personal Data Protection Administrative Inspection."
- Conducted three rounds of internal audits by the Audit Office, reviewing account access control and compliance in personal data processing and authorization logs; no significant issues found, and relevant departments were encouraged to enhance practices.
- Carried out regular cybersecurity drills and tabletop exercises in 2024 to strengthen internal response capacity to information security incidents.

2 Strategic Directions

External Strategy: Creating a Safe Shopping Environment

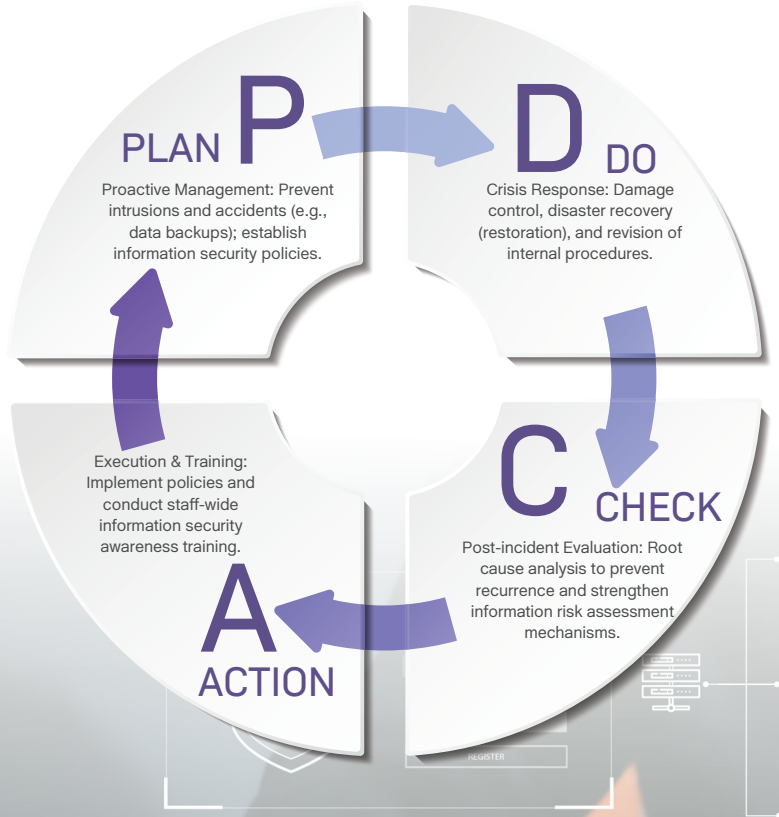
- Establish a "Personal Data Protection Policy" to address any concerns or suspected data breaches, with incidents handled by responsible departments and the Information Security Management Committee.
- Assign personnel to participate in the "Taiwan Personal Information Protection and Administration System (TPIPAS)" training program and pass certification exams.
- Enhance cybersecurity monitoring and implement an information security management system; launch mandatory information security training for all staff starting in 2022.

2024 Achievements

- Conducted eight information security–related courses, with a total of 245 participants, accounting for 18.9% of all employees.
- Implemented retail area information security measures, comprehensively upgrading protection for Wi-Fi, POS systems, and digital interactive devices (such as self-checkout machines and member inquiry kiosks) in the store environment to prevent connected devices from becoming security vulnerabilities.
- Promoted consumer-end security education by using the official website, member app, and marketing touchpoints to actively raise awareness about phishing emails, fraudulent websites, and fake customer service; provided accurate official contact information; and, during key shopping seasons (such as anniversary sales), set up information security alerts to strengthen customer data security awareness and promote a "Safe Shopping" image.

1.4.2 Information Security Risk Management

To ensure effective execution and supervision of the Company's information security management system, we adopt the P.D.C.A. (Plan-Do-Check-Act) continuous improvement cycle to protect the confidentiality, integrity, and availability of critical information systems.



To raise employee awareness, prevent data leakage, and reinforce operational routines, Pacific SOGO conducts information security audits to identify risks and clearly define audit objectives.

	Biannual Internal Audits by the Audit Office	External Audits
Implementation	• Internal audit of user account and access control management across the six most frequently used internal systems. • Verification that personal data protection practices comply with relevant laws and internal procedures. • Assessment of license management and software usage from January 2022 to July 2024 to ensure effectiveness.	• External audit by a CPA firm during financial statement attestation to conduct inspections on "Understanding Client Computer Processing Environment," "General Computer Controls," and "Application System Automated Control Testing," in order to assess the effectiveness of internal controls over information operations. Audit conducted annually in January for the previous fiscal year.
Results	• No major deficiencies were found; departments were encouraged to implement improvements based on audit findings.	• No major deficiencies found, with audit recommendations incorporated into the annual improvement plan.



1.4.3 Personal Data Protection

Customer data is stored on the Happy Go rewards platform operated by Ding Ding Integrated Marketing Services Co., Ltd., which is certified with ISO 27001 Information Security Management System (ISMS). The platform complies with the Taiwan Personal Information Protection and Administration System (TPIPAS) and has obtained the Data Privacy Protection Mark (DP Mark), ensuring strict encryption and secure storage of all customer data.

Pacific SOGO only retains member ID mapping files and cannot access or identify member information in any way. In accordance with its "Personal Data Protection Management Policy," the Company has established standardized procedures for the collection, processing, usage, and secure maintenance of customer data files. Data protection is strictly enforced during card application processes. In 2024, no major incidents involving customer privacy breaches, data loss, or personal data leaks were reported.

Each year, the Company commissions Ding Ding Integrated Marketing to conduct customer satisfaction surveys targeting Happy GO cardholders. Surveys are carried out only after obtaining consent from respondents. All responses are kept confidential and will not be presented individually or used to identify personal opinions or data.

Personal Data Complaint Channels

Complainant	Customers or the public
Data Subject	Customers
Complaint Channels	In-person via service counters, Toll-free hotline: 0800-212002, Online suggestion board
Complainant	Employees
Data Subject	Customers or Employees
Complaint Channels	Internal Audit Whistleblower Mailbox



Key Personal Data Management Measures

Item	Management Approach	Responsible Unit
Charge slips	Submitted by each counter to the cashier before store closing. Stored in warehouse or vault for one year, then destroyed.	Cashier Section
Event participant lists	Destroyed after event completion.	Sales Promotion Department
Personal data for gift redemption	Destroyed after event completion.	Sales Promotion Department
Employee personal data	1. Active employees: Access rights are set in the HR system.2. Departed employees: Data is sealed and stored per legal requirements for 5 years, then destroyed.	Human Resources
Customer product inquiry data	Retained for one year, then destroyed.	Sales Divisions
Complaint records	1. Paper forms: Retained for 1 week after case closure, then destroyed.2. Electronic forms: Archived in the complaint system with restricted access after case closure.	Customer Service
Customer rental service	Rental form is destroyed on the day of return.	Customer Service
Lost-and-found records	Retained for 2 years, then destroyed.	Customer Service

1.5 Supply Chain Management GRI 2-6

With department stores thriving across Taiwan, Pacific SOGO became the first in the country to introduce international management practices. Leveraging its outstanding merchant acquisition capabilities, the company partners with reputable branded tenants, suppliers, and contractors. Through professional store management and supply chain development, we provide customers with refined shopping experiences and safe, trustworthy products, while setting a forward-looking, inclusive model for modern living. In 2024, there were no significant changes in the structure of our supply value chain.

As an integral player in Taiwan's retail market, Pacific SOGO offers a wide range of products and services—including luxury fashion, household goods, trendy apparel, and dining options—to meet the diverse needs of consumers, create employment opportunities, and stimulate local economic development. In line with emerging retail trends, the company actively advances the OMO (Online-merge-Offline / Offline-merge-Online) model to deliver seamless, consumer-centric shopping experiences.

Our supply chain covers upstream brand and manufacturing partners, midstream operations teams, and downstream consumers and logistics providers. From 2024 to 2025, the phased launch of the Far Eastern Garden City district will be both a milestone and a test of operational resilience—demonstrating the seasoned merchant acquisition expertise, management capabilities, and communication efficiency of our operations team in engaging with in-store brands and suppliers. Guided by principles of integrity and responsible management, we are committed to working hand-in-hand with stakeholders to build a sustainable future grounded in mutual prosperity.

Pacific SOGO Supply Chain

Upstream

Role Definition

Suppliers and Contract Manufacturers

Stakeholders

Tenants (branded counters), engineering contractors, general service suppliers, agri-social enterprises, social innovation businesses, B Corps, central/local government product partners, banks (preferential programs)

Function

Providing high-quality products and services

Value Contribution

Driving a green supply chain; delivering safe and quality products and experiences

Midstream

Role Definition

Brick-and-Mortar Retail: Far Eastern SOGO, Far Eastern Garden City | E-commerce: SOGOplus

Stakeholders

Employees and Counter Partners

Function

Delivering holistic, contemporary lifestyle experiences with empathy and shared prosperity

Value Contribution

Creating safe retail spaces and fulfilling workplaces; fostering low-carbon operations and premium service strategies for a modern lifestyle experience

Downstream

Role Definition

End Consumers

Stakeholders

Customers (individuals or corporate clients), logistics and delivery service providers

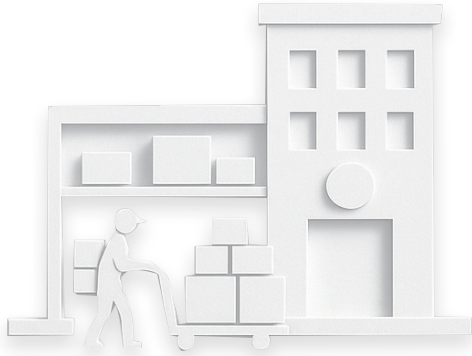
Function

Providing in-store and online shopping experiences

Value Contribution

Promoting retail and online experiences that cultivate shared prosperity and a socially inclusive, sustainable ecosystem

In 2024, Far Eastern SOGO adopted the ISO 20400 Sustainable Procurement Guidelines, integrating sustainability principles into procurement processes and supply chain management. By connecting upstream and downstream partners, the company is driving a Net-Zero Alliance and advancing sustainable transformation. In August, due diligence was conducted on 27 Tier-1 suppliers in engineering and general services (those with annual contract value exceeding NT$5 million, or—if not under an annual contract—transaction value above NT$5 million with more than three transactions annually), representing 6.56% of all suppliers and accounting for 54.69% of total transaction value.



Supply Chain Information Statistics

Tier	(NT$)	Engineering				General Affairs				Total	%
		Engineering	Labor Services	Design	Gifts	Information Services	General Supplies	Marketing & Promotion	Labor Services		
Tier 1	Above NT$5 million	9	2	2	3	1	5	3	2	**27**	**7**
Tier 2	NT$3–5 million	2	2	0	2	4	0	3	0	**13**	**3**
Tier 3	NT$1–3 million	4	2	0	2	5	3	13	1	**30**	**7**
Tier 4	NT$0.5–1 million	2	0	0	6	1	4	8	0	**21**	**5**
Tier 5(<3 transactions/year)		70	19	10	68	27	8	22	96	**320**	**78**
Number of Suppliers		87	25	12	81	38	20	49	99	**411**	**100%**

Note
- Supplier Count Criteria: Suppliers included in the count are those with an annual contract amount over NT$500,000, or non-contracted suppliers with more than 3 transactions per year and a total value exceeding NT$500,000.
- Supplier Tier Classification: Based on total transaction value, suppliers are categorized into five tiers: Tier 1 through Tier 5.
- All suppliers are domestic.

Supply Chain Management Strategy

Focus Are	Objective	Achievements in 2024
Promoting Local Procurement	Foster local industrial development and reduce carbon emissions throughout the supply chain.	100% of general supply items sourced locally.
Deepening Sustainable Sourcing	Support brand counters in launching sustainable products to differentiate their offerings.	● Hosted Taiwan's largest small farmers' fair for 7 consecutive years (Zhongxiao Store). ● Held Taiwan's largest Social Innovation Expo for 3 consecutive years (Fuxing Store). ● Launched "SOGO Sustain Select" campaigns across all stores, featuring 604 sustainable products with 1.99 million customer impressions. ● Listed SOGO Sustain products on SOGOplus platform, with 120% growth in units sold and 54% growth in sales revenue.
Enhancing Supplier Resilience	Minimize negative impact and strengthen supplier sustainability management.	● Established the Sustainable Procurement Commitment and Policy, signed and issued by the Chairman. ● Adopted the ISO 20400 Sustainable Procurement Guidelines and obtained certification in early 2025. ● Conducted due diligence on 27 Tier-1 engineering and general services suppliers, representing 55% of total transaction value. ● Conducted due diligence across all beauty, personal care, fragrance, and haircare brands in Taiwan, achieving a 77% response rate. ● Held the annual Supplier Carbon Reduction Alliance meeting; members reduced electricity consumption by an average of 5% one year after joining. ● Assisted food and beverage counters in obtaining the Ministry of Environment's "Green Restaurant" certification, with a 90% achievement rate.

Future Targets

Net Zero Alliance Initiatives

- Align with ISO 20400 Sustainable Procurement Guidelines and integrate them into procurement and supply chain processes. Increase brand tenants' willingness to participate in the "SOGO Sustain Select" program, encouraging customers to purchase sustainable products and services.

Promoting Circular Business Models

- Continue to assist brand counters in adopting sustainability labeling and education systems.
- In response to environmental issues, help restaurant counters complete "Eco-Friendly Restaurant" certification. ・Promote "Green Dining Tables" (example displays using natural materials), integrating circular concepts into daily lifestyle.

Beginning in 2014, amid public concerns over food safety, Pacific SOGO took the lead among retail channels in removing problematic cooking oils that had caused serious social repercussions, marking the start of “Product Safety Management” in Taiwan’s department store retail industry.

In 2017, the Company launched the “New Dining Era” initiative, completely banning single-use and melamine tableware, thereby setting a trend for sustainable dining in department stores. Since then, we have continued to collaborate with in-store brands and suppliers to promote environmental protection and food safety initiatives, including zero-waste dining. The Company were the first in Taiwan’s department store retail sector to fully prohibit plastic straws and to stop the proactive or complimentary provision of single-use tableware.

In line with SDG 12—Responsible Consumption and Production—Pacific SOGO launched the SOGO Sustain · Choice for Good Sustainable Sourcing Labeling System in 2021, helping in-store brands respond to sustainable consumption trends. In early 2025, the Company successfully obtained ISO 20400 Sustainable Procurement certification, further enhancing supply chain resilience and positioning the company for sustainable transformation.

Supply Chain Milestones

Supply Chain Management

2015
- aInitiated the first year of SOGO CSR. Established the first CSR website and product safety area in the department store industry.

2016
- Formulated the “Supplier Anti-Corruption Clause,” requiring suppliers to operate with integrity.
- Required suppliers to sign the “Corporate Social Responsibility Clause” and the “Supplier Corporate Social Responsibility Commitment.”

2017
- Promoted the new SOGO Tableware Era. Partnered with food vendors to become the first department store in Taiwan to fully ban disposable tableware and utensils.

2018
- Began hosting Taiwan’s largest small farmers’ market on an ongoing basis, promoting food and agricultural education and sustainable consumption from farm to shelf.

2019
- Required all suppliers to sign a “Corporate Social Responsibility Commitment” and “Supplier Anti-Corruption Clause” as part of contractual agreements, strengthening supply chain management.

2021
- Promoted the SOGO Sustain · Choice for Good sustainable sourcing label system.
- Supported food and beverage counters in applying for the Ministry of Environment’s Green Restaurant certification.

2022
- Developed 9 strategic guidelines on sustainability issues to strengthen supplier awareness and responsibility.
- Conducted supplier sustainability surveys to enhance supply chain resilience.

2023
- Established the Supplier Carbon Reduction Alliance to guide suppliers in setting internal carbon reduction targets.
- Launched the first green e-commerce platform among department stores—SOGO-plus—supporting local premium products 24/7.

2024
- Adopted the ISO 20400 Sustainable Procurement Guidelines and obtained certification in early the following year.
- Incorporated anti-corruption and waste management clauses into sustainability terms.
- Held the Supplier Carbon Reduction Alliance annual meeting.
- Conducted due diligence on Tier-1 suppliers in general services and engineering categories.
- For the first time, carried out due diligence on beauty, haircare, and related product brands.

Year

Sustainable Supplier Selection

1.5.1 Supplier Code of Conduct

Since 2016, Pacific SOGO has taken the lead in the department store industry by requiring contractors and suppliers to sign the "Corporate Social Responsibility (CSR) Clause" and the "Supplier CSR Commitment." In 2019, we enhanced these requirements by incorporating the CSR Clause into all standardized contracts with suppliers and contractors. In 2022, the CSR Clause was upgraded to a "Sustainability Clause" containing nine detailed provisions, including labor rights, environmental sustainability, and protections for pregnant and breastfeeding women.

This clause must be signed upon initial contracting or renewal. In the event of violations that impact Far Eastern SOGO's reputation or interests, the Company reserves the right to terminate the contract. This clause serves as a binding commitment for suppliers. New suppliers are also required to agree to the Sustainability Clause when completing the vendor registration form.

Since 2023, the Company have encouraged banking partners to include relevant sustainability clauses in credit and guarantee agreements. In 2024, the Company became the first department store in Taiwan to adopt the ISO 20400 Sustainable Procurement Guidelines. The Chairman signed the "Sustainable Procurement Policy and Commitment," which integrates ESG (Environmental, Social, and Governance) considerations into procurement decisions alongside quality, cost, delivery, and technical aspects.

That same year, the Company revised the Sustainability Clause to include anti-corruption measures and strengthened procurement governance standards. For more information, please visit the "Supply Chain Management" section: https://esg.sogo.com.tw/4-8-2.php

Sustainability Clause Signing Parties

Vendor Category	Contracted Tenants (Department Store Counters, Supermarkets, F&B Units)	General Procurement Suppliers	Engineering Suppliers	Newly Registered Suppliers
Managing Department	Merchandising Dept., Operations Division, Retail Units	Procurement Dept.	Procurement Dept.	Finance Dept.
Signing Requirements	Signed upon first contract or during periodic renewals.	Required for suppliers with transactions over NT$500,000.	Required for suppliers with transactions over NT$1,000,000 and under Group procurement; must sign the Supplier CSR Commitment Letter.	Required to fill in the Supplier Registration Form and acknowledge reading and signing the Sustainability Clause.
No. of Contracts Signed in 2024	2,478	246	176	556
Signing Rate	98.06%	100%	100%	100%

The Sustainability Clause and Supplier CSR Commitment Letter are available on the Far Eastern SOGO ESG website under "Stakeholder Section" > "Sustainable Supplier Clause."

Far Eastern SOGO requires all suppliers to comply with contract sustainability clauses covering product safety, labor rights, and environmental standards, with proper acceptance procedures to ensure compliance. The Audit Office also conducts regular supplier audits through document reviews or on-site inspections.

Supplier Evaluation & Review

	Procurement / Construction	General Supplies
Responsible Unit	Facilities leads at each store notify relevant units to participate in the acceptance process.	General affairs leads at each store notify relevant units to participate in the acceptance process.
Audit Participation	If transaction amount exceeds NT$500,000, internal audit will join the inspection.	
Non-conformance Handling	If vendors fail to deliver or meet contractual obligations, the Procurement Department will convene a "Supplier Quality Meeting" to demand corrective actions or pursue claims for damages.	

Circular Business Model: Strengthening Supplier Resilience

Pacific SOGO Three-Year Supplier Engagement Program

2022

Step-1 Assessment

Initial Sustainability Survey for Engineering and General Services Suppliers

Pacific SOGO conducted its first sustainability self-assessment survey targeting engineering and facility suppliers with annual procurement amounts over NT$100,000. The survey aimed to understand suppliers' sustainability practices and assess potential sustainability risks. The response rate was 86.9% (199 out of 229 suppliers responded).

2023

Step-2 Partnership

Formation of the Supplier Carbon Reduction Alliance

Priority was given to suppliers with high transaction amounts (over NT$5 million) and those aligned with sustainability principles to join the Supplier Carbon Reduction Alliance. Member suppliers committed to carbon reduction targets and received support through training programs and invitations to public welfare and environmental activities to foster long-term partnerships.

2024

Step-3 Results Presentation

Hosting the Supplier Carbon Reduction Alliance Annual Meeting

Recognition medals were awarded to founding members and certificates of recognition presented to suppliers actively participating in the company's sustainability initiatives. Through sharing of best practices, the event cultivated a learning community and promoted shared growth and mutual prosperity between Pacific SOGO and its suppliers.

Sustainability Achievements of Pacific SOGO Suppliers

From 2023 to 2024, a total of 32 suppliers participated in training sessions and related sustainability activities, accumulating 430 hours in total.

Seventy percent of founding members of the Carbon Reduction Alliance set concrete electricity-saving targets, achieving an average 5% reduction in electricity consumption among members.

Outstanding Sustainability Performance by Individual Suppliers

Supplier A (with 11 office locations): Supported the Ministry of Environment's "Green Office" initiative and sponsored GREENPEACE's marine conservation and plastic reduction campaigns.

Supplier B: Achieved 15% of total electricity usage from green power.

Supplier C: Launched carbon-neutral green products (SGS certified).

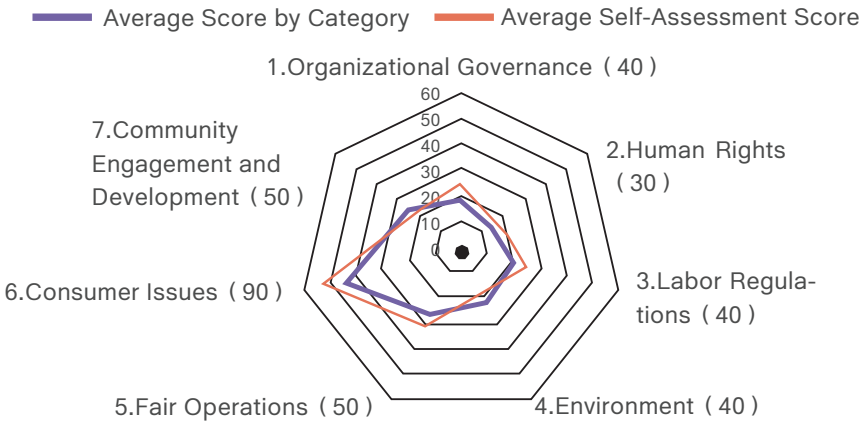


Program to Strengthen Supplier Sustainability Resilience

Tier-1 Supplier Due Diligence Assessment

In 2024, the Company adopted the ISO 20400 Sustainable Procurement Guidelines and conducted due diligence assessments on Tier-1 suppliers representing approximately 55% of total procurement value. The assessments covered areas including organizational governance, human rights, labor regulations, environmental protection, fair trade, consumer issues, and community engagement and development. Results indicated the strongest performance in environmental protection and community engagement, with generally solid outcomes in organizational governance and labor standards. Based on these findings, the Company will provide targeted sustainability capacity-building support to suppliers.

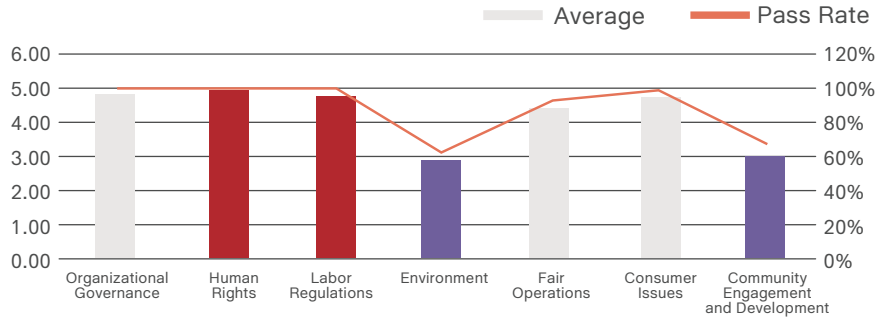
By the end of 2024, two suppliers had completed the due diligence process and were subsequently subject to on-site inspections. Additional suppliers will undergo on-site audits in 2025. Suppliers with underperforming ESG results are required to submit written corrective action plans within a specified timeframe. Those failing to meet the Company's minimum sustainability requirements within the stipulated period may have procurement activities suspended. In cases of material breaches or actions that could adversely affect the reputation or interests of Far Eastern SOGO, contracts will be terminated and procurement relationships discontinued.



Department Store Beauty Brands Due Diligence Assessment

At the end of 2024, Pacific SOGO conducted due diligence on private-label beauty brands. A total of 87 unique brands across skincare, cosmetics, fragrance, and haircare categories were assessed, with 67 responses received (77% response rate). The best-performing areas were human rights and labor standards, while the areas requiring improvement included environmental sustainability and community engagement. Findings revealed that many beauty brands lacked awareness in areas such as pollution prevention, certification, recycling, renewable energy, and biodiversity. The company will strengthen training for brand counters to raise sustainability awarenes

Overall Self-Assessment Performance



Largest Lights-Off Campaign in the Department Store Industry

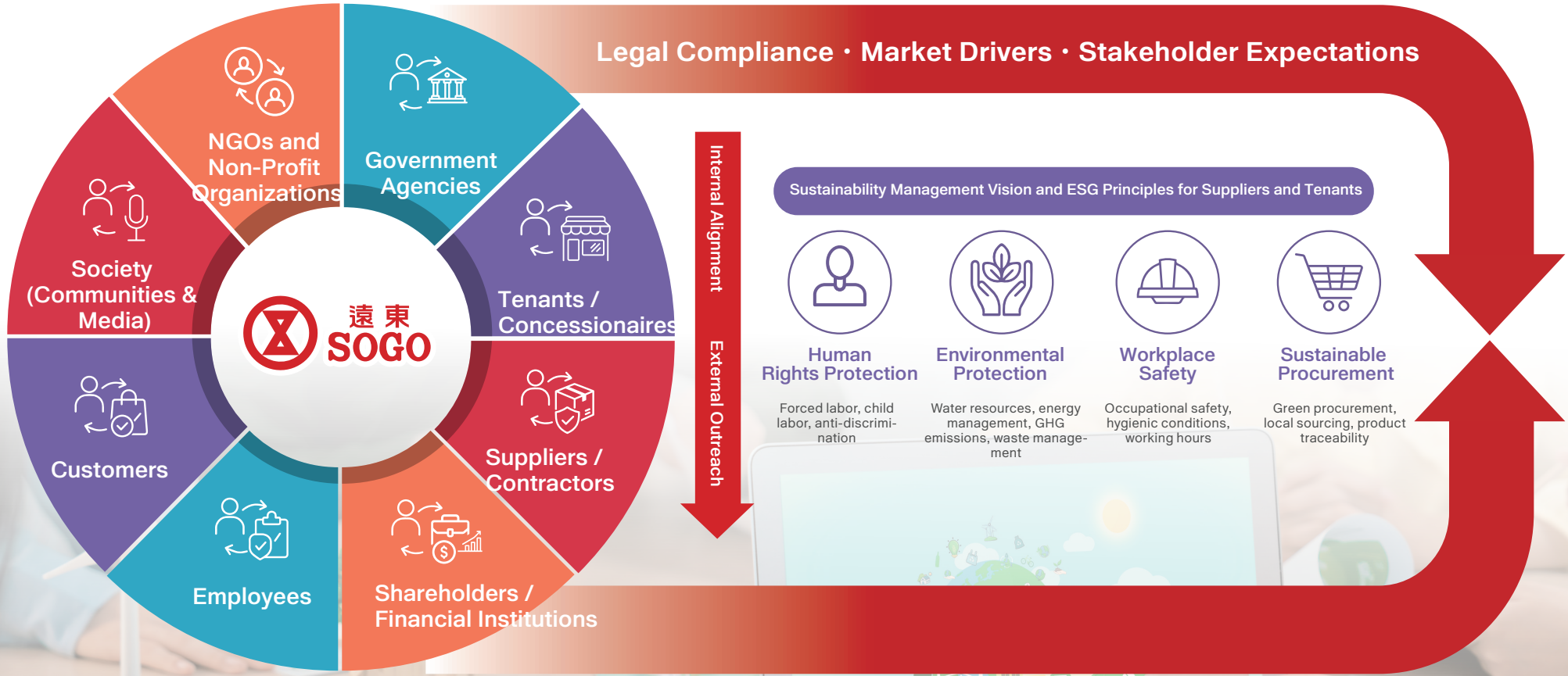
On Earth Day 2023, the company launched its first-ever one-hour lights-off campaign, engaging over 600 brands—marking the largest energy-saving initiative by a department store in Taiwan. In 2024, the campaign was held again on the summer solstice, the longest day in the Northern Hemisphere, to raise awareness about reducing energy consumption during peak summer usage. That evening, Far Eastern SOGO turned off exterior lighting including signage, facade lights, custom streetlights, TV walls, and projection lights for one hour. The number of participating brands increased by 10% compared to the previous year, with 638 brands and 22 construction and facility service suppliers joining in. Nearly 1,000 retail and office locations across Taiwan participated, resulting in estimated savings of over 1,500 kWh and 741 kg of CO□ emissions—equivalent to the annual carbon absorption of 67 trees.

Establishing Procurement Ratio for Eco-Friendly Gifts

To promote resource recycling and reuse, in 2024 the company established a procurement target requiring that gifts made from recycled or eco-friendly materials account for at least 5% of total gift items. A formal notice was issued to all suppliers prioritizing the purchase of products featuring recycled content, low carbon footprint, and sustainable attributes. As of September 2024, eco-friendly gifts accounted for 7% of Far Eastern SOGO's total gift purchases, with a cumulative procurement value approaching NT$15 million.

Circular Business Model to Strengthen Supplier Resilience

Pacific SOGO has adopted the ISO 20400 Sustainable Procurement Guidelines and passed certification, integrating sustainability principles into procurement processes and supply chain management. The company continues to enhance supply chain governance policies, provide supplier training, and foster upstream and downstream value chain collaboration to promote net-zero alliances, driving sustainable transformation. Sustainability guidance for contractors and suppliers is ongoing to ensure compliance with ESG principles in human rights protection, environmental stewardship, workplace safety, and sustainable procurement.



1.5.2 Management and Auditing

Pacific SOGO works with a diverse range of vendors and implements tailored management mechanisms according to vendor type to ensure that all products provided to customers are safe and compliant. On-site inspections are conducted to verify operational standards, and high-risk vendors are subject to unscheduled audits. The Company exercises great caution in selecting new vendors, employing a rigorous process that includes data collection, interviews, and scoring to identify high-quality partners. Vendors achieving strong audit performance are given priority for continued collaboration. All operating departments are required to complete supplier evaluation forms, which form part of the overall vendor assessment process. Vendors meeting the required standards are retained for the following year, while those that remain non-compliant after corrective guidance will not be rehired.

Category



Department Stores & Supermarkets

Management and Audit Mechanisms

- Counter entry/exit procedures
- Procurement policy for private-label goods
- Procurement and payment processes
- Invoice verification and acceptance procedures
- Defective product handling
- Sales and cash collection procedures
- Inventory control procedures
- Product recall and return protocols
- Cosmetic return/exchange handling policy
- Price label inspections
- Expiry date checks
- Random cosmetic testing
- Product safety inspections for in-store trials (see “Customer Trust” section)

Category



Food & Beverage

Management and Audit Mechanisms

Environmental & hygiene inspections

- Monthly self-assessments
- Weekly inspection by Pacific SOGO team
- Monthly evaluations and Excellent Stall Awards
- Support vendors in obtaining GHP certification

Related tests

- Counter ice quality inspection
- Drinking water testing
- Inspection of tableware for takeaway New Year’s dishes

Category



Suppliers (General & Engineering Categories)

Management and Audit Mechanisms

- Follow internal procurement and payment SOPs
- Annual supplier quality review meetings, if needed
- To leverage the Far Eastern Group’s collective procurement efficiency, joint procurement projects are coordinated by the Group Procurement Center, which requires all suppliers to sign procurement contracts containing not only independence and cost analysis considerations, but also commitments to comply with labor standards, relevant government laws and regulations, and professional ethics.
- Increased annual proportion of green product procurement as internal selection criteria

For more information, please visit the company’s official website under “Sound Operational Resilience” and “Supply Chain Management.”



CHAPTER 2.

Environmental Sustainability Capacity

Our company aligns with international trends, identifying climate change risks and opportunities, and is committed to creating low-carbon retail spaces and fostering a green operating culture. We have established an energy management system, implemented energy-saving and energy-creating measures, and, in collaboration with various stakeholders, developed concrete action plans. These include: engaging with professional bodies and suppliers in sustainable operations and sourcing, providing employees with sustainability education, building an integrated green purchasing platform, and leveraging our influence to promote sustainability education and consumer awareness. Our aim is to lead Taiwan' s industry transformation and create a sustainable consumption alliance.



No. 1 Among Domestic Department Stores

Six-time recipient of the National Enterprise Environmental Protection Award, Silver level or higher
Ten years of electronic gift certificate issuance saved paper equivalent to 17.64 Yushan Mountains in height
Four years of e-receipts saved paper equivalent to 18.77 Qixing Mountains in height
Combining credit card transaction slips and itemized lists saved paper length equivalent to two national freeways annually

Energy Conservation and Carbon Reduction, Enhancing Efficiency

First major department store chain in Taiwan to sign the SBT (Science Based Targets) commitment
Generated NT$5,024,100 in revenue per kWh of electricity, achieving 80% of EP100 targets
Invested 4.49% of revenue in upgrading energy-saving equipment

2.0 Strategic Outcomes and Plans

Policy Commitment

Through voluntary adoption of environmental ISO management standards, Far Eastern SOGO actively aligns with international sustainability frameworks to strengthen climate governance, strictly implement carbon reduction measures, reduce energy resource consumption, improve energy productivity, increase the share of renewable energy, and promote sustainable consumption. The Company aims to achieve carbon neutrality by 2040 and support the government's 2050 net zero emissions policy.

Organizational Vision

By integrating the three net-zero strategic pillars—energy conservation and emission reduction, sustainable consumption, and circular business models—Far Eastern SOGO seeks to extend its business influence into sustainability impact, promoting a net-zero green lifestyle, driving supplier green transformation, fostering low-carbon business opportunities with brand counters, and encouraging customers to adopt sustainable consumption habits, thereby leading Taiwan's retail industry toward net zero.

Material Topics

- Climate Response Strategy
- Energy Management
- Low-Carbon Operations
- Resource Recycling and Waste Management

International Frameworks & Indicators

GRI 201 Economic Performance
GRI 305 Emissions
-
GRI 302 Energy
SASB CG-MR-130a.1 (Energy Management in Retail & Distribution)
-
-
GRI 306 Waste
-

Management Actions	2024 Action Performance Tracking		Achievement Overview	Short-term Goals (1–3 Years)	Mid- to Long-term Goals (Over 3 Years)
Strengthen Climate Governance	Enhance Climate Risk Disclosure — Achieved	Achieve	Far Eastern SOGO became the first department store in Taiwan to adopt TNFD (Taskforce on Nature-related Financial Disclosures).	Develop action plans based on TNFD assessment results.	Link senior executive compensation to climate performance indicators.
	Strengthen Cross-Department Communication Mechanisms — Achieved	Achieve	Enhanced Climate Change Committee capacity by engaging expert lecturers.	Continue strengthening sustainability knowledge of the Climate Change Committee and link incentive programs to sustainability performance.	-
Improve Energy Productivity	Increase Revenue per Unit of Electricity — Achieved	Achieve	Electricity revenue reached NT$502.41 per kWh, up 1.08% year-on-year and 40.81% higher than in 2018.	Continue increasing electricity revenue.	Achieve EP100 target by 2028.
	Optimize Energy Management through AI — Achieved	Achieve	Established a cloud-based energy management and central air-conditioning AI control platform at the Tianmu Store as a pilot site.	Official launch in 2025; implement AI energy management systems at the Fuxing and Hsinchu Stores.	Deploy AI energy management systems across all operating locations.
	Replace Outdated Electrical Equipment — Achieved	Achieve	Invested NT$61.06 million in energy-efficient equipment, accounting for 4.49% of 2024 net profit.	Continue replacing air-conditioning units and chiller plants.	Replace lighting and refrigeration equipment at counters.
	Increase Proportion of Renewable Energy — Achieved	Achieve	Increased renewable energy usage to 0.54%, up 0.17 percentage points. Began supplying green electricity to Chanel counters to meet RE100	Commence Phase II solar project at Tianmu Store in 2025.	Achieve 6% renewable energy share at Hsinchu Store by 2028.

Management Actions	2024 Action Performance Tracking		Achievement Overview	Short-term Goals (1–3 Years)	Mid- to Long-term Goals (Over 3 Years)
Building Green Low-Carbon Stores	Nationwide Greenhouse Gas Inventory	Achieve	Completed ISO 14064-1 GHG inventory across all stores, with one store undergoing third-party verification; remaining stores to be verified in 2025.	Conduct GHG inventory for all stores, including newly opened Far Eastern Garden City locations starting 2024.	Achieve carbon neutrality at Hsinchu Store by 2028; nationwide carbon neutrality by 2040.
	Nationwide Carbon Footprint Label Certification	Achieve	Completed ISO 14067 certification for 6 stores (excluding Dunhua Store).	Apply for carbon footprint labels in 2025.	Obtain Green Mark environmental certification in line with government policies.
	Set Science-Based Emission Reduction Pathway	Achieve	Signed the Science Based Targets initiative (SBTi) commitment to limit global warming to 1.5˚ C.	Set carbon reduction targets by 2026.	Achieve targets by 2030.
Providing Low-Carbon Services for Sustainable Consumption	Leverage Digital Tools to Reduce Resource Consumption	Achieve	Replaced printed DM with e-newsletters, achieving a digital share of 90.29%. Cloud invoice adoption rate reached 64%, exceeding the Ministry of Finance standard. Integrated credit card receipts with sales slips, saving paper equivalent to the length of two national highways annually (based on 10.65 million transactions).	Ensure all stores achieve over 90% e-newsletter delivery; increase cloud invoice adoption to 65% by 2025.	Achieve full elimination of printed DMs; increase cloud invoice adoption to 70%.
	Increase Sustainable Procurement Share & Product Range	Achieve	Share of eco-friendly gifts (made from recycled or low-carbon materials, or with sustainability features) rose from 1.83% to 7%. 2024 women's winter uniforms and 2025 summer uniforms made from recycled materials. NT$3.9 billion in paper gift vouchers produced using FSC-certified paper.	Achieve ISO 20400 Sustainable Procurement certification by 2025. Ensure each store's sustainable gift procurement share reaches 7%.	Prioritize suppliers of sustainable products/services or those with sustainability certifications in tenders.
	Promote Net-Zero Green Living	Achieve	Organized 13 agricultural product fairs across all stores, reaching over 100,000 visitors.	Continue hosting small-scale farmer fairs to boost customer spend.	Incorporate sustainability themes into exhibitions.
	Assist Restaurants in Obtaining Green Certifications	Achieve	89.7% of in-store restaurants certified as "Green Restaurants" by the Ministry of Environment.	Achieve 100% certification and support transformation into "Green Dining Tables" in line with government policy.	Encourage launch of sustainable dishes.

Management Actions	2024 Action Performance Tracking		Achievement Overview	Short-term Goals (1–3 Years)	Mid- to Long-term Goals (Over 3 Years)
Waste Reduction and Enhanced Circularity	Reduce Operational Waste	Achieve	Installed food waste composters at Zhongxiao, Fuxing, and Tianmu stores, reducing food waste by 13.3%. Achieved a recycling rate of 5.94%, up 0.13 percentage points from last year.	Gradually install food waste composters across all stores.	Continue reducing food waste weight and improving recycling rate to achieve waste minimization.
	Encourage Resource Recovery and Reuse	Achieve	All 45 in-store F&B counters offered discounts for customers bringing reusable cups, saving 90,000 paper cups. Collected nearly 540,000 cosmetic empty bottles and 53,000 batteries.	Regularly promote discounts for customers bringing reusable cups and utensils. Increase cosmetic empty bottle recycling rate.	Increase sales proportion of products made from recycled materials.
	Plastic Reduction and Waste Minimization in Supermarkets	Achieve	Changed packaging for eggs and fresh produce, reducing 0.9 metric tons of plastic. Reused 77% of delivery cartons from inbound shipments. Encouraged customers to bring their own shopping bags, reducing 55,000 paper bags.	Install plastic recycling stations. Switch all fresh produce trays in self-operated supermarkets to rPET recycled plastic.	Set plastic reduction targets in line with government regulations (self-operated supermarkets currently not under mandatory control).
	Reduce E-Commerce Packaging	Achieve	SOGOplus green e-commerce shipments complied with Ministry of Environment's "Online Shopping Packaging Reduction Regulations." 77% of shipments used original cartons.	Increase the use of recycled packaging materials. Assess introduction of reusable shipping containers.	Continue expanding sustainable products suitable for original carton shipping.
	Promote Textile Circularity	Achieve	Held Taiwan's first traceable used clothing recycling event, with 430 participants, collecting 5,778 clothing items and reducing 7,341 kg of CO⊠ emissions.	Enhance used clothing recycling events to increase recycling value. Launch the first sustainable tray made from recycled textiles.	Collaborate with stakeholders to establish a textile circular economy ecosystem.





Stakeholder Group	Communication Channels	2024 Performance
Suppliers 	● General service and engineering suppliers sign sustainability clauses in contracts. ● First-time registered suppliers (new partners) sign sustainability clauses.	→ 422 sustainability clauses signed; 100% coverage. → 556 sustainability clauses signed for first-time registered suppliers; 100% coverage.
Concessionaires (In-store Counters) 	● Signing of sustainability clauses. ● All in-store restaurants obtain "Environmentally Friendly Restaurant" certification from the Ministry of Environment.	→ 2,478 sustainability clauses signed; 98.06% coverage. → 89.7% of in-store restaurants certified as "Environmentally Friendly Restaurants."
Customers 	● Annual customer satisfaction surveys. ● Promotion of SOGO Sustain (semi-annually). ● Monthly sustainability advocacy via owned media. ● SOGO ESG website (ad hoc updates). ● Local farmers' markets.	→ 1,068 customers surveyed, with 77.5% overall satisfaction regarding the company's environmental performance. → Two major promotional campaigns annually, reaching 1.99 million people nationwide. Over 210,000 people engaged through advocacy events. → 47,000 website views. → 13 farmers' markets held nationwide, benefiting 1.73 million people.
Employees 	● Monthly company-wide engineering meetings. ● eWork APP, bulletin boards, and Line groups (ad hoc updates).	→ Reviewed energy and resource consumption at each store. → Released new sustainability updates.

Far Eastern SOGO x EP100

Organizational

The Energy Productivity Initiative is led by The Climate Group and the Alliance to Save Energy. Members commit to improving productivity through enhanced energy efficiency, thereby reducing greenhouse gas emissions and creating a clean economic development model.

Membership Composi-

Over 110 members worldwide (only five corporate members in Taiwan, with Pacific SOGO being the only non-listed company).

Far Eastern SOGO

Using 2018 as the baseline year, achieve a cumulative electricity savings rate of 40.30% by 2028, with a 50.52% increase in revenue per kWh of electricity consumed.

Significance as a Model

The first department store retailer in the Asia-Pacific region to join EP100.



Far Eastern SOGO

1. 1. Assess the current status of the existing ALC energy management system; starting in 2024, implement AI energy management at the Tianmu Store, promote energy-saving measures for
2. motors, and enable real-time monitoring, control, and printing via mobile app.
3. 2. From 2023, include all stores in GHG inventories to verify electricity consumption.
   3. Engage upstream, midstream, and downstream stakeholders to jointly advance toward net zero.

Progress

In the 6th year of the 10-year plan, energy productivity improved by 40.81% compared to the baseline year, achieving 80% of the target. Annual progress reports are submitted to ensure milestones are met and to share Taiwan's retail sector net-zero experiences with the international community.

40.81% achieving 80% of the target

SOGO x SBTi

Organizational Purpose

SCIENCE BASED TARGETS

The Science Based Targets initiative (SBTi) is a collaboration between CDP, the United Nations Global Compact (UNGC), the World Resources Institute (WRI), and the World Wide Fund for Nature (WWF). It responds to the Paris Agreement and IPCC reports, encouraging companies to set science-based emissions reduction targets to limit global warming to 1.5° C.

Significance as a Model

The first major department store chain in Taiwan to commit to the SBT initiative.

Progress

Completed the first phase of "Commitment" in 2024. The "Target" will be submitted in 2026 and announced after approval.

2024 Commitment Completed **2026 Target**

Far Eastern SOGO Low-Carbon Operations Milestones

Year

2015

- Tianmu Store – First in Taiwan to obtain a carbon label, defining the Product Category Rules (PCR) for the department store retail service industry.
- First in Taiwan's department store sector to install a solar photovoltaic system (Tianmu Store).
- First in Taiwan to issue electronic gift vouchers.

2016

- Initiated large-scale green procurement starting with paper products.

2017

- Dunhua Store – First in Taiwan to be certified under ISO 50001.
- First in Taiwan to ban all single-use and melamine tableware two years ahead of government regulations.

2018

- Tianmu Store – First in Taiwan to obtain a carbon reduction label.
- Fuxing Store – First in Taiwan to conduct ISO 14064-1 GHG inventory.
- Fuxing Store applied for Bureau of Energy ESCO subsidies to replace chiller units, achieving good results.

2019

- Zhongxiao, Zhongli, and Kaohsiung Stores applied for Bureau of Energy ESCO subsidies to replace chiller units, achieving good results.

2020

- Dunhua Store extended its ISO 50001 certification.
- Hsinchu Store commissioned its second solar power facility.

2021

- First adoption of TCFD disclosures in the sustainability report.
- Only in Taiwan to receive the National Corporate Environmental Protection Award (Silver or above) for three consecutive years, awarded the "Honorary Environmental Protection Enterprise Award."
- First in Taiwan to implement a sustainable sourcing identification system and launch "SOGO Sustain
- First in Taiwan to assist F&B tenants in obtaining Green Restaurant certification (now Environ
- Tianmu Store – First in Taiwan to obtain a second carbon reduction label.

2022

- First in Asia-Pacific department store retailer to join EP100.
- First in Taiwan to establish a Climate Change Committee and complete
- First in Taiwan department store to execute a green time deposit.
- Tianmu Store awarded the Environmental Protection Administration's (now Ministry of Environment) Low-Carbon Product Award (Special Excellence) and Ministry of Economic Affairs Water Resources Agency Water Conservation Award (Excellence).
- Zhongxiao, Fuxing, and Tianmu Stores initiated GHG inventories, two years ahead of FSC requirements.
- Tianmu Store – First in Taiwan to adopt the EPA's (now MOENV) Service

2023

- Only in Taiwan department store to become a TCFD supporter.
- First in Taiwan to establish a dedicated ESG Department, the "Sustainability Development Office."
- First in Taiwan to consolidate credit card slips with sales receipts, saving paper equivalent to the length of two expressways annually.
- All stores completed GHG inventories.
- Hsinchu Store commissioned its second-phase solar panel installation.
- Tianmu Store obtained a Renewable Energy Certificate.

2024

- Only in Taiwan department store to receive the National Corporate Environmental Protection Award (Silver or above) for six consecutive years.
- Only in Taiwan major department store chain to sign the SBT commitment.
- First in Taiwan to adopt TNFD (Taskforce on Nature-related Financial Disclosures).
- All stores completed carbon footprint inventories.
- Fuxing Store began supplying green power to international luxury boutiques.

遠東 SOGO

2.1 Climate Resilience and Response Strategies

2.1.1 Climate Change Management Strategy GRI 201-2

Climate change is a critical issue that global enterprises must address. The perspective has expanded from focusing solely on "negative risk impacts and prevention" to also recognizing "new business opportunities." Leveraging its core competencies, the Company has developed three net-zero strategies—"Energy Conservation and Emission Reduction," "Sustainable Consumption," and "Circular Business Models"—to build a low-carbon retail network. In 2021, ahead of the Financial Supervisory Commission's timeline, the Company adopted the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. In 2022, it established a Climate Change Committee, laying the foundation for climate governance, and officially joined the international EP100 energy productivity initiative, becoming the first department store retailer in the Asia-Pacific to do so. This commitment drives sustainability transitions among suppliers and contractors, while engaging consumers to adopt greener lifestyles.

The Company has pledged to achieve a cumulative electricity savings rate of 40.3% and increase energy productivity (revenue generated per kWh consumed) by 50.52% by 2028, using 2018 as the base year. As of 2024, it has achieved 80% of this goal. In 2023, it became the first department store in Taiwan to register as a TCFD supporter and established a Sustainability Development Office reporting directly to the Chairman, dedicated to advancing corporate sustainability. In 2024, the Company further committed to the Science Based Targets (SBT) initiative, pledging to submit a carbon reduction pathway within two years that aligns with limiting global warming to 1.5° C.

Task Force on Climate-related Financial Disclosures, TCFD

	Governance	Strategy	Risk Management	Indicators and Targets
Management Strategies and Action Plans	Responsible Units Supervised by the Board of Directors and led by the Sustainability Committee, with regular reviews of the organization's climate change vision, strategies, and long-term goals. Organizational Operations The Sustainability Committee oversees the Climate Change Task Force, managed by the Finance Division, involving relevant departments in its initiatives. Major climate-related risks and opportunities are managed directly by the Chairperson and senior executives. Reports are submitted to the Board and all vice president–level and above executives semiannually.	Centered on "Sustainable Environmental Strength" and "Energy Conservation & Emissions Reduction," with three main directives for sustainable action to create Green Department Store 2.0: ✓Low-carbon Operations ✓Green Marketing ✓Green Initiatives	● Integrate climate risks into corporate management processes. ● Cross-department collaboration to assess climate-related risks and opportunities in the value chain. ● Continuously assess the linkage between climate risks and financial performance to devise countermeasures.	Evaluation Indicators GHG Emissions Intensity Revenue Generated per kWh Water Consumption per Unit of Floor Area Regularly track the progress of action plans. Conduct ISO 14064-1 and ISO 14067 inventory and verification for each store. Disclose Scope 1–3 GHG emissions annually in the Sustainability Report.
Implementation Status	Progress is reported at the ESG Senior Executive Strategy Meeting in February and September.	● Identify short-, medium-, and long-term physical transition risks. ● Relevant departments complete corresponding strategic action plans. ● Held the first Annual Supplier Carbon Reduction Alliance Meeting. ● Achieved ISO 20400 certification, enforcing strict supplier compliance.	● Estimate the hidden costs of action plans. ● Link climate risks to financial impact assessment.	● Include in the Sustainability Committee's regular tracking items. ● Obtain carbon labels for all stores by 2025. ● Achieve carbon neutrality for the Hsinchu store by 2028 and for all stores nationwide by 2040. ● Support the government's 2050 net-zero target.
Section Links	2.1 Climate Change Mitigation and Adaptation	2.1 Climate Change Mitigation and Adaptation 2.2 Energy Management	2.1.2 Climate Risk and Opportunity Identification 2.1.3 Climate Risk and Opportunity Issue Management	2.1.3 Climate Risk and Opportunity Issue Management 2.2 Energy Management

2.1.2 Identification of Climate Change Risks and Opportunities

As the first department store in Taiwan to adopt the international TCFD framework, the Company conducted in-depth interviews, surveys, data collection, and cross-analysis to comprehensively assess climate-related risks and opportunities. This process identified six medium- to high-level risk issues, for which management measures were developed and optimized.

1.Climate Change Risk Issue Analysis Process

STEP 1

Define Analysis Scope

- Scope:Far Easten SOGO Headquarters and seven operating locations (Taipei Zhongxiao, Taipei Fuxing, Taipei Dunhua, Taipei Tianmu, Taoyuan Zhongli, Hsinchu, and Kaohsiung Stores).
- Objective: Identify major operational risks Far Easten SOGO may face due to climate change.

STEP 2

Risk Identification

- Based on market conditions, Taiwan's policy direction, and global sustainability trends, collect potential transition and physical risk items. Senior executive interviews are conducted to assess risk awareness and confirm key issues.

STEP 3

Risk Assessment and Opportunity Mapping

- Through surveys with eight core senior executives (including the Chairman), evaluate both "likelihood of occurrence" and "magnitude of impact." Finalize six major climate-related risk issues based on consensus meetings.

STEP 4

Management Measures

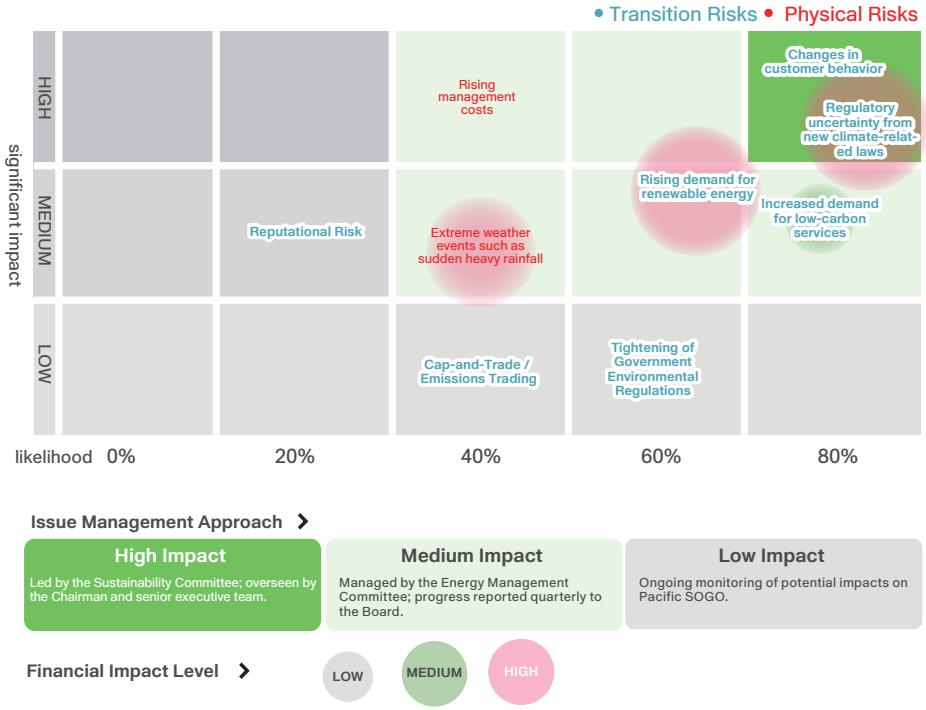
- Based on the identification results, Pacific SOGO responds in two areas.
- Adaptation: Conduct scenario analysis for significant climate risks to assess carbon management levels and establish long-term strategies.
- Mitigation: Collaborate with the Corporate Sustainability Committee to develop short-term management action plans for major risk issues, and report progress through the Corporate Sustainability Committee and the Board of Directors.

2.Risk Identification Process

Starting from a review of its operational profile, the Company collected extensive information on market developments and changes in global sustainability trends, using 2030 as the analysis horizon. Climate scenarios were modeled using Representative Concentration Pathways (RCPs) and Shared Socioeconomic Pathways (SSPs) to assess potential physical risks. Transition scenarios were defined based on varying policy outcomes and technology deployments affecting energy supply-demand and the economy. Following the TCFD framework, both "transition risks" and "physical risks" were analyzed to identify major climate issues with high likelihood and significant impact.

3.Key Findings

After evaluation, six issues were identified as major climate risks: "Regulatory uncertainties," "Rising demand for low-carbon services," "Increasing demand for renewable energy," "Changes in customer behavior," "Single climate-related events such as sudden heavy rainfall," and "Rising management costs."Correspondingly, based on interviews with senior management, three issues were identified as major climate opportunities: "Energy efficiency," "Corporate image," and "Enhancing climate resilience."



Issue Management Approach

High Impact	Medium Impact	Low Impact
Led by the Sustainability Committee; overseen by the Chairman and senior executive team.	Managed by the Energy Management Committee; progress reported quarterly to the Board.	Ongoing monitoring of potential impacts on Pacific SOGO.

Financial Impact Level LOW MEDIUM HIGH

Note
1. The likelihood of occurrence is evaluated based on three aspects: "frequency of past occurrences," "future regulatory stringency," and "current corporate resilience."
2. The level of impact ("high," "medium," "low") is assessed across three dimensions: "scale of impact on operations," "scale of impact on the value chain," and "type of impact."
3. The degree of financial impact ("high," "medium," "low") is evaluated based on average daily revenue decrease ranges: "less than 20%," "20–60%," and "over 60%."

Climate Risk Issues

Risk Theme	Climate Risk Issue	Significance to SOGO	Value Chain Impact Stage			Timeframe			Risk Level (High / Medium / Low)	Financial Impact (High / Medium / Low)
			Upstream	Operations	Downstream	Short-term	Mid-term	Long-term		
Transition Risk	Regulatory Uncertainty	The Taiwan government's 2050 net-zero pathway plans to require that by 2040, 100% of new vehicles and motorcycles sold be electric. This policy direction may change customer needs for parking facilities. Planning for EV charging spaces within limited resources is therefore one of Pacific SOGO's key priorities.	✓	✓		✓	✓	✓	H	H
Transition Risk	Increased Demand for Low-Carbon Services		✓	✓		✓	✓	✓	H	M
Transition Risk	Rising Demand for Renewable Energy	In the Taiwanese government's announced 2050 net-zero emission pathway, carbon neutrality must be achieved by 2050, requiring the proportion of renewable energy in the energy mix to increase to 60%–70%. For Far Eastern SOGO, this could result in increased operating costs, replacement of power management equipment, and certain operational impacts.	✓	✓		✓	✓	✓	M	H
Transition Risk	Changes in Customer Behavior	According to the World Economic Forum's 2021 report The Future of Reusable Consumption Models, after the pandemic, 48% of consumers are more concerned about environmental issues than before, and 55% of respondents indicated a preference for purchasing more eco-friendly products. As a result, future changes in supply-demand structures, shopping patterns, and consumer habits may lead to increased costs from adjustments in green procurement and sales approaches.		✓	✓	✓	✓	✓	H	NA
Transition Risk	[Acute] Extreme Weather Events such as Sudden Heavy Rainfall	According to the Intergovernmental Panel on Climate Change (IPCC)'s 2021 assessment and scenario analysis, by 2050, extreme heavy rainfall events are projected to increase by 20%. Such single climate events—including sudden heavy rain, floods, typhoons, tornadoes, and infectious diseases—could lead to temporary closure of Far Eastern SOGO stores or damage to related physical infrastructure.		✓		✓			M	H
Transition Risk	[Chronic] Rising Management Costs	The IPCC's 2021 assessment and scenario analysis also indicates that in the future, Taiwan's summer season could lengthen by 155–210 days, with average temperatures potentially rising by over 1.8° C. Consequently, derivative impacts such as water resource shortages, persistent high temperatures, and sea level rise could increase Far Eastern SOGO's operational and management costs.		✓					M	NA

Climate Opportunity Issues

	Climate Opportunity	Significance to SOGO	Value Chain Impact Stage			Timeframe			Opportunity Level (High / Medium / Low)
			Upstream	Operations	Downstream	Short-term	Mid-term	Long-term	
Opportunity	Energy Efficiency	In line with Taiwan's 2050 net-zero pathway, which requires renewable energy to account for 60–70% of total electricity supply, Pacific SOGO is implementing comprehensive energy-saving measures and efficiency management to reduce operating costs. Participation in the government's "Micro Carbon Offset Project" will enable the Company to acquire carbon credits and explore new retail business opportunities.		✓		✓	✓	✓	H
Opportunity	Corporate Image	As climate change intensifies, Generation Z consumer values are increasingly centered on sustainability. By delivering on sustainability commitments and engaging in green marketing, Pacific SOGO reinforces its "Future Green Retail" brand image.	✓	✓		✓	✓	✓	M
Opportunity	Strengthening Climate Resilience	In alignment with climate change mitigation and adaptation policies, Pacific SOGO proactively forecasts and prevents risks to reduce management costs and losses, while capitalizing early on market opportunities arising from policy and consumer behavior shifts.		✓		✓	✓	✓	M

2.1.3 Climate Risk and Opportunity Management

GRI 305-2 GRI 305-4 GRI 305-5

Management Principle

Pacific SOGO prioritizes issues with both medium-or-higher likelihood and impact, and high financial materiality, formulating management strategies to address potential climate risks and seize transition opportunities.

High-Risk/Opportunity Topics	Risk/ Opportunity Issue	Issue Analysis/Description	Potential Financial Impact	Management Measures
Transition Risk	Regulatory	**Scenario Context** ▼ ● Taiwan government's announced 2050 net-zero emission pathway. ● Climate Change Response Act. **Transition Risk Dynamics** ▼ ● Electric vehicles reaching 100% market share. ● The Ministry of Environment will adopt a "large first, small later" phased approach to levy carbon fees, targeting major carbon emitters first.	● Greenhouse gas inventory and verification costs. ● Costs of purchasing green electricity. ● Carbon fees.	**Comprehensive Greenhouse Gas Inventory and Reduction** ● Conduct greenhouse gas inventories for Scopes 1–3. ● By 2025, all operating locations in Taiwan to obtain carbon labels from the Ministry of Environment. ● Sign the SBT commitment to plan emission reduction pathways based on scientific methods. ● Achieve carbon neutrality by 2040.

High-Risk/Opportunity Topics	Risk/Opportu-	Issue Analysis / Description	Potential Financial Impact	Management Measures
Transition Risk	Rising Demand for Low-Carbon Services 	**Scenario Context:** Taiwan's 2050 net-zero emissions pathway. **Transition Risk Dynamics:** Full LED lighting in commercial premises; 60% optimization in air conditioning operations. ・ Electrification of urban buses and official vehicles. ・ Higher market share of electric vehicles (EVs) and electric scooters.	Cost of replacing official vehicles with EVs. ・Installation and maintenance costs of EV charging stations. ・Replacement costs for energy-efficient lighting or equipment.	Promote sustainable consumption and a nationwide green lifestyle. ・ Establish a seamless sustainable consumption model. ・ Build a one-stop green shopping platform. ・ Promote green procurement reporting.
Transition Risk	Growing Demand for Renewable Energy 	Scenario Context: ・ Taiwan's 2050 net-zero emissions pathway. Transition Risk Dynamics: ・ Renewable energy installed capacity to grow from 17.1 GW in 2023 to 45.46–46.12 GW by 2030.	・ Construction and maintenance costs for solar power plants. ・ Increased electricity expenses.	Implement comprehensive energy management. ・ Achieve EP100 target by 2028, increasing revenue per kWh by 50.52% compared with 2018. ・ Submit annual EP100 energy productivity reports. ・ Deploy smart energy management systems. ・ Install EV charging stations across all operating locations. ・ Increase renewable energy usage; integrate energy conservation and on-site generation. ・ Partner with stakeholders to establish a Retail Net Zero Alliance. ・ Maintain supplier engagement and initiate supplier training programs.
Physical Risk	[Acute] Extreme Rainfall and Other Single Climate-Related Events 	Scenario Context: ・ IPCC Representative Concentration Pathways (RCPs). ・ IPCC Shared Socioeconomic Pathways (SSPs). Physical Risk Dynamics: ・ Under SSP5-8.5: annual rainfall in Taiwan projected to increase by 15%. ・ Proportion of severe typhoons to increase by 5.5%.	・ Revenue loss due to temporary store closures caused by single extreme weather events. ・ Physical damage to facilities and assets.	Strengthen climate resilience management. ・ Enhance TCFD-based evaluation and disclosure. ・ Establish cross-departmental communication mechanisms and review climate management policies annually. ・ Develop and implement corresponding departmental action plans.
Opportunity	Energy Efficiency 	In Taiwan's 2050 net-zero pathway, achieving carbon neutrality by 2050 requires renewable energy to account for 60–70% of the energy mix.	・ Construction and maintenance costs for solar power plants. ・ Costs for implementing energy efficiency projects. ・ Costs for purchasing green power. ・ Stakeholder communication costs. ・ EP100 program management expenses.	Improve energy efficiency and increase renewable energy share. ・ Implement smart energy management systems to enhance energy productivity, aiming for a 50.52% increase in revenue per kWh by 2028. ・ Increase renewable energy usage; leverage government incentive programs and carbon offset mechanisms to expand business opportunities.

Climate Governance Strategic Blueprint

Following the identification of climate risks and opportunities, the company has mapped out a concrete climate governance strategy, establishing clear targets and action plans to effectively manage material climate issues.

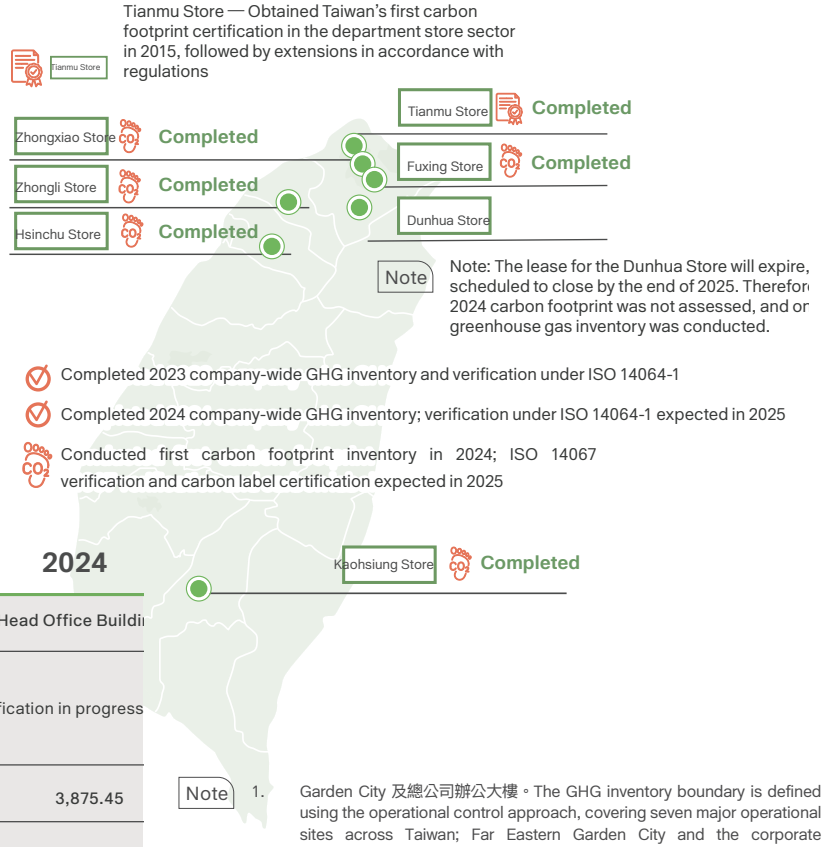
Material Climate Risks	Low-Carbon Operation Plans and Strategies	Targets and Indicators	Material Climate Opportunities
Increasing Demand for Renewable Energy	mplement Comprehensive Energy Management	Submit SBTi application by 2024	Energy Efficiency
	Submit annual EP100 Energy Productivity reports Implement intelligent energy management systems	Achieve 50.52% revenue increase per kWh by 2028 (vs. 2018 baseline)	Improve energy efficiency to reduce operational costs
	Deployment of EV Charging Stations across All Operation Sites in Taiwan Increase renewable energy use, strengthen energy efficiency, and deploy energy generation	Achieve carbon neutrality for Hsinchu store by 2028 and all stores by 2040	
	Partner with stakeholders to form a Retail Net-Zero Alliance	Continue expanding the Supplier Carbon Reduction Alliance	
	Continue engaging suppliers and contractors in dialogue Launch supplier guidance program	Establish the first retail net-zero alliance in the department store sector by 2040	
Regulatory Uncertainty	Conduct comprehensive GHG inventory and emissions reduction	Complete GHG and carbon footprint inventories for all stores nationwide	
	Inventory GHG emissions from Scope 1 to Scope 3	Obtain carbon labels for all stores by 2025	
		Achieve carbon neutrality by 2040	Corporate Image
		Support Taiwan's 2050 Net Zero policy	Position "Green Department Store" as Pacific SOGO's signature identity to enhance consumer trust and drive sustainable transformation in the retail sector
Demand for Low-carbon Services	Promote Green Lifestyles for All Consumers		
	Create seamless and user-friendly sustainable consumption models Develop one-stop green shopping platforms	Frontline and back-office staff to receive SOGO Sustain sustainable product selection training	
	Promote green procurement reporting		
Extreme Rainfall and Other Single Climate Events	Strengthen Climate Resilience	Enhance sustainability knowledge across departments	Strengthen Climate Resilience
	Enhance TCFD-aligned governance frameworks to improve disclosure Establish cross-department communication mechanisms and annually refine climate management policies	Include Finance Department in the Climate Change Committee	Proactively manage and monitor future climate changes to maintain industry leadership
	Relevant departments to complete strategic action plans	Align with IFRS S1 and S2 frameworks by 2026	

GHG Emissions and Reduction

In response to the carbon reduction trend, the Company has conducted a comprehensive review of its greenhouse gas (GHG) emissions. Since 2022, GHG inventories in accordance with ISO 14064-1:2018 have been carried out, starting with the Zhongxiao, Fuxing, and Tianmu Stores for the prior year's data. In 2023, a company-wide carbon inventory was initiated, and in 2024, carbon footprint assessments were added.

Scope 2 emissions account for the majority of the Company's department store emissions. In 2024, total Scope 2 emissions across Taiwan amounted to 41,848.47 metric tons of CO2e, representing a 1.94% decrease from 42,676.35 metric tons CO2e in 2023. Considering annual revenue growth, the combined Scope 1 and 2 emissions intensity in 2024 was 0.925 metric tons CO2e per NT$1 million in revenue.

Progress of GHG Inventory



Summary of Pacific SOGO Department Stores GHG Emission[1]

Inventory Year	2022	2023[7]	2024
Inventory Boundary	All 7 stores in Taiwan	All 7 stores in Taiwan	All 8 stores in Taiwan & Head Office Buildi
ISO 14064-1 Inventory & Verification Status	Dunhua Store and Kaohsiung Store not inventoried[2][2]	Dunhua Store scheduled to close in 2025, inventory conducted but not verified[2]	Verification in progress
Scope 1 (tCO_2e)[3]	3,200.65	4,042.21	3,875.45
Scope 2 (tCO_2e)☐	45,088.11	42,676.35	41,848.47
Scope 3 (tCO_2e)☐	21,887.45	28,467.28	33,905.46
Total Emissions Scope 1 + 2 (tCO_2e)	48,288.76	46,718.56	45,723.92
Annual Revenue (NT\$ thousand)	45,013,913	49,661,966	49,433,078
Emissions Intensity (tCO_2e per NT\$ million)[6]	1.07	0.94	0.93
Ozone-Depleting Substances (ODS)	0	0	0
Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and Other Significant Gaseous Emissions	0	0	0

Note

1. Garden City 及總公司辦公大樓。The GHG inventory boundary is defined using the operational control approach, covering seven major operational sites across Taiwan; Far Eastern Garden City and the corporate headquarters were added in 2024.
2. For locations without inventories, emissions were calculated based on electricity consumption multiplied by the annual grid emission factor.
3. Scope 1 refers to direct emissions; as a non-manufacturing business, Pacific SOGO's Scope 1 share is relatively small.
4. Scope 2 covers indirect emissions from purchased electricity or steam, primarily from operational site electricity use; non-verified years use electricity-based estimates.
5. Scope 3 corresponds to Categories 3–6, covering other indirect emissions from business activities, including employee commuting and product lifecycle emissions.
6. Emissions intensity formula: (Scope 1 + Scope 2 emissions in metric tons CO2e) ÷ annual revenue in million NT$.
7. 2023 data has been updated with post-verification figures.

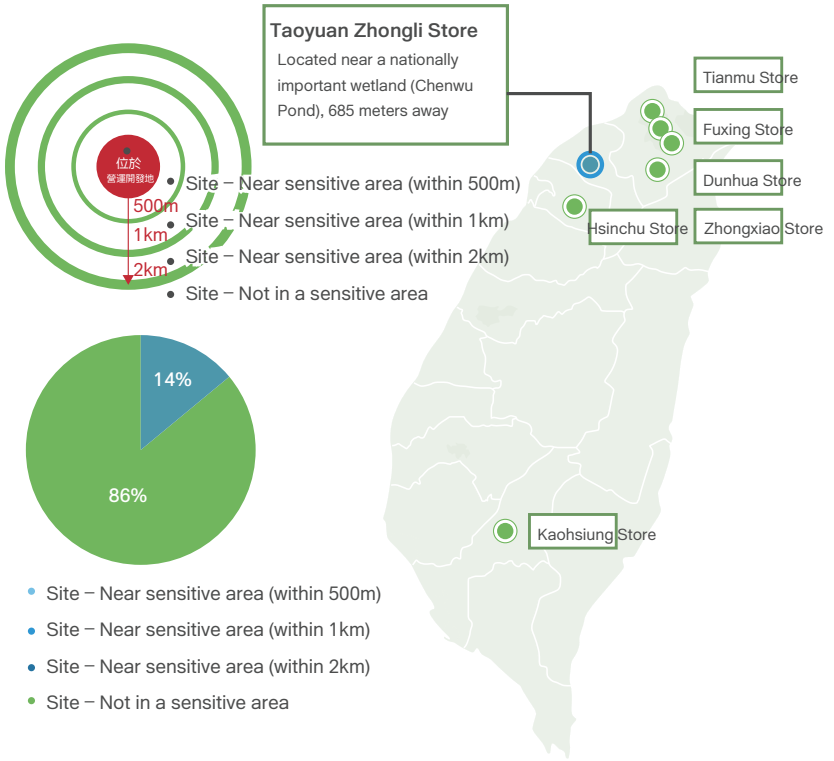
2.1.4 Identification of Nature-related Impacts and Dependencies

Biodiversity Risk Assessment

To gain a deeper understanding of the relationship between overall business operations and biodiversity-sensitive areas, Pacific SOGO followed the TNFD framework recommendations in 2024, using the LEAP approach (Location, Evaluation, Assess, Preparation) to select seven major operational sites—Taipei Stores (Fuxing, Dunhua, Zhongxiao), Tianmu Store, Taoyuan Zhongli Store, Hsinchu Store, and Kaohsiung Store—as the basis for risk assessment and research.

To ensure the assessment reflects local operational realities, Pacific SOGO used both international and Taiwan biodiversity databases, including the IUCN World Database on Protected Areas and the Taiwan Forestry Bureau's "Biodiversity Database," to conduct overlay analyses of all operational locations and biodiversity-sensitive areas across Taiwan.

The analysis showed that among the seven sites, only the Taoyuan Zhongli Store is located near a nationally important wetland (Chenwu Pond, 685 meters away), identified as being near a biodiversity-sensitive area based on international databases. However, to ensure accuracy and validity, and considering possible differences between international database data and local environmental conditions, an on-site inspection confirmed that the Taoyuan Zhongli Store is not actually located within a biodiversity-sensitive area.



Major Dependencies and Impacts on Ecosystem Services

Pacific SOGO further applied the WWF Biodiversity Risk Filter, which covers 33 indicators across eight categories—provisioning services, supporting services, natural adaptation/regulating services, cultural services, biodiversity pressures, environmental factors, socio-economic factors, and other reputational factors—to map all seven operational sites in Taiwan, and assess the retail department store industry's major dependencies and impacts on ecosystem services.

The analysis identified six major factors for Pacific SOGO: under "Corporate Dependencies" – media scrutiny, tropical cyclones, extreme high temperatures, and landslides; and under "Impact Drivers" – pollution and labor/human rights. These factors inform our action plans and management approaches.

Materiality Analysis of Natural Capital in the Corporate Value Chain	Corporate Dependencies				Impact Drivers	
	Other Reputational Factors	Adaptation/Regulating Services			Biodiversity Pressure	Socio-economic Factors
	8.1	3.6	3.5	3.1	5.4	7.3
	Media Scrutiny	Tropical Cyclones	Extreme High Temperatures	Landslides	Pollution	Labor/Human Rights
Taipei Zhongxiao Store	4	4	2.5	4	3.75	3.5
Taipei Fuxing Store	4	4	2.5	4	3.75	3.5
Taipei Dunhua Store	4	4	2.5	4	3.75	3.5
Tianmu Store	4	4	2.5	4	3.75	3.5
Taoyuan Zhongli Store	4	4	2.5	4	3.75	3.5
Hsinchu Store	4	4	2.5	4	3.75	3.5
Kaohsiung Store	4	4	3.5	3.5	3.75	3.5
WWF (Average)	4	4	2.64	3.93	3.75	3.5
ENCORE	-	3	1.4	3	1.4	-

Dependency Factors	Impact on Far Eastern SOGO	Action Plans
Media Scrutiny	**Enhances public awareness, making it easier to promote sustainable business models.** Exerts social pressure; any negative image may lead to consumer boycotts, affecting revenue.	**Develop a media response strategy to proactively disclose nature-related actions.** Establish a crisis management team for real-time monitoring and response. → Create a cross-store LINE group for real-time updates among department heads.
Tropical Cyclones	**Decrease in foot traffic.** **Shortened business hours or temporary closure.** **Damage to merchandise and buildings.** **Transportation disruptions and supply chain interruptions.**	Conduct climate risk assessment → TCFD assessment completed. Enhance online shopping platforms to simulate physical store experiences. Invest in net-zero and carbon-neutral sites → Hsinchu Store planned for 2028, all stores by 2040.

Dependency Factors	Impact on Far Eastern SOGO	Action Plan
Extreme High Temperatures	• Changes in consumer behavior: Increased demand for cooling, shorter shopping times, and growth in online shopping. • Increased operating costs: Higher energy consumption and increased maintenance expenses.	• Improve air conditioning efficiency. • Promote sustainable products from SOGO Sustain suitable for high temperatures.
Landslides	• Shortened business hours or closures. • Damage to merchandise and buildings. • Supply chain disruptions.	• Assess the actual impact of landslides → Low probability of occurrence. Strengthen supply chain resilience and support local disaster recovery plans.

Impact Driver	Impact on Far Eastern SOGO	Action Plan
Pollution	• Water pollution: May lead to restrictions on water use, affecting daily operations and potentially causing food safety issues. • Air pollution: Leads to poor indoor and outdoor air quality, impacting consumer and employee health, reducing consumption willingness, and affecting revenue.	• Promote green products and review suppliers to ensure compliance with environmental standards → Mandatory SOGO Sustain product selection training for all store employees. • Establish sustainable supply chain partnerships → Expand Carbon Reduction Alliance recruitment.→ Obtain ISO 20400 Sustainable Procurement certification.
Labor/Human Rights	• Frequent extreme weather events: May cause store closures, flooding, and even building damage, directly affecting employee safety and livelihood. • Deterioration of working conditions: High temperatures may cause excessively high indoor temperatures, impacting employee efficiency and health.	• Enhance employee training on labor and sustainability issues. • Conduct due diligence to review supply chain labor conditions. • Promote fair trade and sustainable products.



2.2 Energy Management

2.2.1 Energy Management Policy and Structure

Energy Management Committee

The ESG Committee has established an "Energy Management Committee," chaired by the Executive General Manager, who signs the Energy Policy. The committee drives and coordinates the energy management system, mobilizing the entire company and stakeholders to reduce energy and resource consumption.

Note The full Energy Policy is available on the SOGO ESG website under "Sustainability Commitments and Policies."

Organizational Division	Responsibilities
Chairperson, Climate Change Committee Executive General Manager	Preside over Climate Change Committee meetings and implement management policies
Representative Deputy Executive General Manager	Support climate risk and opportunity management actions
Secretary-General Finance Department Associate Manager	Assist the Committee Representative in promoting related matters and convene Climate Change Committee
Committee Members Department Heads	Manage relevant matters within each department's authority and execute assigned tasks
Finance / Accounting Department	Link climate risks to financial performance
Legal Department	Monitor relevant domestic and international regulations
Sustainability Development Office	Manage internal and external communications
Merchandising / Sales / Promotion Department	Adjust vendor selection and marketing activities
Engineering Department	Replace equipment for climate adaptation and mitigation, and evaluate management measures
Procurement / Human Resources Department	Equipment procurement and organizational training planning

Energy Conservation Policy

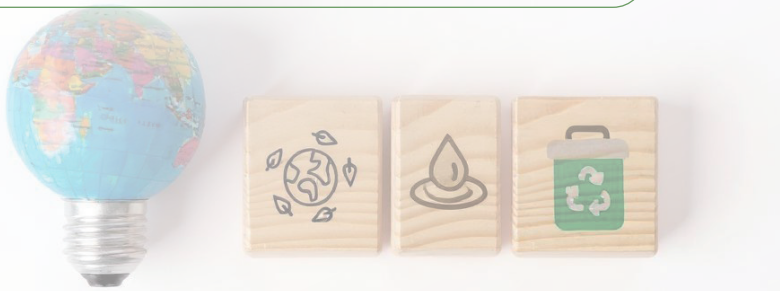
1. Comply with legal and self-imposed requirements to support energy-efficient products.
2. Enhance employee awareness of energy conservation through diverse communication channels.
3. Implement energy conservation and carbon reduction goals, and continuously improve energy performance.
4. Fulfill corporate social responsibility and sustainably operate green department stores.

Targets

Based on 2018 levels, achieve a 50.52% increase in revenue generated per kWh by 2028.

2024 Performance Overview

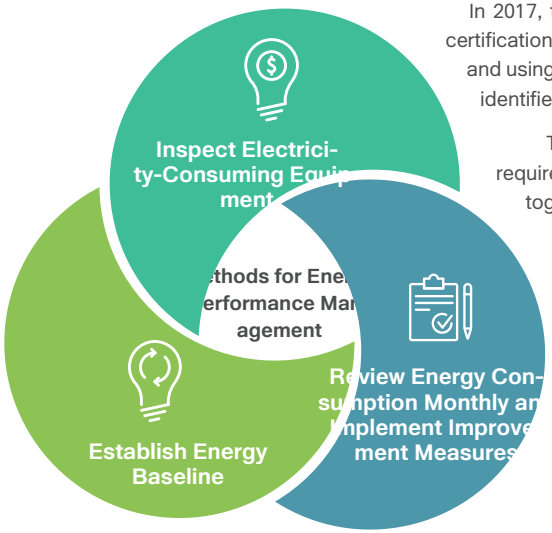
Total electricity consumption: 354,039 GJ, down 1.53% YoY (excluding Far Eastern Garden City at Taipei Dome)
Revenue per kWh: NT$502.41/kWh, up 1.08% YoY, and up 40.81% from 2018
Total water consumption: 1,223.25 million liters, down 0.58% YoY
Water use per m² of floor area: 8.53 liters/m²/day, down 0.58% YoY
Water use per visitor/employee: 24.43 liters/person/day, down 18.08% YoY



2.2.2 Energy-Saving Measures and Performance

GRI 302-1 GRI 302-3 GRI 302-4

Energy Performance Management



In 2017, the Company designated the Taipei Dunhua Store as the pilot location for implementing the ISO 50001 Energy Management System, successfully obtaining certification as the first department store chain in Taiwan to achieve this. All stores have since adopted this management approach, holding monthly engineering meetings and using indicator lights as part of the management mechanism to monitor each store's energy usage. Through measurement and supervision, areas for improvement are identified, while future energy supply risks are managed to enhance energy efficiency, reduce operating costs, and lower greenhouse gas emissions.

To evaluate energy management performance, the Company actively participates in the Far Eastern Group's quarterly "Energy Use Efficiency Competition" and requires department heads to attend Sustainability Committee meetings to stay informed on the latest ESG-related policies and plans, ensuring all departments work together toward sustainability goals.

Recent Electricity Consumption

Electricity consumption across all Far Eastern SOGO locations is primarily from purchased power, supplemented by self-generated solar power at the Tianmu and Hsinchu stores, with no other energy sources used. Energy efficiency is continuously improved through various energy-saving measures. In 2024, customer traffic increased by 21.37% compared with 2023, yet electricity consumption was 98,392,267 kWh (including purchased power and renewable energy), equivalent to 354,039 GJ, representing a 1.53% reduction from the previous year. In terms of electricity intensity (energy use efficiency), Far Eastern SOGO generated NT$502.41 in revenue per kWh, an increase of 1.08% over 2023 and 40.81% higher than the 2018 baseline.

Far Eastern SOGO Energy Consumption Summary Table[1]

Year		2022		2023		2024	
Category		Electricity Consumption (kWh)	Energy Consumption (GJ)	Electricity Consumption (kWh)	Energy Consumption (GJ)	Electricity Consumption (kWh)	Energy Consumption (GJ)
Electricity Consumption	Renewable Energy[2]	58,668	211.10	372,522	1340.42	531,202	1,911.39
	Non-Renewable Energy	100,421,098	361,339.21	99,547,496	358,195.78	97,861,065	352,127.60
	Total	100,479,766	361,550.31	99,920,018	359,536.21	98,392,267	354,038.99
Share of Renewable Energy Usage (%)[3]		0.058%		0.373%		0.54%	
Annual Revenue (NT$ '000)		45,013,913		49,661,966		49,433,078	
Energy Intensity (GJ per Million NT$)[5]		8.03		7.24		7.16	
Revenue Generated per kWh (NT$/kWh)		447.99		497.02		502.41	
Year-on-Year Growth in Revenue per kWh (%)[6]		6.97%		10.94%		1.08%	
Growth in Revenue per kWh Compared with 2018 Baseline (%)[7]		25.55%		39.29%		40.81%	

Note

1.The electricity consumption statistics are based on the building electricity usage of the seven operating locations across Taiwan.
2.Renewable energy includes self-generated solar power from the Tianmu Store and Hsinchu Store.
3.Renewable energy ratio (%) = Renewable energy consumption (GJ) / Total electricity consumption (GJ) × 100%.
4.GJ = kWh × 860 × 4.184 / 1,000,000.
5.The Company's primary energy consumption is electricity. Energy intensity = Internal electricity consumption / Annual revenue.
6. Revenue growth per kWh = (Revenue generated per kWh this year- Revenue generated per kWh last year) / Revenue generated per kWh last year × 100%.
7. In 2018, revenue generated per kWh was NT$356.81.

Energy Conservation Measures

Far Eastern SOGO implements environmental protection practices in daily operations, strictly controlling air conditioning, lighting, and elevator equipment. The company promotes energy-saving measures to improve energy efficiency.

ALC Environmental Automatic Control System
Each store uses the U.S.-made ALC Environmental Automatic Control System (Automated Logic Corporation) to manage lighting, outlet power, and air conditioning on/off operations, as well as monitor sales floor temperature and chiller efficiency.

Introduction of AI Control Platform
Using the Tianmu Store as a pilot, in 2024 the company introduced a cloud-based energy management and central air-conditioning AI control platform for more precise electricity management.

Air Conditioning System Settings
Replace chillers when necessary to reduce energy consumption.
Comply with Bureau of Energy standards of 23° C during dining hours and 26° C during non-dining hours. Pre-cool 20–30 minutes before opening, and turn off 20–30 minutes before closing. Review operating procedures monthly to maximize efficiency.

Fresh Air Exchange
Use fresh air exchange when appropriate to reduce chiller load, saving energy and improving air quality in the store.

High-Efficiency Lighting Fixtures
Replace lighting with high-efficiency LED fixtures to reduce energy loss, saving NT$3.42 million annually in electricity costs.



Elevator Power Regeneration System
To reduce the heat generated from elevator power consumption, the elevators at the Fuxing Store use a "power regeneration system" that recovers electricity while operating.

Elevator Zoning Stops
Both passenger and staff elevators operate with zoning stops, shutting down some elevators during off-peak hours. For lower floors or short distances, staff and customers are encouraged to use stairs.

Air Curtains / Windbreak Doors
Install air curtains or windbreak doors at entrances to reduce hot air infiltration, preventing indoor temperature rise or air conditioning loss.

Sunshades
Install sunshades on glass curtain walls to reduce direct sunlight, maintaining store temperature.

Planting Green Lawns
Large green lawns are planted on the Tianmu Store rooftop to reduce heat from sunlight exposure.

Management Measures

Air Conditioning Energy Saving
Replace old chillers.
Adjust chilled water outlet temperature dynamically.
Continuously replace cooling tower fins to improve heat exchange efficiency.
Regularly clean air handler unit fins to improve performance.
Introduce AI to enhance energy management efficiency.

Lighting Energy Saving
Continue replacing with new energy-saving lighting fixtures.

2024 Performance Overview Note

In 2024, NT$61.06 million was invested, with a cumulative total of NT$262 million invested over the years to optimize and replace equipment.
From 2018 to 2024, approximately 112 million kWh of electricity was saved cumulatively.
From 2018 to 2024, cumulative electricity cost savings amounted to about NT$208 million.
In 2024, a total of 5,497.22 GJ of energy savings was achieved compared with 2023.

Note The calculation formula for effectiveness is below:
"Equipment power rating (kW) × quantity × operating hours × equipment load factor or utilization rate (%) × recognized monthly proportion (%) = energy usage (kWh)" to calculate the energy usage. Then, "Total energy usage before improvement (kWh) - total energy usage after improvement (kWh) = total energy saved (kWh)."

Renewable Energy Management

Far Eastern SOGO is committed to becoming Asia's first green department store, actively supporting government renewable energy policies. Through diversified strategies to expand power generation capacity, the company has increased the share of renewable energy in pursuit of net zero targets. Solar photovoltaic systems were installed at the Tianmu Store in 2015 and on the rooftop of the Hsinchu Store in 2020, with Phase II solar panels at Hsinchu commencing operation in August 2023. In 2024, renewable energy accounted for 0.54% of total usage, equivalent to a carbon reduction of 262.41 metric tons.

On July 1, 2024, the Fuxing Store introduced the "Green Power 2.0 for Multiple Users under a Single Meter" program to supply renewable energy to the Chanel boutique, supporting its RE100 target. By the end of 2024, a total of 63,395 kWh had been supplied.

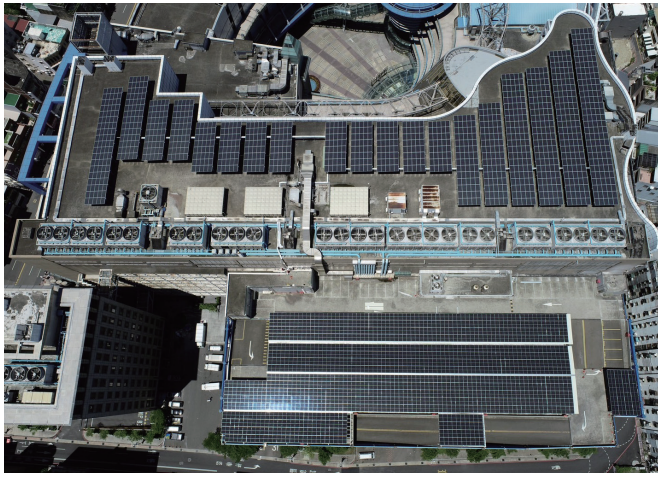
Hsinchu Store Solar Power

Year	2022		2023		2024	
Unit	kWh	GJ	kWh	GJ	kWh	GJ
Total Generation	495,645	1,783.45	837,136	3,012.25	974,524	3,506.57
Self-Consumption	56,560	203.52	362,201	1,303.29	521,768	1,877.45

Tianmu Store Solar Power

Year	2022		2023		2024	
Unit	kWh	GJ	kWh	GJ	kWh	GJ
Total Generation	9,583	34.48	10,331	37.17	9,434	33.95
Self-Consumption	9,583	34.48	10,331	37.17	9,434	33.95

Note
1. GJ = kWh × 860 × 4.184 / 1,000,000.
2. Hsinchu Store data for 2022 and 2023 were restated.



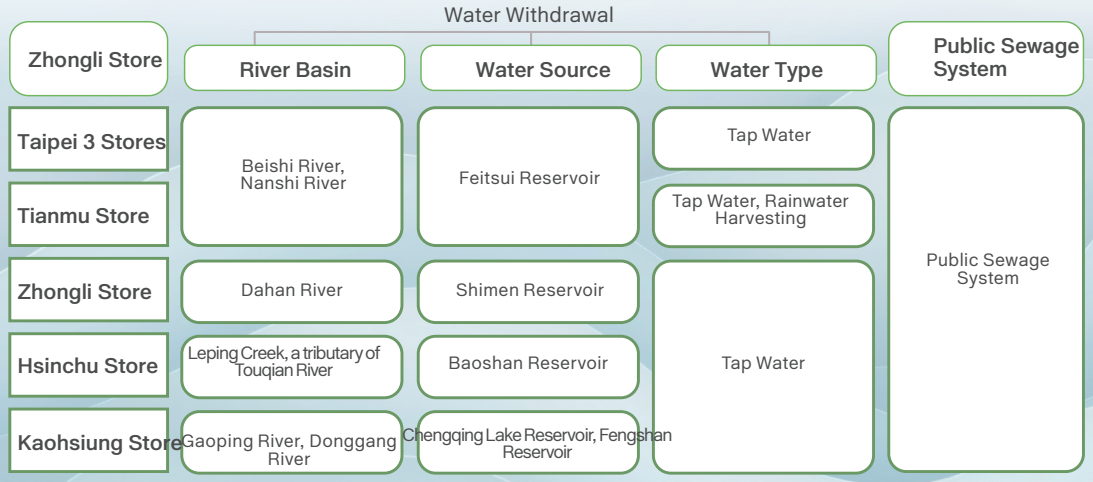
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2.3 Water Resource Management

2.3.1 Water Resource Management Policy

All seven Far Eastern SOGO locations are situated in urban areas, with tap water as the primary source, mainly for domestic use. In response to potential water shortages caused by climate change, Far Eastern SOGO promotes water-saving awareness, reduction, and recycling measures, reviews water usage monthly, and implements water-saving technologies to improve equipment efficiency. In 2024, total water consumption across all locations was 1,223,251 cubic meters, representing a 0.58% reduction.

Water Intake and Discharge Pathways



Water Resource Management Summary Table[1]

		YEAR	2022	2023	2024
Water Source 1: Water from Third Parties[2]	Municipal Water Supply (million liters)		1,146.24	1,229.96	1,222.279
Water Source 2: Surface Water	Recycled Water (million liters)		0.21	0.41	0.97
Total Water Withdrawal (million liters)[3]			1,146.46	1,230.36	1,223.25
Total Water Discharge (million liters)			1,146.46	1230.36	1,223.25
Total Water Consumption (million liters)			0	0	0
Annual Revenue (thousand NTD)[4]			45,013,913	49,661,966	49,433,078
Water Intensity per Revenue (L/thousand NTD)[5]			25.47	24.77	24.75
Water Intensity per Floor Area (daily: L/m²)[6]			7.99	8.58	8.53
Water Intensity per Visitor and Employee (daily: L/person)[7]			45.31	29.82	24.43

Note
1. The statistical boundary covers buildings at all seven operating locations.
2. Water sources include third-party water (tap water) and surface water (recycled water), with discharges directed to the public sewage system.
3. Total water withdrawal (ML) = Water Source 1 + Water Source 2.
4. Unit water use per revenue (L/NT$1,000) = Total water consumption / Annual revenue.
5. Unit water use per floor area (daily L/m²) = Total water consumption / (floor area × 365).
6. Data for 2022 and 2023 have been restated.

2.3.2 Management Measures and Results

Although Pacific SOGO is not an industry with high water consumption, the Company monitors and implements water-saving practices across all operations. Each month, water usage at all stores is reviewed in company-wide operations meetings, comparing actual consumption and expenses with budget forecasts and with the same period in the previous year. Variances are analyzed across four indicators, with results displayed in green, gray, yellow, and red status lights for clear visibility. By integrating water-saving technologies, upgrading water-use equipment, and implementing various initiatives—such as installing rainwater harvesting systems at the Tianmu and Xintian stores for cleaning, irrigation, or public building use—the company actively promotes conservation.

Water-Saving Measures and Implementation Methods



Replacement of Water-Saving Equipment

- **Water-Saving Sanitary Facilities**
  All stores are equipped with water-saving faucets and toilets.
- **Rainwater Harvesting System**
  The Tianmu Store is equipped with a rainwater harvesting system for restroom cleaning and landscape irrigation. The expansion is under evaluation for the Fuxing Store. All sanitary facilities are fitted with water-saving devices.

Water Use Management SOP

- **Standardized Management (Daily)**
  Designated personnel conduct routine inspections; all stores perform scheduled leak detection with a 100% compliance rate.
- **Integration of Digital Tools (Daily)**
  Electronic monitoring of main meters with log recording.
- **Water Usage Review (Monthly)**
  Performance review of water use is conducted in engineering meetings, focusing on water-saving measures or replacement of devices for public water consumption. Stores or counters with higher or increasing water consumption are counseled, and a water-saving incentive mechanism will be considered in the future.
- **Regular Awareness Promotion (Monthly)**
  Water conservation awareness is promoted via the internal website and meetings.

Air Conditioning Equipment Improvements

- **Optimization of Equipment and Settings**
  Improve discharge frequency and reduce water evaporation.

Promotion of Water-Saving Awareness

- **Customer Communication**
  Post signage at washbasins and promote advocacy messages through social media.
- **Dedicated Product Section**
  Eco-labeled products are highlighted with the SOGO Sustain mark to encourage the purchase of water-efficient appliances.



2.4 Circular Economy and Waste Management

2.4.1 Waste Management Policy GRI 306-1 GRI 306-2

The Company promotes waste reduction at the source and implements various recycling incentives to encourage consumers to practice circular reuse, thereby reducing resource consumption and minimizing environmental pollution. The final disposal of mall waste is categorized into “general waste, kitchen waste, waste oil, wastewater, and oily fumes” in accordance with environmental regulations, all of which are classified as general industrial waste without hazardous characteristics. All locations entrust licensed professional waste management contractors, registered and approved by environmental authorities, to collect and transport the waste to public incineration facilities, with no on-site disposal.

Management Measures		2024 Performance Overview
Source Reduction	Avoid providing disposable and melamine tableware for dine-in or take-out services. Assist food and beverage counters in joining the “Green Restaurant” program. Encourage customers to use reusable shopping bags, awarding points for bringing their own bags to the supermarket. Promote reduced packaging for fresh produce and egg cartons in self-operated supermarkets.	27,629 customer visits in the supermarket bring-your-own-bag points program. Reduced fresh produce and egg carton packaging by 0.9 metric tons. Green restaurants accounted for 89.7% of all outlets nationwide (increased to 98.3% by February 2025).
Recycling and Reuse	Launch the “Beauty Loves the Earth” cosmetic bottle recycling campaign. Award points to encourage battery recycling at the Tianmu and Hsinchu stores.	Recycled 178,000 empty bottles, awarding 535,000 points. Recycled 53,000 batteries, awarding 27,000 points.
End-of-Pipe Disposal	Phase in food waste processors at each store and record reduction results. Leave other general waste to qualified third-party organizations.	Processed 9,103 metric tons of food waste nationwide, an annual reduction of 8.67%. The three Taipei stores (excluding Dunhua Store) have installed food waste processors, achieving a 13.3% annual reduction in food waste weight. In collaboration with the Hsinchu City Government, the Hsinchu Store installed a “Circular Ark” station, used by 13,191 people over six months, recovering 3,251 kilograms of resources.

Waste Disposal Procedures

Far Eastern SOGO has established dedicated disposal processes for different categories of waste. General waste, food waste, and waste oil require external transport for further processing. Each store engages qualified professional contractors according to operational needs for proper handling.

Waste Category	Centralized/ Decentralized Handling	Classification Method	Processing Method
General Waste	Centralized sorting	General waste	Transport by qualified contractors for incineration
		Resource recycling: paper, aluminum cans, steel cans, PET bottles	Recycling and reuse by qualified contractors
Food Waste	Centralized processing	-	Processing by qualified contractors for composting, fertilizer, or pig feed
Waste Oil	Centralized storage	-	Transport by qualified contractors to designated collection barrels for waste oil → record in dedicated logbook and retain collection receipts → report via Environmental Protection Administration online system
Wastewater	Centralized treatment	Food-service-specific wastewater	Primary grease-trap equipment → end-of-line grease tank → discharge to domestic sewage system
		Direct discharge	Primary grease-trap equipment → end-of-line grease tank → wastewater treatment → add oil-removal and deodorizing agents → discharge legally after meeting regulatory standards
Exhaust Fumes (Cooking Fumes)	Decentralized collection → centralized discharge	-	Electrostatic fume purification equipment → centralized exhaust ducts → rooftop water-wash fume treatment equipment → discharge to atmosphere

2.4.2 Waste Generation Structure

GRI 306-3 GRI 306-34

In 2024, Pacific SOGO Department Stores generated a total of 9,103 metric tons of waste across all locations in Taiwan, including 460 metric tons of recycled waste, 7,288 metric tons of incinerated waste, and 1,355 metric tons of food waste.The structure of waste generation in the department store retail industry is highly correlated with fluctuations in customer traffic. Compared to 2023, customer visits increased by 21.37% in 2024, while total waste generation decreased by 8.67%, and non-hazardous waste generation per revenue unit fell by 8.25%.

The Company implements waste reduction through two primary approaches: reducing food waste and increasing the recycling rate. Since 2022, the Tianmu, Zhongxiao, and Fuxing Stores have gradually installed food waste processors to extract grease and moisture, crush the material to reduce weight, and enhance its value for recycling. As a result, the contracted volume of food waste collection at these three stores has dropped significantly from 110 metric tons to 70.5 metric tons, a reduction of 36%.

Increasing the recycling rate not only helps reduce waste and lower processing costs but also extends the lifespan of landfills and incinerators. In 2024, Pacific SOGO's recycling rate reached 5.94%, higher than 5.81% in 2023.

Summary of Waste Generation Structure

Unit: metric tons

Category	Treatment Method	2022	2023	2024
Recycling & Reuse	Off-site treatment	363.2	447.5	460
Incineration	Off-site treatment	6,675.5	7,254.4	7,288
Food Waste	Off-site treatment	2,171.2	2,264.9	1,355
Total		9,209.9	9,966.8	9,103
kg / NT$ million revenue		204.60	200.69	184.15
Year-on-year Change in Non-hazardous Waste Generation per Unit(%)		+3.84%	-1.91%	-8.24%

Note
1. Recyclable waste: Handled by qualified third-party recycling vendors. The Hsinchu Store is excluded from the statistics as waste is managed centrally by Big City Far Eastern Shopping Mall.
2. Incinerated waste: Managed by qualified third-party organizations in accordance with EPA industrial waste regulations. The Hsinchu Store is excluded from the statistics as waste is managed centrally by Big City Far Eastern Shopping Mall.
3. Food waste: Collection and recycling methods vary by municipality without a unified approach. Among the seven Far Eastern SOGO stores, only Zhongxiao, Fuxing, Dunhua, and Tianmu are required to report under Taipei City's Environmental Protection Bureau regulations. The other three stores (Zhongli, Hsinchu, Kaohsiung) maintain internal records. This table presents only Zhongxiao, Fuxing, Dunhua, and Tianmu.

2.5 Green Department Stores

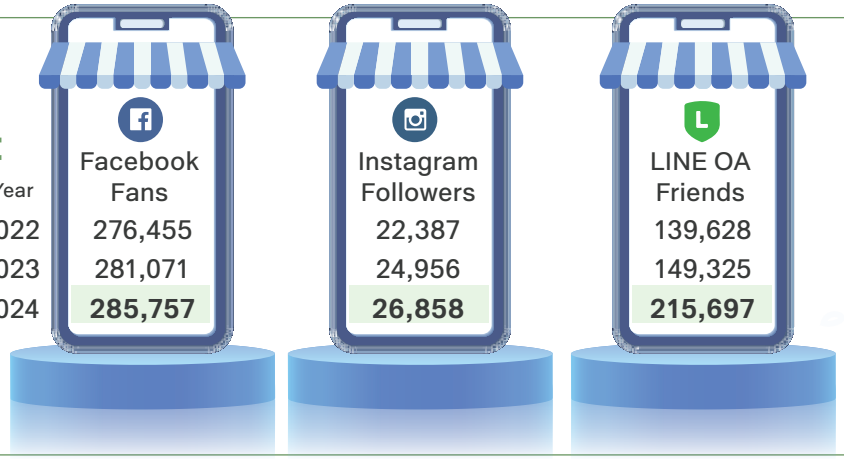
Since obtaining the first "Carbon Label" in the department store retail industry in 2015, the Company has continued to foster a green operational culture. Through "Green Marketing" and "Green Action," we work hand-in-hand with stakeholders towards net-zero goals, prioritizing "Climate Change Mitigation and Adaptation" and "Energy and Resource Management" as key environmental sustainability issues.

2.5.1 Green Marketing

Online Community Engagement

The Company actively promotes digitalization and fully develops its online community to provide real-time information. Across all locations in Taiwan, in-store promotional displays are gradually being converted to digital formats, reducing paper and material usage, minimizing environmental impact, and improving communication efficiency.

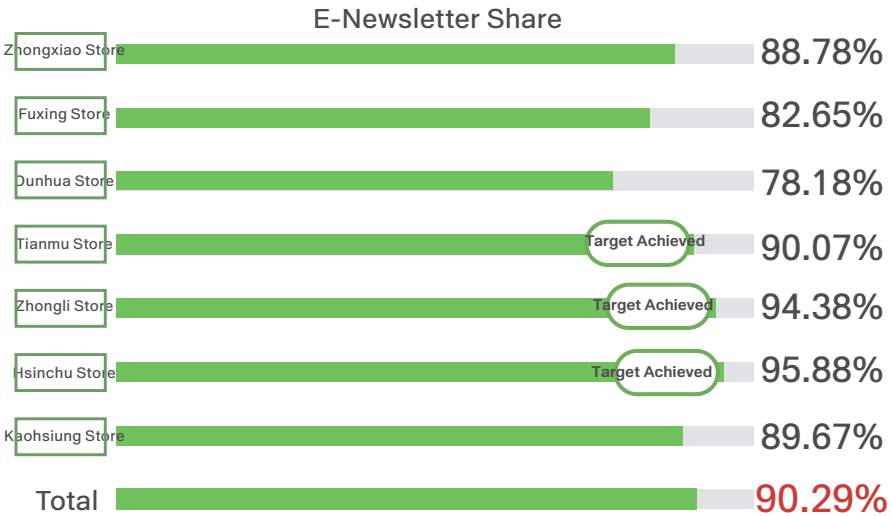
Note Taipei Stores – Zhongxiao, Fuxing, Dunhua



Digital Integrated Services

The mobile app serves as a key channel for consumers to access promotional campaigns and participate in prize draws, playing a critical role in green marketing. In 2024, a total of 45 million e-newsletters were distributed nationwide, with the share of direct mail (DM) in electronic format surpassing 90% for the first time. All stores increased their e-newsletter share, saving paper equivalent to preserving 65,000 trees.

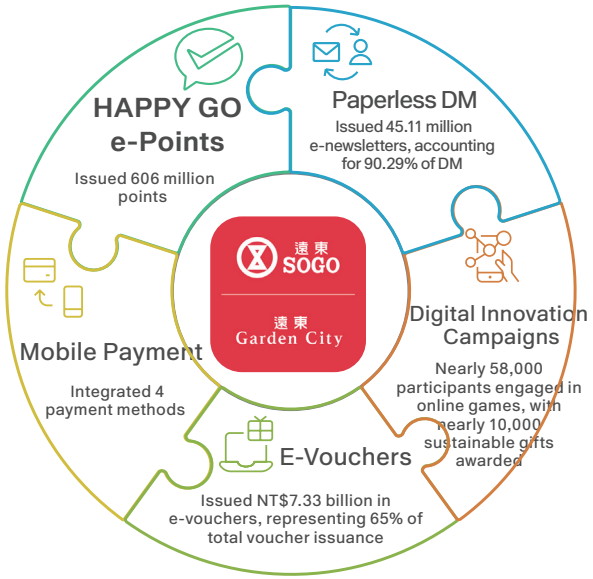
Note A single DM is calculated as 12 sheets of A4 paper; one box of A4 paper (5,000 sheets) weighs approximately 25 kg, requiring about 0.6 trees.
Source: Environmental Quality Protection Foundation, Construction and Planning Agency, Ministry of the Interior, R.O.C.





The app integrates 10 functions, including online DM, online shopping, point accumulation, point redemption for shopping credits, mobile payment, in-store gifts, prize draws, restaurant reservations, food delivery, and parking services. This reduces paper printing and labor costs, aligns with mobile sustainability principles, and saves over 75% of transaction time.

2024 Highlights of APP Digital Integrated Services



Digital Sustainability Innovation Initiatives

To enhance customer engagement, the SOGO Sustain campaign is held twice annually, featuring in-app mini-games where customers who check in for five consecutive days can redeem sustainable gifts. These games encourage customers to engage with and practice sustainability in their daily lives. In April 2024, the campaign “Beach Cleanup Fun” offered salt from the Zhounan Salt Fields as a prize; in October, “Step into a Green Life” awarded eco-friendly socks made from recycled PET bottles by social enterprise brand Merry Young created by the Maria Social Welfare Foundation.

Performance Highlights

Nationwide participation reached 57,757, with 5,446 packs of salt and 4,240 pairs of eco-friendly socks distributed.



Far Eastern SOGO offers HAPPY GO e-points as a gift option, reducing carbon emissions generated from the packaging and transportation of physical gifts, while encouraging customers to opt for e-points instead of physical items.In 2024, performance remained steady, with 606 million points issued, representing a slight decrease of 1.3% compared with 2023.

Far Eastern SOGO Replaces Physical Gifts with HAPPY GO E-Points

HAPPY GO E-Points Issued
2022 5.60 million

HAPPY GO E-Points Issued
2023 6.14 million

HAPPY GO E-Points Issued
2024 6.06 million



Note
1. One point is earned for every NT$100 spent in a single transaction; 35 points can be redeemed for a NT$10 discount.
2. Points are adjusted annually for returns; therefore, 2022–2023 data have been recalculated.

Far Eastern SOGO is the first department store in Taiwan to issue electronic gift certificates, continuously promoting digitalization of vouchers and integrating them into its mobile app.Since 2023, over 90% of discount vouchers have been issued electronically. In 2024, promotional activities distributing electronic discount vouchers increased by 30%, with their total value growing by 125%. Alongside growth in instant-use vouchers and electronic gift certificates, total e-voucher issuance reached NT$7.33 billion, an annual increase of 100%, accounting for more than 65% of total vouchers issued.Over ten years, paper savings have reached a height equivalent to 17.64 Yushan Mountains.The remaining 35% of vouchers, issued to meet corporate gift demands, have been printed entirely on FSC-certified sustainable paper since October 2023, making Far Easten SOGO the first department store in Taiwan to do so.

Note Note: The e-voucher amount is converted into the equivalent number of traditional gift booklets, with each booklet containing seven NT$500 vouchers and measuring 0.2 cm in thickness. The height of Yushan is 3,952 meters per peak.



Three Major Types of E-Vouchers

Category	Instant Redemption Voucher	E-Gift Voucher	E-Coupon
escription	Pioneering in the department store industry, launched jointly with iErect Smart to offer e-gift vouchers. Customers can present a QR code or SMS e-code to purchase products.	Issued by the Company, available for employees and for sale through our reward system as well as the PAY EASY and iSharing-Gift websites.	Distributed during promotiona campaigns such as “Spend NT$1,000 get NT$100 off.” Customers presen their APP membership QR code with purchase details for redemption anc use.

Annual E-Voucher Issuance Value

Category / Year	2022	2023	2024
nstant Redemption Voucher	540,988,000	487,210,000	519,190,000
E-Gift Voucher	331,850,000	331,014,980	377,780,000
E-Coupon	1,343,143,765	2,852,167,575	6,433,264,170
otal	2,215,981,765	3,682,182,555	7,330,234,170

Note 2023 instant voucher amounts have been recalculated.

2.5.2 Green Action

Far Eastern SOGO integrates marketing creativity with channel advantages, incorporating concepts such as sustainable consumption and low-carbon living into its organizational operations and service processes. This is achieved through five key frameworks—Sustainable Sourcing, Sustainable Dining, Sustainable Selection, Sustainable Actions, and Zero-Waste Sustainability—to design a sustainable consumer journey.

- Green procurement
- Social enterprise procurement
- Lease instead of purchase

- Local sourcing
- Sustainable paper use
- Procurement of eco-friendly uniforms and green gifts

Became a founding member of the Ministry of Environment's "Sustainable Fashion Alliance" to promote textile recycling
Encourage use of reusable shopping bags
Reduce plastic in supermarket and delivery packaging
Promote recycling
Introduce food waste processors

- Local farmer markets
- Eco-friendly restaurants
- Home cooking competitions



- Cloud-based e-invoices
- Sustainability-themed gifts
- Environmental education
- Volunteer beach clean-ups
- Green offices
- Green transportation
- Air quality monitoring

Far EastenSOGO Sustain sustainable vendors
Far EastenSOGOplus green e-commerce platform
Earth Day advocacy actions
Sustainable fashion
Social innovation exhibitions

Sustainable Sourcing

1. Procurement Impact

Pacific SOGO promotes green department store operations from the inside out. In addition to sourcing 100% of general affairs items locally, the Company applies the three principles of Green Procurement, Social Enterprise Procurement, and Leasing Instead of Buying across marketing, events, general affairs, and energy categories to progressively increase the proportion of sustainable procurement. Examples include replacing lighting with LED fixtures, adopting energy-saving certified equipment, and using FSC-certified paper to reduce resource consumption. In 2024, green procurement amounted to nearly NT$70 million, representing 7.31% of general affairs procurement. Gifts and cross-sector collaborations prioritize products and services from social innovation organizations, earning recognition from the Ministry of Economic Affairs' Buying Power Award. Hardware such as copiers, cash deposit machines, and official vehicles are leased. Overall sustainable procurement reached NT$87.88 million in 2024, a 59% year-on-year increase.

Year		2022	2023	2024
Green Procurement	NT$	33,379,934	34,949,455	69,492,457
	%	4.83 %	4.99 %	7.31%
Social Enterprise Procurement	NT$	2,387,461	10,069,467	7,957,771
Leasing Instead of Buying	NT$	7,014,708	7,972,425	4,576,180
Local Procurement	%	100%	100%	100%
Awards		Taipei City Government Green Procurement Recognition Buying Power Social Innovation Products & Services Procurement Incentive Program – Merit Award & Special Award	Taipei City Government Green Procurement Recognition Buying Power Social Innovation Products & Services Procurement Incentive Program – Second Prize	Taipei City Government Green Procurement Recognition (awarded consecutively since 2017) Buying Power Social Innovation Products & Services Procurement Incentive Program Second Prize & Diverse Participation Award
Sustainable Sourcing Items		1. Packaging paper bags (FSC) 2. Copy paper (FSC) 3. Sanitary products (FSC) 4. Computer hosts (Green Mark certified) 5. Photocopiers, cash deposit machines, official vehicles (leased) 6.Eco-friendly material gifts (social enterprise procurement) 7.Training programs (social enterprise procurement) 8.Uniforms made from eco-friendly materials (others)	1. Packaging paper bags (FSC) 2. Copy paper (FSC) 3. Sanitary products (FSC) 4. Physical gift certificates (FSC) 5. Computer hosts (Green Mark certified) 6. Photocopiers, cash deposit machines, official vehicles (leased) 7.Eco-friendly material gifts (social enterprise procurement) 8.Training programs (social enterprise procurement) 9.Uniforms made from eco-friendly materials (others)	1. Packaging paper bags (FSC) 2. Copy paper (FSC) 3. Sanitary products (FSC) 4. Physical gift certificates (FSC) 5. Computer hosts (Green Mark certified) 6.Official vehicles, cash deposit machines, plants, AED equipment (leased) Note: Photocopiers now classified under green procurement 7.Eco-friendly material gifts (social enterprise procurement) 8.Training programs (social enterprise procurement) 9. Uniforms made from eco-friendly materials (others)

Note
1. The amount of green procurement is based on data registered with the Taipei City Environmental Protection Bureau. Green procurement ratio (%) = Amount of green procurement (NT$) / Total general procurement amount (NT$). The total general procurement amount is calculated by summing up the annual report exported by the Procurement Department on December 20 of each year.
2. The amount of social innovation procurement refers to purchases from organizations registered with the Small and Medium Enterprise Administration, Ministry of Economic Affairs, as social innovation enterprises.
3. Local procurement is defined as procurement from suppliers whose company registration is in Taiwan.
4. Data for 2022–2023 has been restated and revised to exclude tax.

2. Sustainable Paper Usage

"Paper" is among the most frequently used products encountered by department store customers. Across all Pacific SOGO stores, priority is given to procuring products certified with environmental labels to protect the planet together with customers.

While Pacific SOGO has successfully promoted the use of e-vouchers, recognizing the continued demand for physical vouchers, the Company has taken proactive steps to foster a positive consumption and business cycle, also encouraging peer participation. Since October 2023, all paper gift certificates have been produced using FSC-certified paper. In 2024, printed vouchers reached a total value of NT$3.9 billion, accounting for 35% of all vouchers issued, with the remaining 65% converted to e-vouchers.

Shopping bags	All made with FSC (Forest Stewardship Council) certified paper.
Tissue paper	
Paper gift certificates	
Promotional direct mail (DM)	Reduced physical DM through digital marketing; where printing is necessary, all DM use soy-based eco-friendly ink, which is more sustainable than conventional inks and facilitates paper recycling and regeneration.
Restroom hand towels	Made from recycled eco-friendly pulp to enable paper material circularity.



3. Eco-friendly Uniforms and Sustainable Corporate Gifts

All Pacific SOGO uniforms are tested in accordance with the EU OEKO-TEX® Standard 100 textile certification, ensuring fabrics are free from substances harmful to human health. In 2024–2025, the women's staff uniform was redesigned using 100% eco-friendly yarn, with each set made from approximately 60 recycled PET bottles. Winter uniforms, made from 100% polyester, are fully recyclable. In line with the principles of a circular economy, all uniforms are collected by headquarters and repurposed into food court trays for the Taipei Dome, making it the first department store in Taiwan to produce eco-friendly trays from recycled clothing.

In addition, the Company has established a sustainable gift procurement policy (see Section 1.5.1: Supplier Guidelines) and actively promotes green consumption. Seasonal corporate gifts prioritize reusable items such as eco-friendly cups and food storage containers. In 2024, suppliers were further required to prioritize proposals featuring products with environmental labels or made from recycled materials. The annual procurement value of eco-friendly gifts reached 7.23% of total corporate gifts, surpassing the target of 5%.



Sustainable Dining

Pacific SOGO connects channels, brands, social enterprises, local farmers, and customers, leveraging its market influence through seven consecutive years of hosting Taiwan's largest department store farmers' market. The initiative promotes premium local agricultural products, advances sustainable food and agriculture education, reduces the carbon footprint from food miles, and encourages in-store restaurants to obtain the Ministry of Environment's Green Restaurant certification.

1.Taiwan' s Leading Department Store Farmers' Market: Showcasing Sustainable Value Through Event Design

Committed to reducing food miles, the Company actively promotes "Drink Local, Eat Sustainably." Beyond providing a retail platform, it incorporates origin stories through workshops and courses to convey agricultural education and local culture. Since 2018, Pacific SOGO's Zhongxiao Store has collaborated annually with the social enterprise Good Times, Good Things to organize a farmers' market, promoting seasonal, low-carbon local cuisine through cultural and creative marketing, earning the title of "Taiwan's Largest Department Store Farmers' Market." Starting in 2024, the Island East Flavor Exploration series took over, with two events attracting over 14,000 attendees, accumulating 110,000 transactions to date, and increasing the average spending per transaction from NT$361 to NT$628, thereby delivering economic benefits to support agricultural development.

In addition to cultivating a growing base of sustainable consumers, the Company applies sustainable event principles to its venue design, communicating sustainable values through details—such as replacing plastic boards with corrugated cardboard, which is later repurposed as delivery boxes for farmers, reducing single-use waste; and eliminating disposable tableware by encouraging customers to bring their own or use on-site rental options for reusable dining ware.

Building on the Zhongxiao Store's experience, each store tailors farmers' markets to local characteristics. In 2024, Pacific SOGO invested over NT$20 million in 13 such events, attracting 55,000 visitors. These markets help local farmers bridge the "last mile" from farm to shelf. Through direct interaction with producers, customers evolve from casual buyers of eco-friendly products to long-term supporters and advocates, with cumulative participation reaching 1.73 million visits.

From "Farm to Shelf" — Far Eastern SOGO Farmers' Markets Promote Local Produce



2024 Achievements

Pacific SOGO's farmers' markets bridged the "last mile" from farm to shelf, building a sustainable ecosystem that won multiple awards, including:

FAPRA Asia-Pacific Retailers Association – Outstanding CSR Award

AREA Asia Responsible Enterprise Awards – Social Empowerment

CommonWealth ESG Social Innovation Role Model Award

ASSET Social Innovation Award

TCSA Social Inclusion Leadership Award

TSAA SDG12 Gold Award





2. New Diningware Era 5.0: Co-promoting Eco-Friendly Restaurants with In-store Dining Vendors

In support of the Ministry of Environment's Net Zero Green Living initiative, the Company guides in-store dining vendors to obtain Eco-Friendly Restaurant certification. This sustainable transformation extends from vendor operations to employee cafeterias, focusing on three key actions: reducing waste at the source, sourcing local ingredients, and promoting food conservation to customers. By the end of 2024, 105 establishments had been certified (representing 89.7%), with new vendors to be certified in early 2025. Combined, 98.3% of all restaurants in Pacific SOGO and Far Eastern Garden City are certified as Eco-Friendly Restaurants.



Milestones in the New Diningware Era

1.0 — 2017.04



Ceased use of melamine tableware across all eight stores, marking the start of the

2.0 — 2018



Promoted "Zero Trace Dining," advocating plastic reduction and a sustainable, low-impact

3.0 — 2019.05



Took the lead ahead of EPA policy by completely banning plastic straws.

4.0 — 2019.09



Became the first department store retailer in Taiwan to proactively discontinue the free provision of

5.0 — 2020-2024



Required all in-store restaurants to obtain Eco-Friendly Restaurant certification.

Sustainable Product Selection

1. SOGOplus – Taiwan's First ESG-Themed Online Concept Store

In 2023, the Company launched SOGOplus, Taiwan's first ESG-focused online retail platform by a department store, extending its sustainable product selection principles to e-commerce. Centered on ESG values, SOGOplus supports local Taiwanese brands, B Corporations, youth and women entrepreneurs, and social welfare initiatives, building a value-driven online marketplace. In 2024, approximately NT$40,000 was invested in a Mid-Autumn Festival charity sale, raising 468 boxes of mooncakes from the Happy Bakery social enterprise for donation to children in rural areas—delivering over NT$220,000 in social value, a 5.5x impact.

SOGOplus

Sold 1,337 SOGO Sustain products (+120% YoY) with sales reaching NT$2.15 million (+54% YoY), accounting for 9% of total platform revenue.

77% of products were shipped in original cartons to reduce packaging waste, and 5% of orders were collected in-store to eliminate delivery packaging. All other delivery packaging complied with the Ministry of Environment's e-commerce packaging reduction regulations.

SOGOplus website: https://www.sogo.com.tw/

2.SOGO Sustain – Choose Well, Choose Green

In November 2021, Pacific SOGO launched the "SOGO Sustain – Choose Well, Choose Green" product labeling system. Published twice annually, the system curates sustainable products that meet environmental protection standards and address social challenges, enabling customers to make greener choices with every purchase.

In 2024, SOGO Sustain featured themes of Sustainable Fashion and Net Zero Green Living, recommending 604 sustainable products nationwide and reaching 1.99 million customer interactions. Products were labeled with the SOGO Sustain mark for easy identification, alongside strengthened promotion of certified eco-labeled items. In 2024, a total of 33,683 products with energy-saving, water-saving, or green certifications were sold.

Choose Well, Choose Green

SOGO Sustain

7 Selection Criteria

SOGO Sustain

By rigorously selecting sustainable products through seven key indicators, we ensure that every purchase contributes to a more eco-friendly planet.

- **Green Diet**: Reducing carbon footprint through plant-based and seasonal local foods.
- **Eco-Friendly Packaging**: Products offering refills, reusable, or recyclable packaging.
- **Sustainability Certification**: Items certified with eco-labels for energy and water efficiency.
- **Sustainable Materials**: Made from recycled or eco-friendly materials to promote circularity.
- **Safe Ingredients**: Environmentally safe and biodiversity-friendly formulations.
- **Innovative Technology**: Applying new technologies to conserve resources.
- **Biodiversity**: Sourcing toxin-free ingredients that protect ecosystems.

SOGO Sustain 2024 Campaign Outcomes

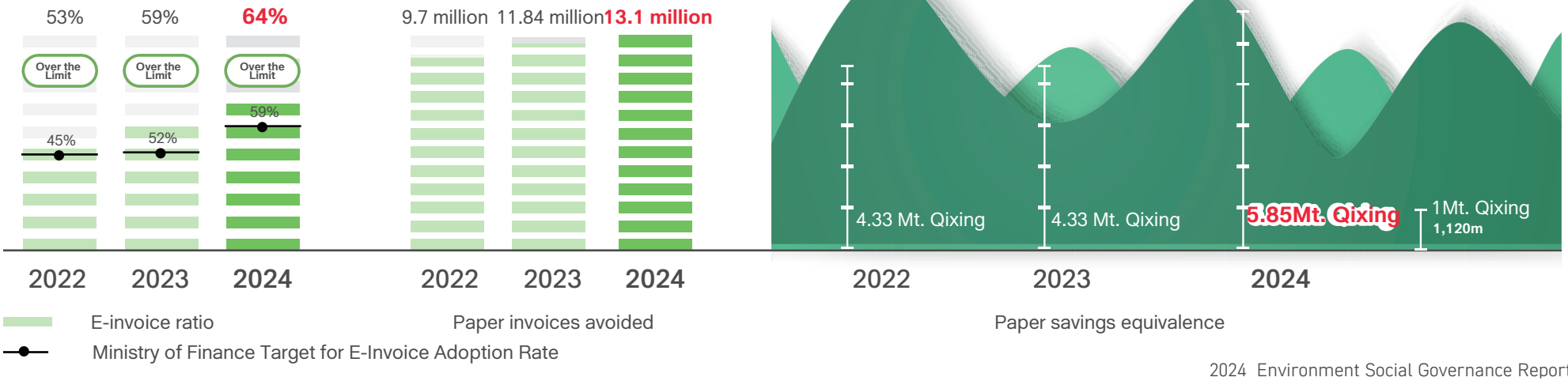
- **Social Media Posts**: 41 posts, reaching 241,535 people
- **Printed DM**: 35,000 copies
- **Digital DM**: 24,507 views
- **E-newsletters**: 1,614,913 opens
- **Environmental Events**: 34 events, 12,194 participants
- **App Campaigns**: 2 campaigns with 62,313 participants, 7,975 sustainable gifts distributed
- **Clothing Recycling**: 3 drives, collecting approximately 40,000 garments

Action for Sustainability

1.E-Invoices

The Ministry of Finance set a 2024 target for e-invoices to account for 59% of all issued receipts. In 2024, 64% of Pacific SOGO's nationwide transactions were issued as e-invoices, surpassing the target. The paper saved is equivalent in height to 5.85 Mt. Qixing (Taipei's highest peak at 1,120 meters). Over the past four years, cumulative paper savings reached the equivalent of 19 Mt. Qixing in height. The 2025 target is set at 65%.

Note: Each paper invoice has a thickness of 0.05 cm. Paper savings are calculated using Qixing Mountain's height of 1,120 meters as a reference.



2.Volunteer Beach Cleanup

The Volunteer Club adopted a designated coastal area for regular cleanups, open to employees, their families, and suppliers. Each cleanup records and categorizes marine debris by type, quantity, and weight to quantify results and promote waste reduction at the source.

- In 2024, three cleanup events were held, with 130 participants in total.
- From 2017 to 2024, a total of 17 cleanup events were conducted, contributing 1,708 volunteer hours and removing nearly 3 metric tons of waste.



3.Green Office

Far Eastern SOGO supports the Ministry of Environment's Green Living initiative by promoting the "Green Office" program. Using its headquarters building as the base, the company implements five key indicators: Energy and Resource Conservation, Source Reduction, Sustainable Sourcing, Environmental Greening, and Advocacy and Awareness.

Five Key Indicators

1. Resource & Energy Conservation

Action Plan

Turn off lights during lunch breaks (1 hour)
Reuse paper bags
Double-sided printing
Enable power-saving mode on computers

2024 Performance

Approximately 120 employees participated.

2. Source Reduction

Action Plan

Host a monthly "Sustainable Dining Day" to order reusable meal containers instead of single-use packaging
From October 2024, transitioned to "Sustainable Dining Gatherings" with social enterprises and NGOs sharing sustainability insights

2024 Performance

10 events held; 161 cumulative orders for reusable containers; 31 participants in 3 educational sessions.

3. Sustainable Procurement

Action Plan

Implement green procurement, social enterprise sourcing, and lease-before-purchase practices
100% local sourcing for general office supplies

2024 Performance

Green procurement accounted for 7.31% of total purchases
Social enterprise, lease-before-purchase, and eco-friendly product procurement exceeded NT$14.43 million
Total sustainable procurement reached NT$87.4 million, a 58% year-on-year increase

4. Environmental Greening

Action Plan

Encourage employees to grow plants
Provide hydroponic vegetable-growing experiences

2024 Performance

Hydroponics workshops held across stores, combined with 24 employee events, attracting 400 participants
Six energy-saving training sessions conducted in partnership with the Society of Wilderness, training 139 participants
Distributed 50 potted plants during Summer Solstice Sustainability Week

5. Advocacy & Awareness

Action Plan

Organize ESG Best Contribution Awards and Innovation Proposal Awards
Conduct company-wide sustainability knowledge quizzes with incentives

2024 Performance

93 participants; environmental category accounted for 33% of Best Contribution Awards and 32% of Innovation Proposals
40 winning entries from the Sustainability Action Essay Contest published on internal platforms
900 participants in sustainability quizzes, with a 70% participation rate

4.Green Transportation

The Company actively promotes green transportation by implementing smart parking systems across Taiwan to reduce ticket retrieval and parking time, enhancing the shopping journey while cutting over 30 metric tons of carbon emissions annually and saving nearly 1.3 million paper parking tickets. A total of 18 EV charging stations have been installed, enabling instant charging via QR code scanning, with integrated services including cashless payment, customer hotlines, monitoring, and maintenance reporting.

For home delivery, the Company partners with Taiwan's first logistics provider certified with the "Product Carbon Footprint Reduction Label," reducing carbon emissions during transportation. All company vehicles are leased, with an average age under 10 years. The fleet includes 12 leased vehicles for executive and freight purposes, one of which is a hybrid to reduce air pollution and improve energy efficiency. Upon lease expiry, green vehicles will be gradually introduced.

Most stores are located in areas with convenient public transit access, encouraging customers and employees to use mass transportation. For locations farther from transit hubs, such as the Hsinchu Store, the Company provides a free shuttle bus service to the train station.

In 2024, the shuttle service recorded 1.075 million rides, reducing carbon emissions by 127.2 metric tons.

Store-Level Green Transportation Measures:

Taipei Zhongxiao Store / Taipei Fuxing Store
- Located near Zhongxiao Fuxing MRT Station; 6 EV chargers (2 at Zhongxiao, 4 at Fuxing)

Taipei Dome Store
- Near Taipei Dome MRT Station; parking managed by Far Eastern Dome Corporation

Taoyuan Zhongli Store
- 4 EV chargers

Taipei Dunhua Store
- Near Zhongxiao Fuxing and Zhongxiao Dunhua MRT Stations



Hsinchu Store
- Shuttle service to/from Hsinchu Bus Terminal (North Station); parking managed by Big City Shopping Center

Tianmu Store
- Near Zhishan MRT Station; 4 EV chargers

Kaohsiung Store
- Near Sanduo Shopping District MRT Station; 4 EV chargers

Annual Shuttle Bus Ridership and Carbon Reduction

Year	2022	2023	2024
Zhongli Store (million rides)	0.8	--	--
Hsinchu Store (million rides)	79.6	106.1	107.5
Total (million rides)	80.4	106.1	107.5
Estimated Carbon Reduction (tonnes CO2e)	95.0	125.5	127.2

Note
1. Carbon reduction = (Total passengers / 4-passenger car × round-trip kilometers × emission factor of passenger car traveling on highways at 40 km/h) □ (Total passengers / 40-passenger bus × round-trip kilometers × emission factor of city bus traveling on urban roads at 40 km/h). Emission factors are referenced from the 2019 Manual for Economic Benefit Assessment of Transportation Infrastructure Projects (published by MOTC Taiwan).
2. Due to decreased ridership, the shuttle bus service at the Zhongli Store was discontinued in 2023.

5.Air Quality Management

All Far Eastern SOGO stores comply with Taiwan's Indoor Air Quality Management Act requirements and undergo regular inspections, with all measured values meeting standards. The Tianmu Store and Taipei Fuxing Store have received Taipei City's Gold Certification for Indoor Air Quality.

Combustible gas (LPG) inspection	Air conditioning filter cleaning	Cooling tower cleaning and sterilization
Daily	Quarterly	Semi-annually

Central air-conditioning system major maintenance	Indoor air quality testing
Annually	Every two years

Circular Sustainability Initiatives

1. Reduction of Supermarket, F&B, and Delivery Packaging Materials

Self-operated supermarkets promote packaging reduction for fresh products, reducing plastic use or replacing it with alternative materials; home delivery packaging complies with e-commerce reduction guidelines, prioritizing second-hand cartons.

Zero-Waste Commitment

Source Reduction	Reusable Shopping Bags	Fresh Club members who bring their own shopping bags and have them recorded on receipts earn 10 reward points for every NT$500 spent. A total of 326,260 points were awarded in 2024, representing 4x growth compared with the previous year.
	Supermarket Packaging	75% of fresh produce trays are made from compostable polylactic acid (PLA) materials.
	Beverage Cups	All 45 in-store F\&B outlets offer discounts for customers using reusable cups, saving approximately 90,000 paper cups annually.
Circular	Home Delivery	Reused 27,000 cardboard boxes, with 77% being second-hand boxes—an increase of 11 percentage points from the previous year.

In-House Supermarket Packaging Plastic Reduction

Year	2022	2023	2024
Tonnes	1.61	1.3	0.9

Note
1. Reduction calculated according to environmental authority requirements, including "replacing container packaging with alternative materials" and "selling products without packaging," with estimates based on unit counts and weights.
2. Figures are not duplicated for items meeting multiple reduction criteria.
3. 2023 data restated.

2. Recycling Promotion

Cosmetics account for over 10% of the Company's revenue, second only to luxury goods. To reduce cosmetic container waste, the Company launched the "Beauty Loves the Earth" cosmetic container recycling program, awarding 3 HAPPY GO points for each eligible container returned to the counter. The Tianmu and Hsinchu Stores also collect used batteries, with 53,000 units recycled in 2024, awarding 26,000 points.

Cosmetic Container Recycling Results



3. Consolidation of Sales Receipts and Credit Card Slips

With nearly 10 million annual credit card transactions, the Company previously printed both a credit card slip and a sales receipt for each purchase. Since August 2023, in partnership with the National Credit Card Center, these have been consolidated into a single printout, reducing thermal paper usage by an average of 7 cm per transaction. By the end of 2024, this initiative had saved 1,040 km of thermal paper—equivalent to the length of 2.78 Zhongshan Highways.



By the end of 2024, this initiative had saved 1,040 km of thermal paper—equivalent to the length of 2.78 Zhongshan Highways.

4. Promoting Textile Circularity

Invited by the Resource Circulation Administration of the Ministry of Environment, Far Eastern SOGO became a founding member of the "Sustainable Fashion Alliance" and subsequently joined the cross-industry "Textile Circularity Alliance" and the "8+N Resource Circulation Alliance." Leveraging its department store platform, the Company seeks to influence consumer markets and shopping habits. In 2024, it organized Taiwan's first "traceable pre-owned clothing" event, collecting over 7,000 garments in two days. Of these, 5.9% were donated to the Eden Social Welfare Foundation for charity sales, 16.5% were distributed to individuals in need, and the remainder was sent to recycling facilities for fiber-to-fiber regeneration, downcycling, or conversion into fuel rods. An event webpage provided real-time updates, enabling consumers to track where their garments went and encouraging the purchase of high-value, single-material clothing to enhance resource recycling efficiency.



永續時尚 SUSTAINABLE FASHION

At the Taipei Dunhua Store's April 2024 clothing drive, 430 consumers participated, collecting 5,778 garments. The single-material fiber reuse value was equivalent to an estimated carbon reduction of 7,341 kg.

Sustainability Education

With the mission of "Building Asia's First Green Department Store," the Company integrates environmental values into daily operations and events, creating low-carbon education spaces that foster environmental awareness among stakeholders. In 2024, nearly NT$27.7 million was invested in 68 sustainability co-creation activities, attracting 78,000 participants and benefiting 335,000 people.

1. Parent-Child Activities to Cultivate Sustainability Awareness

Believing that sustainability education should start from an early age, Pacific SOGO hosts diverse family activities to naturally integrate ecological and environmental awareness into daily life. During the monthly ThanQ Club birthday parties, the program not only introduces creative new experiences but also weaves in environmental and sustainability concepts, helping children learn through play and gradually turn sustainable practices into lifelong habits.

To mark Earth Day and participate in the international event Open House Taipei, the Tianmu store opened its rooftop for public tours, offering guided visits to its sustainability facilities. Participants learned firsthand about the department store's solar panels and rainwater harvesting systems, and how these are applied in operations. Through case studies and field experience, visitors deepened their understanding of the importance of sustainable facility management.

In collaboration with the Taoyuan City Environmental Protection Bureau, the Zhongli store hosted the Clean Green Living – Small Steps Toward Sustainability event. Through picture book storytelling, children were encouraged to think critically about environmental challenges and to learn how to practice sustainability in their daily lives.



The Tianmu Store opened its rooftop to the public to promote awareness of the department store's green initiatives.



The Zhongli Store encourages children to reflect on sustainable actions in daily life through picture book reading.

2. Promoting Sustainable Dining

The Company, in partnership with the Pacific Cultural Foundation, has organized the Sustainable Food Competition for five consecutive years—investing tens of millions of NT dollars and attracting over 75 million participants in total. The competition has turned sustainable cooking into a nationwide movement and nurtured 100 "green chefs." Integrating low-carbon operations, the event promotes sustainable supply chain management through initiatives both large and small, amplifying sustainability's influence. It inspires employees, customers, and suppliers in department store dining areas to enhance climate resilience through participation. (See section 5.1.2 Social Participation and Achievements for details.)





3.

Trustworthy Services

Pacific SOGO aims to become the department store with the "highest service rating" in the industry by integrating the meticulous service of Japanese department stores, the global perspective of international retailers, and the approachability of local stores. We deliver warm, high-quality services through seven segmented customer clubs that meet the needs of diverse customer groups. By enforcing strict product safety standards, we strengthen consumer trust and establish a benchmark for "food safety management" in the department store sector.

8 Decent Work and Economic Growth

12 Responsible Consumption and Production

Creating a Safe Shopping Environment

81.3% of customers are satisfied with the overall product safety at Pacific SOGO.
93.5% of restaurants passed the "GHP Good Hygiene Practices" certification, with 97% achieving the "Excellence" rating.
All Far Eastern SOGO locations achieved a 100% pass rate in drinking water and edible ice quality testing.
The only retailer to receive the "Taipei City Occupational Safety Award" for consecutive years.

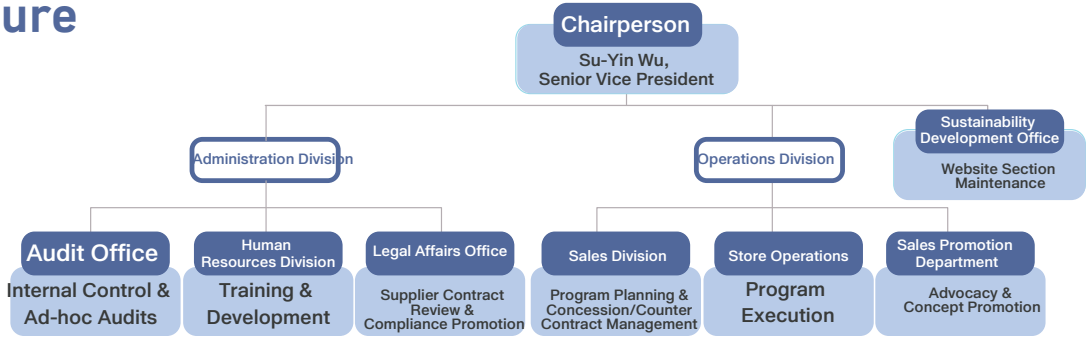
Delivering Quality Services

88.6% of customers are satisfied with Pacific SOGO' s products and services.
Awarded the Gold Medal in the "Taiwan Service Industry Evaluation."
Recognized as a Gold Medal Company in the "Taiwan Customer Service Center Evaluation."
Received the "7th Internet Public Praise Star – Retail Department Store Innovation Leadership Award."

3.1 Product Safety Management

3.1.1 Product Safety Management Structure

In 2015, Pacific SOGO established the Product Safety Promotion Committee as the highest supervisory body to ensure product safety while reducing operational risks. The Committee operates under the Corporate Sustainability Committee, with a higher reporting level than the Administration and Operations Divisions. It is chaired by the General Manager and Project Executive, and its members include store managers, the Sales Division, Promotion Planning Division, Human Resources Division, Legal Affairs Office, Audit Office, and the Sustainability Development Office. The Committee drives product safety management through staff training, auditing of product safety operations, and product re-testing. It continuously enhances product safety and quality hygiene management, while requiring suppliers to comply with the "Sustainability Clause," thereby aligning with SDG 12: Responsible Consumption and Production.



3.1.2 Mechanisms and Action Plans for Product Management

"Product safety" and "service quality" are the core of sustainable operations in the department store retail industry. The Company enforces strict controls, requiring all products to undergo health and safety impact assessments to ensure no significant negative effects on consumers. Promotional gifts must be accompanied by third-party inspection reports, and information such as product inspections and raw material sources is disclosed in the "Product Safety" section of the ESG website. Contracts include explicit "sustainability clauses," with proactive, periodic inspections and improvements focusing on two major aspects: "product labeling" and "food hygiene."

Category		Product Labeling Inspections	Food Hygiene Inspections
Item	Cosmetics Management	Establish regular product inspection procedures to ensure the safety of products on shelves.	General Merchandise Management	In-house supermarkets strictly control product labeling. Inspections are conducted on a batch basis, ensuring 100% verification of information such as origin, price, and expiration date, cross-checked against purchase orders to guarantee labeling accuracy.	In compliance with the Taipei City Department of Health's "Self-Inspection Guidelines for Food and Beverage Hygiene," daily inspections covering 5 major categories and 72 items are conducted. Weekly comprehensive evaluations are implemented, with results serving as the basis for recognizing outstanding counters.
Implementation		Reiterate management principles and regular inspection procedures for cosmetics on shelves, ensuring that all sold products have at least one year of shelf life remaining, and that testers remain within their expiration dates.		①Daily supermarket label inspections: During restocking, multiple label checks are conducted on aisle products, with particular attention to origin, price, and expiration date, supplemented by random checks. ②Establish phased labeling procedures for incoming goods and periodic inspection measures for testers.	①Assist food and beverage counters in applying for Good Hygiene Practice (GHP) certification. ②Ensure 100% periodic inspections of drinking water and edible ice at food and beverage counters, with additional random testing conducted by local health authorities. Inspection items include: coliform bacteria, total bacterial count, turbidity, color, nitrate nitrogen, nitrite nitrogen, pH, and microbial counts.

Item		Product Labeling Inspections		Food Hygiene Inspections
Key Projects	Cosmetics Management	Cosmetics Product	General Merchandise Management	Traceability of Origin	Food Hygiene and Safety Inspections
2024 Results		Monthly nationwide cosmetics inspections include: Complete Chinese labeling and ingredient labeling. ② Proper SOGO labeling. ③ Product shelf life: testers must be within validity, regular products must have at least one year of shelf life remaining. The non-compliance rate in random inspections across all locations was 0.36%, with corrective actions required within a specified timeframe.		①Private-label supermarkets clearly indicate the traceability of fresh produce origins for consumer reference, ensuring 100% safe food ingredients. ② Since 2014, the Ministry of Agency of Rural Development and Soil and Water Conservation has organized the "Rural Good Products" selection. To qualify, products must use locally sourced raw materials from Taiwan, be produced in legally certified facilities, comply with food safety regulations, and carry complete packaging labels. As of 2024, the selection has reached its 9th year, with 393 products and 264 enterprises recognized. Since 2022, Far Eastern SOGO has partnered with the Bureau to host promotional markets. ③ Across Taiwan, all SOGO branches collaborated with government agencies, agricultural social enterprises, and social innovation groups to organize 13 farmers' markets, enabling direct sales between small farmers and consumers while encouraging support for local agriculture and building consumer trust in local products and brands. See Chapter 2: Environmental Sustainability	① Across Taiwan, 93.5% of restaurants passed Good Hygiene Practice (GHP) certification; those not yet certified are undergoing inspections or are newly established counters. ② Drinking water and edible ice inspections: 158 counters across all Pacific SOGO locations underwent testing, achieving a 100% compliance rate. Due to phased openings, Far Eastern Garden could not complete testing all at once; inspections are scheduled for the first half of 2025. ③ Regular reviews of food counter liability insurance policies are conducted. Vendors must provide updated insurance policies upon signing or renewing contracts. In compliance with Taipei City regulations, all five Taipei stores are insured with product liability and public accident insurance, with counters larger than 40 ping also covered for food poisoning insurance.

Cosmetics Management Measures

Staged Labeling of Incoming Goods

① Private-label products are assigned incoming batch codes labeled A–Z.
② Each interval covers six months.
③ Incoming batch periods must be clearly identifiable on-site.

First-In-First-Out Sales

① Inventory checks are conducted semi-annually.
② Staged and zoned stocktaking is applied.
③ Products from different periods must not be mixed or misplaced.

Shelf Life Regular Inspection Measures

① Testers are inspected every Monday and Thursday.
② Expired testers must be removed immediately.
③ At the beginning of each month, shelf life of products on sale is checked during stocktaking.
④ Products with less than one year of shelf life remaining are given to customers free of charge.
⑤ Responsible personnel: Section Managers at each store location.

For more information, please visit our ESG website → "Trusted Service"

Planning a "Product Safety" Action Plan to Address Stakeholder Needs

Stakeholders	Product Safety Action Plan Content	Customer Feedback
Suppliers 	● Establish a dedicated product safety section ● Assist food and beverage counters in applying for GHP and implementing self-managed hygiene practices See Chapter 3.1.3 ● Guide food counters to conduct regular inspections of drinking water and edible ice, and comply with random inspections by local health authorities ● Support food counters in obtaining eco-friendly restaurant certification ● Establish routine product inspection procedures ● Strengthen product traceability and introduce eco-friendly brands ● Implement a supplier evaluation mechanism	● In 2024, overall satisfaction with product safety management reached 81.3%. Measures such as "Creating a safe shopping environment" (82.8%) and "Banning melamine and single-use tableware in restaurants/food courts" (82.6%) received over 80% satisfaction. Among consumers aware of these measures, satisfaction reached 90%. ● Fresh Club supermarket membership reached 67,000 members, a 7.25% increase compared to last year.
Customers 	● Promote product safety knowledge and sustainable consumption concepts through self-owned media ● Through the in-store sustainability labeling system "SOGO Sustain: Good Choice," the green e-commerce platform SOGOplus, and DM campaigns, promote quality local products and sustainable consumption concepts ● Set up a dedicated product safety section on the ESG website to disclose anniversary gift information	● 74% of customers indicated they would prioritize shopping at Far Eastern SOGO Department Stores. ● 61.9% of customers recognize that "Far Eastern SOGO promotes sustainable consumption and recommends sustainable products (e.g., organizing local farmer and social innovation fairs, launching the 'SOGO Sustain: Good Choice' program)."
Employees 	● Establish ESG Contribution Awards and Innovation Proposal Awards to encourage staff to practice sustainability and optimize current measures ● Organize training sessions and management courses ● Require strict implementation of product inspection mechanisms	● A total of 90.2% of customers recognize the company as trustworthy.
Society (Community & Media) 	● Promote new knowledge and international initiatives on product safety and sustainable consumption ● Organize home cooking competitions to promote healthy and low-carbon diets ● Following the CSR themes of Caring, Sustainability, and Reliability, hold public welfare activities across Taiwan to enhance social participation See Chapter 5: Social Impact	● 78.1% of customers are satisfied with "Far Eastern SOGO's initiatives in promoting green dining." ● 81% of customers are satisfied with "Far Eastern SOGO's initiatives in promoting green consumption awareness."

Overall Satisfaction with Product Safety
81.3%

Satisfaction with Creating a Safe Shopping Environment
82.8%

Satisfaction with the Complete Ban on Melamine and Single-use Tableware in Restaurants/Food Courts
82.6%

Consumer Satisfaction with the Above-mentioned Initiatives
90%

Growth in Fresh Club Supermarket Membership
7.25%

Proportion of Customers Who Prefer to Purchase from the Company
74%

Proportion of Customers Aware of the Company's Promotion of Sustainable Consumption
61.9%

Customer Recognition of the Company's Trustworthiness
90.2%

Customer Satisfaction with the Promotion of Green Eating
78.1%

Customer Satisfaction with the Promotion of Green Consumption Awareness
81%

Problematic Product Recall

In 2016, the Company established the "Product Safety Monitoring Team." By linking relevant units through communication software, when regulatory authorities request random inspections, or when staff conduct daily monitoring of media and government information and discover reports of problematic products, the "Problematic Product Risk Control Procedure" is immediately activated. The Product Risk Control Task Force then tracks and manages the results.If the product does not violate relevant laws and remains a tangible item, contractual clauses are applied to request suppliers to cooperate with precautionary recalls, depending on the severity of the situation. Upholding the principle of customer-first and defect prevention, channels for product return or exchange are provided.In 2024, one product recall incident occurred. Efforts have since been strengthened to prevent recurrence.

2024 Product Recall Incidents

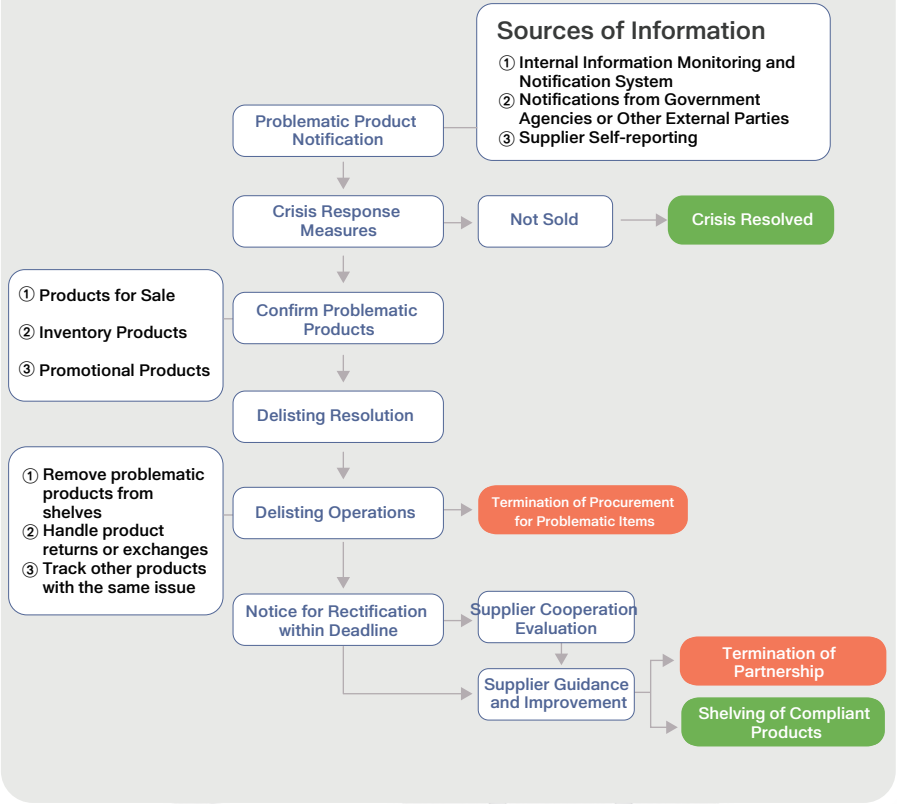
Location	Regulations	Reason	Improvement
Taipei Zhongxiao Store	Food Safety and Sanitation Management Act	The Taipei City Department of Health announced the results of inspections on fresh fruits and vegetables sold in the market. Among them, the Zhongxiao Store sold lychees ("Yu He Bao") and "Fei Ye Hua," which were found to contain pesticide residues and were deemed non-compliant.	The supermarket immediately removed the two products from shelves and initiated communication, informing the public that the supplier must provide relevant inspection certificates and improve its testing process; otherwise, procurement from the supplier would be suspended. The supermarket also strictly screened other products to ensure food safety.

Recall Incidents

In the event of a product recall, products are immediately removed upon notification, and the company either signs a self-regulatory agreement with the supplier or terminates cooperation, while also coordinating product returns or exchanges.

No recall incidents occurred in 2024.

Product Safety Monitoring Network



3.1.3 Food Safety and Hygiene Management

The Company places great importance on customer food safety. In 2020, it formulated the Far Eastern SOGO Department Stores Food Safety and Hygiene Management Guidelines, defining responsibilities among relevant units. In line with Good Hygiene Practices (GHP), the Company established 72 management items across 18 subcategories within 5 major categories, setting the goal of guiding all food and beverage counters to obtain GHP certification as a key annual target.

Food safety and hygiene are ensured through daily self-inspections by food and beverage counters, supplemented by daily patrol inspections. Relevant departments conduct regular supervision, and joint inspections are organized monthly by the food and beverage, engineering, and security departments along with other related units. Any non-compliance identified is subject to continuous re-inspection until deficiencies are rectified.

Food Safety & Hygiene Inspection Checklist and Frequency

Inspection Item	Frequency	Content	Responsible Unit
Self-Inspection of Food Hygiene Management	Daily	Inspection of 21 items in accordance with GHP guidelines.	Self-inspection by food and counters; Review and re-insp food and beverage supervis
Supervision of Safety Equipment (Water, Electricity, Gas, Fire Safety, etc.)	Every 2 weeks	Inspection of fire extinguishing equipment and emergency exits; staff operational testing.	Engineering Department, Se Department
Joint Food, Water, and Electricity Inspections	Monthly	Covers 72 management items under 18 subcategories in 5 major categories as required by GHP standards, including staff attire and hygiene practices, workplace cleanliness and pest control, cleaning and maintenance of equipment and utensils, procurement, inspection, and storage of raw materials, as well as preparation processes and quality control.Inspection of water, electricity, gas, and fire safety systems.	Food and Beverage Departm Engineering Department, Se Department
Audit of Food Hygiene Management	Irregular	Verification of whether responsible units comply with regulations.	Audit Office



3.2 Customer Relations and Services

3.2.1 Customer Relationship Management and Communication

Thoughtful Service Experience

Pacific SOGO aims to achieve the highest service ratings in the industry by creating warm and refined service experiences.

Store Greeting



"Daily Greeting"

Welcome, and thank you for your patronage.

"Workplace Greeting"

On-duty supervisors and customer service staff bow at a 45-degree angle to greet customers sincerely.

Elevator Reception Service



Elevator Attendants

"Elevator Greeting Bow"

Thoughtful service is delivered by greeting every customer during elevator reception.

The Zhongxiao Store retains the unique service tradition of "Elevator Attendants."

Service Counter



Responding to customer inquiries and media handling

"Attentive Services"

Services include foreign currency exchange, wheelchair and stroller rentals, portable charger/USB lending, ticket and card sales/inquiries, and more.

"Infectious Disease Response"

Provide masks, alcohol-based sanitizers, and other supplies for public use.

Diverse Communication Channels

Far Eastern SOGO engages stakeholders through multiple communication channels to collectively drive positive social impact.

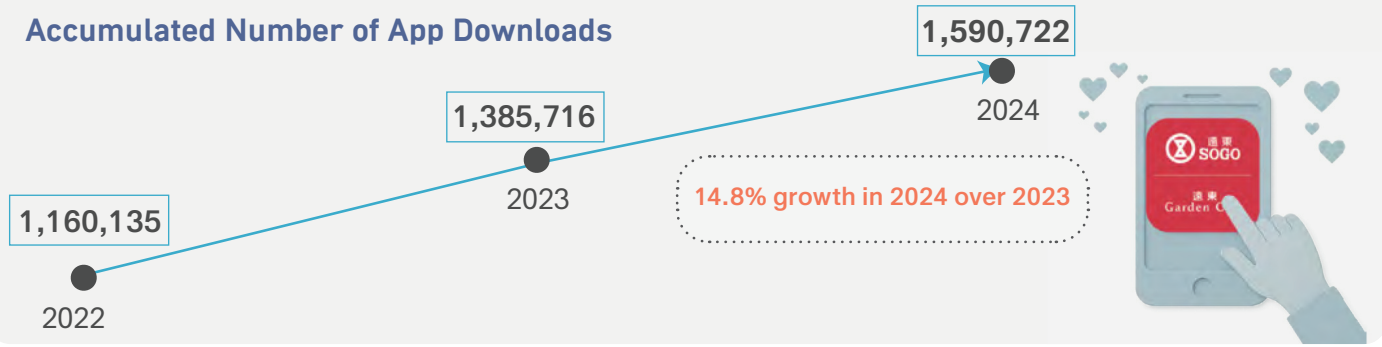
Communication Channel		Effectiveness	Website
Proactive External Communication	ESG Official Website	Provides the latest sustainability updates, corporate sustainability reports, a dedicated product safety section (the only one among department stores on an ESG site), community engagement, media, and customer information. Over 40,000 visits in 2024 Industry First	
	ESG Facebook Page	Utilizes social media for real-time, easily shareable, and highly engaging content, enabling instant disclosure of business and sustainability updates. 116 posts published in 2024, reaching 30,000 people	
	Self-Media of Each Physical Store	Aligned with international sustainability days and SOGO Sustain campaigns, releasing sustainability-related consumer messages and pinned posts. Combined reach of 240,000 across all store fan pages	



Digital Innovation in Connecting the Shopping Journey

Our mobile app integrates a wide range of digital services, including HAPPY GO membership points, parking fee discounts, e-coupons/vouchers/redemption gifts, and promotional announcements from each store. It also promotes green initiatives by reducing paper usage. By the end of 2024, membership exceeded 1.59 million, representing a 14.8% growth compared to 2023.

Accumulated Number of App Downloads



Customer Feedback Management

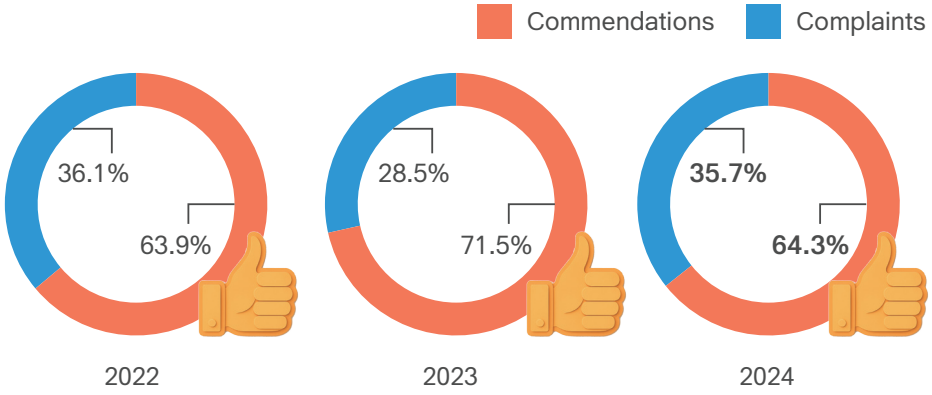
Pacific SOGO was the first department store in Taiwan to introduce Japanese-style service management. In 2010, a Customer Service Center was established in Kaohsiung to handle calls from all branches. The center currently has 7 staff members, along with 135 frontline service personnel across Taiwan in the Customer Service and VIP Service Departments. Upholding the principle of "resolving customer issues or providing alternative solutions," staff are trained to proactively consider customers' next needs. New employees undergo a 40-day training program before serving customers and participate in annual two-day, one-night offsite training.

In 2024, the Customer Service Center received 143,000 calls. Each customer request was handled by a designated staff member, with follow-up and resolution completed within 72 hours. The company has established a Customer Feedback Handling Procedure supported by a digital management system to record, track, and improve service quality. In 2024, 398 cases were recorded: 256 were commendations (64.3%), a decrease of 7.2 percentage points from 2023, while 142 were complaints (35.7%), mostly related to procedural errors, poor service attitude, or inappropriate language. Pacific SOGO conducts monthly reviews and continues to strengthen staff training.

Frontline service staff maintain real-time ("zero time lag") communication with the Customer Service Center through the National Customer Service Platform, ensuring that customer needs at each store are monitored and addressed promptly. When necessary, "cross-regional service" is activated to meet customer requirements. In recent years, the company has also introduced an intelligent customer service system on its website to handle basic inquiries, such as business hours, floor brand information, point redemption, and e-commerce services. This enables customers to access information quickly and easily, providing an integrated and comprehensive 360-degree customer experience, with timely and attentive service both online and offline.

In 2024, Pacific SOGO once again received the Gold Award for Department Stores and Shopping Centers in the 3rd Taiwan Customer Service Center Evaluation. The company was recognized for three key service strengths: "diverse website information that effectively resolves customer issues," "prompt response to customer feedback," and "attentive services that communicate brand value," solidifying its position as a leader among department stores.

Annual Customer Feedback Statistics



Customer Feedback Channels

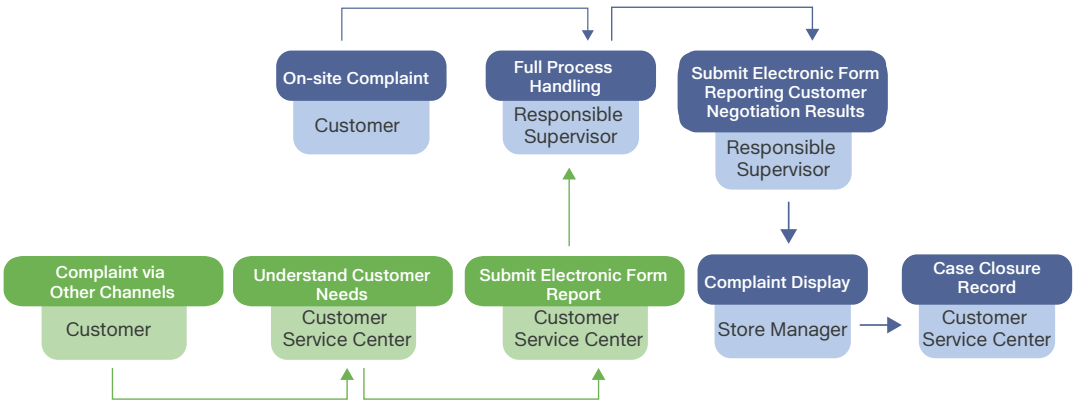
- Fill out feedback forms at service counters or VIP desks in each store
- Complete customer feedback forms in each store
- Toll-free hotline: 0800-212-002

Taipei Zhongxiao Store: 02-2776-5555
Tianmu Store: 02-2776-5555
Taoyuan Zhongli Store: 03-422-7000
Hsinchu Store: 03-620-0000
Kaohsiung Store: 07-338-1000

- Online message board
- Official Facebook fan pages of each store



Customer Feedback Handling Procedure





ESG Customer Satisfaction and Issue Influence Survey

Pacific SOGO commissioned a market research firm to gather customer feedback, using HAPPY GO members as the survey base. The survey targeted individuals who had consumed or collected points at least once at Pacific SOGO stores between January 1 and December 31, 2024. A total of 1,068 valid samples were collected (with a 95% confidence level and a sampling error of ±3.0%). The ESG Customer Satisfaction and Issue Influence Survey was conducted across three dimensions: Brand Consumption Power, Public Participation Power, and Innovation & Management Power.

Brand Consumption Power

- Overall Satisfaction: 88.6%
- Future Purchase Intention: 69.6%

Public Engagement Capacity

- 86.9% of customers were aware of Pacific SOGO's initiatives such as issuing e-vouchers, eDM newsletters, and encouraging electronic receipt storage; 83.6% expressed satisfaction with Pacific SOGO's efforts in promoting paperless operations.
- 81.0% of customers were satisfied with Pacific SOGO's promotion of green consumption awareness.
- 72.1% of customers were aware of Pacific SOGO's social care initiatives, such as organizing the "Role Model Student Awards" for years to recognize children who overcome adversity, the annual "Christmas Dream Fulfillment Program," and second-hand item donations to charitable organizations.

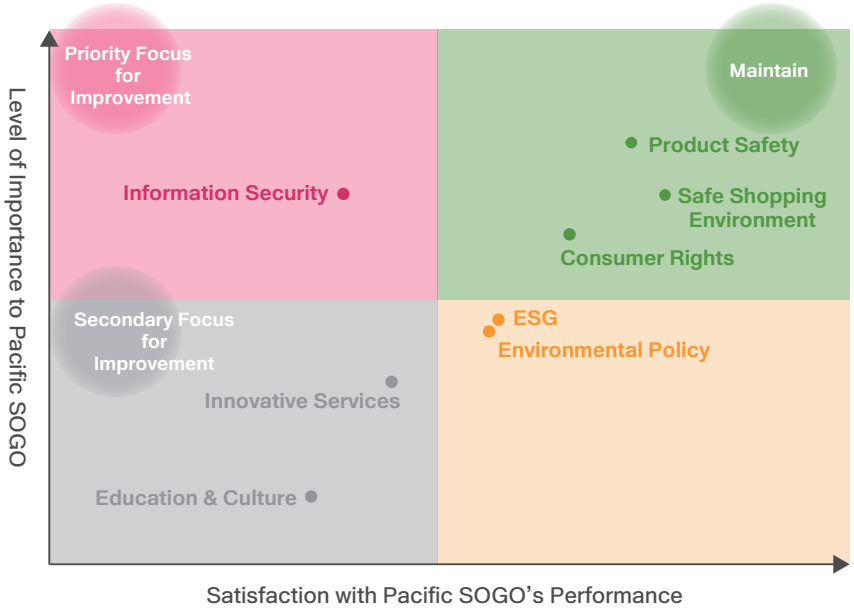
Innovation & Management Power

- 82.2% of customers were aware that the "SOGO APP integrates multiple functions," demonstrating that the APP successfully established a familiar digital service image and effectively penetrated daily consumption experiences.
- Pacific SOGO enhanced consumer trust through various product safety measures, with "implementation of hazard warning signs" achieving the highest recognition at 87.4%.
- Multiple complaint channels reached a high awareness level of 98.0% in 2024, indicating that consumers widely recognized the feedback mechanisms provided by the brand. Over 20% of consumers had used these channels to safeguard their rights or provide feedback, demonstrating tangible effectiveness in maintaining customer relationships.

Influence of Sustainability Issues

In the context of rising ESG awareness, consumers have higher expectations for corporate sustainability practices. They are most concerned about product quality control, ensuring safe and high-quality products (91.1%). At the same time, they value information security and the protection of customer privacy (89.9%), and expect companies to create safe shopping environments (89.8%). In terms of satisfaction, consumers expressed the highest satisfaction with product quality control (81.3%), and Pacific SOGO Department Stores has been highly recognized for its efforts in delivering safe and high-quality products.

A further analysis of consumer priorities and evaluations, observed through positioning coordinates, shows that product safety, safe shopping environments, and consumer rights have been top concerns for most consumers over the past two years. These issues have also received higher satisfaction ratings for Pacific SOGO. However, with the rapid acceleration of digital transformation, consumers are placing increasing importance on personal data protection and transaction security. Although Pacific SOGO has invested in information security and digital transaction protection, customer satisfaction in these areas remains relatively low. This suggests that greater efforts in promotion and cybersecurity awareness are needed to enhance customer recognition and goodwill in the future.



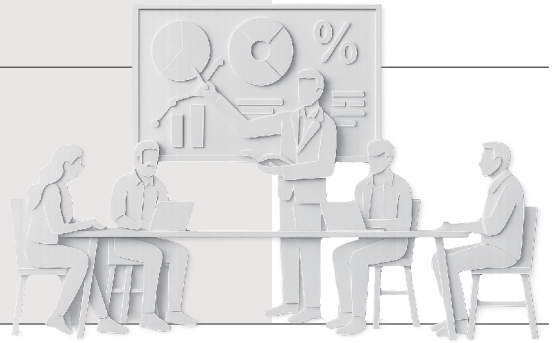
	Importance (T2B)				Satisfaction (T2B)			
	2024	2023	2022	2021	2024	2023	2022	2021
I believe Far Eastern SOGO Department Stores should control product quality and provide safe and high-quality products	91.1%	93.0%	N/A	N/A	81.3%	82.7%	82.9%	81.5%
I believe Far Eastern SOGO Department Stores should prioritize information security and protect customers' personal privacy	89.9%	93.4%	N/A	N/A	70.9%	72.0%	71.4%	73.5%
I believe Far Eastern SOGO Department Stores should create a safe shopping environment and provide secure store spaces	89.8%	93.3%	95.8%	89.2%	82.8%	86.9%	83.7%	N/A
I believe Far Eastern SOGO Department Stores should safeguard consumer rights and address opinions and concerns	88.8%	92.8%	95.5%	77.4%	79.2%	81.1%	79.5%	79.0%
I believe Far Eastern SOGO Department Stores should emphasize responsibility for supply chain and vendor management	87.1%	91.8%	93.5%	83.0%	N/A	N/A	N/A	N/A
I believe Far Eastern SOGO Department Stores should pay attention to environmental issue impacts and practice green behaviors	87.0%	91.6%	92.4%	72.4%	77.8%	79.7%	72.4%	N/A
I believe Far Eastern SOGO Department Stores should advocate social care and promote initiatives for disadvantaged groups	86.7%	91.4%	93.3%	76.6%	77.5%	75.3%	81.6%	79.2%
I believe Far Eastern SOGO Department Stores should care for employees and provide a harmonious labor culture and services	85.3%	90.6%	94.4%	76.5%	73.4%	76.0%	76.0%	N/A
I believe Far Eastern SOGO Department Stores should strive to build a gender-equal and inclusive workplace	85.1%	89.6%	N/A	N/A	N/A	N/A	N/A	N/A
I believe Far Eastern SOGO Department Stores should actively promote education and culture for community contribution and guidance	82.0%	87.5%	88.1%	70.0%	69.7%	70.9%	78.0%	74.0%

3.2.2 Service Management Policies and Review

Service Management Policies and Review

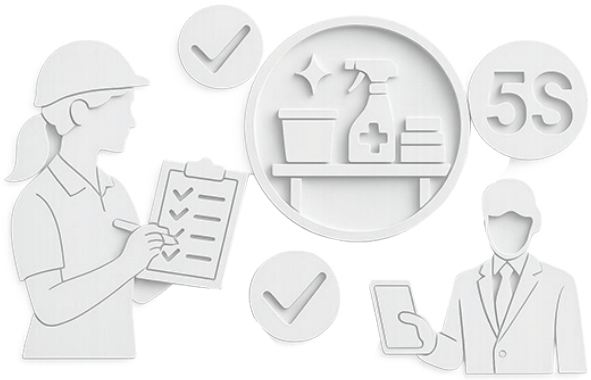
All Pacific SOGO employees and concession partners uphold the service motto of "Smile, Liveliness, and Agility," consistently delivering considerate and professional services to earn customers' trust and support.

Stage	Item	Content		Unit	Participants / Pass Rate	Notes
Training	Regular Training	Training for information desk and elevator service staff.	Effectiveness of Reviews	Participants	627	Customer service competency training.
	External Training			Participants	52	External service training.
	Service Enhancement Education	Off-site customer service training.		Participants	2	
Evaluation	Team Competitions	Every two months, competitions are held to test service standards, such as fire safety, etiquette, and in-store guidance. Each counter (Zhongxiao/Fuxing) or each unit/floor (other stores) designates representatives for random testing to ensure staff familiarity with the premises and safeguard customer safety.		Participants	25,392	Counted by counter; each counter equals one trainee.
				Initial pass rate	96%	averaged across all items.
Management	Walk-Through Management	Promote campaign events, new products, and sustainability knowledge; conduct inspections to enhance frontline staff's service skills and awareness.		• Daily briefing: reading the "Morning Meeting Daily Report" to share product updates and reminders. • Floor managers: 3–5 inspections per day. • Customer Care Stations provide on-site services and handle emergencies.		
Recognition	Excellent Service Stars	Monthly recognition of outstanding service employees, with posters displayed on bulletin boards to share their experiences and inspire positive influence. Store managers nominate and commend counter staff for professionalism and service excellence.		100 recognized in 2024		



3.3 Mall Safety Maintenance

3.3.1 Environmental Safety and Hygiene Management



Pacific SOGO attaches great importance to safety and hygiene management, conducting regular inspections focused on environmental hygiene and 5S self-management. A nationwide safety and hygiene meeting is convened monthly by the Executive Vice President to review deficiencies found during inspections.

Zero Violations in 2024

Each location is equipped with emergency generators that can be activated immediately during power outages to provide approximately 25% of lighting power, as well as elevator and stairwell lighting to ensure customer safety.Each location cooperates with government authorities to implement statutory infectious disease prevention programs, while practicing self-managed hygiene to create a safe and secure work and shopping environment.



Category	Item Executed	Inspection Frequency
Friendly Management	Nursing Room Inspection	Daily
	AED	Daily
	First Aid Kit Inspection (All Units)	Quarterly
Public Safety Management	Evacuation Route Inspection & Fire Safety Equipment Self-Check	Daily
	Large Cold Storage Safety Switch Inspection	Daily
	Electrical Equipment Safety Inspection	Monthly
	Flammable Gas Inspection	Daily
	Biannual Fire Bureau Safety Verification and Drills (Including Counters)	Semi-Annually
Equipment Management	High-Voltage Substation & HVAC Room Patrol	Daily
	Air Conditioning Filter Replacement	Semi-Annually

Category	Item Executed	Inspection Frequency
Professional Maintenance (Outsourced)	Pest Control	Weekly
	Elevator/Escalator Maintenance	Monthly
	Drinking Water Quality Testing (Regulatory Sampling)	Quarterly
	High-Pressure Boiler Maintenance & Testing, Potable Water Cleaning, Cooling Tower Cleaning & Sterilization Testing	Semi-Annually
	Fire Safety Equipment Inspection & Reporting	Semi-Annually
	CO_2 Occupational Environment Testing	Semi-Annually
	Generator Maintenance & Inspection, Infrared Scanning of High/Low Voltage Panels, Partial Discharge Testing of High-Voltage Transformers, HVAC Maintenance (Including In-House and Vendor Dynamic Testing)	Annually
	Building Public Safety Inspection & Certification	Annually
	Indoor Air Quality Testing	Every 2 Years

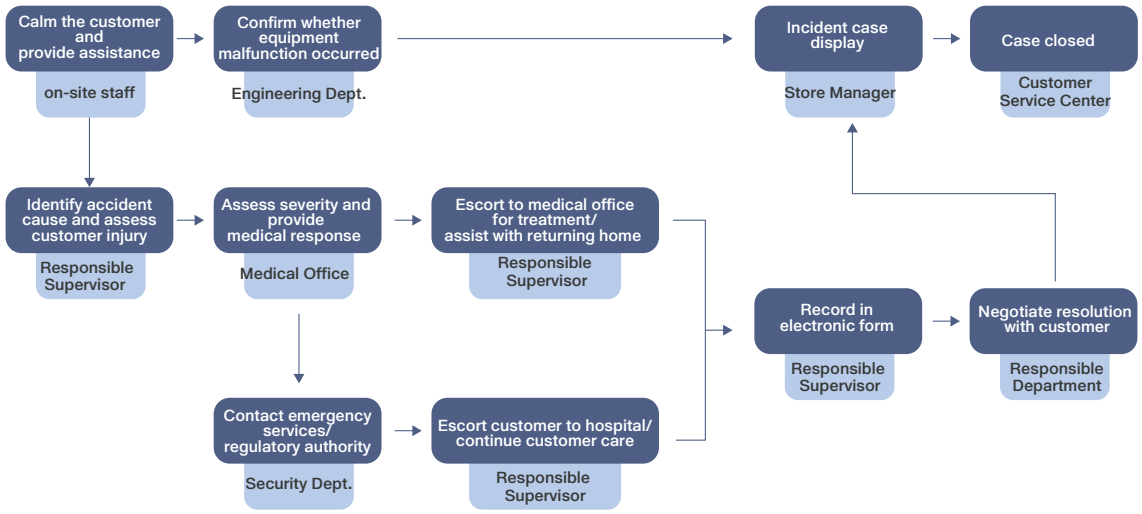
3.3.3 Customer Safety

The Company places great importance on customer safety, conducting semi-annual fire safety drills (both static and dynamic). The Fuxing Store and Tianmu Store have been recognized as "Excellent Fire Safety Self-Management Venues." Additionally, the three Taipei stores signed a disaster prevention memorandum of cooperation with the Da'an District Office.

Emergency response training is also a key part of staff development. Each store is equipped with AED devices and has been certified by the government as a safe venue. Under the "Thousand People Protection Program," all employees undergo refresher first aid training every two years. In 2023, 43 sessions were held, training 2,670 participants. All staff will receive refresher training again in 2025, further strengthening their safety protection capabilities.

In the event of an accident, on-site staff immediately attend to the customer, and the responsible supervisor, medical office, security, and engineering departments handle the situation simultaneously. All injury cases must be recorded in an electronic form and managed as individual cases. The Customer Service Center follows up, providing continuous care and assistance. The store manager ensures the case is fully resolved, and incidents are reviewed and improved based on injury type. In 2024, a total of 30 incidents occurred, all of which have been closed.

Customer Injury Handling Process



2024 Customer Injury Case Statistics

Case Type	Number of Cases	Handling Measures	Effectiveness Follow-Up
Self-Inflicted	17	On-site staff cared for the customer and immediately notified medical personnel; in some cases, customers were accompanied to the hospital.	All cases closed
Facility	7	On-site staff cared for the customer and immediately notified medical personnel; in some cases, customers were accompanied to the hospital and medical expenses were covered. Facility improvements were subsequently made.	
Third-Party Caused	4	On-site staff cared for the customer and immediately notified medical personnel; in some cases, assistance was provided with medical expenses.	
Others	2		


All employees receive regular refresher first aid training



CHAPTER 4.

Workplace Well-being and Empowerment

Amid a labor shortage era, the Company launched the "Vision Project" in 2024, focusing on digital optimization, workplace friendliness, and corporate culture renewal. These initiatives strengthened employee care and development, successfully shaping a well-being-oriented enterprise that has been recognized with 12 major HR awards and certifications.

Competitive Compensation System

- Salary increases for all employees for three consecutive years
- Average monthly salary of NT\$50,061, 9.22% higher than industry peers; overall compensation 39.72% higher than peers
- Redesign of job grades and compensation structure

Embedding Sustainability DNA in All Employees

- Applications for volunteer leave increased by 40% year-on-year
- 90% of employees with over 20 years of service recognize ESG as part of daily operations

Enhancing DEI to Build a Friendly Workplace

- 100% completion rate for gender equality training among supervisors
- Elimination of unconscious bias, with trousers added to women' s uniforms

Measures Beyond Legal Requirements

- 80% salary pay for reduced working hours during parental leave
- Substitute allowance provided during parental leave

4.0 Strategic Outcomes and Plans

The Company continues to drive digital transformation and workplace optimization by enhancing employee experience, strengthening professional skills and psychological resilience, and implementing the ISO 45001 Occupational Health and Safety Management System. These efforts have created a safe and happy workplace that helps the Company retain and attract talent, further fostering industry collaboration to address labor shortages, talent gaps, and turnover in the service sector. As the only retailer to consecutively win the "Taipei City Occupational Safety Award" for consecutive years, the Company has also earned the "HR Asia Best Companies to Work for in Asia Award" and the Taipei City "Family-Friendly Enterprise Award."

Policy Commitment

By aligning with international occupational health and safety management standards, the Company provides a safe workplace; with planning that exceeds industry standards in recruitment, retention, and compensation and benefits, it creates a happy workplace.

Organizational Vision

Strengthen employees' understanding and identification with the Company, creating a progressive and friendly workplace. The Company aims to be a benchmark retailer that provides comprehensive, fashionable lifestyle experiences for the public.

Material Topics and International Frameworks and Indicators

Material Topics	International Frameworks and Indicators	
Employee Compensation and Benefits	401 Employment Relations	SASB Labor Practices CG-MR-310a.1, CG-MR-310a.2, CG-MR-310a.3-
Workplace Safety and Health	403 Occupational Health and Safety	-
Talent Retention and Development	404 Training and Education	-

Management Actions	2024 Action Performance Tracking		Achievement Overview	Short-Term Goals (1–3 Years)	Mid-to-Long-Term Goals (Over 3 Years)
Optimizing Employee Experience	Ensured Compensation and Benefits	Achieved	Redesign of job grades and compensation (implemented on 2025.1.1) Three consecutive years of salary increases for all employees	● Employee Net Promoter Score (eNPS) reaches positive value. ● Enhance supervisors' leadership skills, innovation and change capacity, and employee engagement.	● Maintain salary competitiveness. ● Transform talent towards high-value services. ● Strengthen professional career development.
	Launched eWork Phase 3 Functions	Achieved	● eWork 3.0 launched in October 2024		
Creating a Safe and Friendly Workplace	Gender Equality	Achieved	● Women's uniforms updated with pants option ● 100% of supervisors completed friendly workplace training	● Organize training to eliminate unconscious bias in the workplace. ● Conduct risk management based on workload index levels and top 10 abnormalities from health check results. ● Company-wide AED and CPR first-aid training, with biennial retraining, to maintain Safe Place certification.	● Zero occupational accidents. ● Promote health management programs. ● Establish reporting mechanisms for occupational hazards involving non-employees. ● Create an age-friendly work environment for mid-to-senior employees.
	Enhanced Benefits Beyond Legal Requirements	Achieved	● Introduced parental leave substitute allowance (effective 2025.1.1)		
	Collected Data on Non-Employees	In Progress	● Gradually improving data on non-employee workplace injuries		

Management Actions	2024 Action Performance Tracking		Achievement Overview	Short-Term Goals (1–3 Years)	Mid-to-Long-Term Goals (Over 3 Years)
Establishing a Corporate Sustainability Culture	Expanded Social Participation	Achieved	● 109 employees applied for a total of 649 hours of volunteer leave, representing a 40% increase.	● Hold mandatory sustainability training for all employees ● Continue to provide at least 6 hours of sustainability training for managers annually. ● Regularly hold sustainability courses at each store.	● All employees equipped with basic sustainability knowledge integrated into daily operations.
	Empowered Sustainability Knowledge	In Progress	1. 787 related courses conducted nationwide. 2. Attendance rate of sustainability courses for managers exceeded 80%. 3. Hydroponic vegetable racks toured various stores; 400 participants joined 24 employee events, and 139 participants attended 6 sustainability courses.		
	Incentivized Sustainability Practices	Achieved	● Introduced individual awards under the ESG Contribution Award and Innovation Proposal Award.		

Stakeholder Groups	Communication Channels	2024 Performance
Employees	● Employee Engagement and ESG Survey (Annual)	→ 1,162 employees responded, with a 92% response rate; 90% of employees with over 20 years of tenure agreed that ESG has been integrated into daily operations.
	● Sustainability Awareness Quiz with Rewards (Annual)	→ 900 employees participated, with a 70% participation rate and an average score of 94. For the first time, counters were included, with 158 participants.
	● ESG Contribution Award and Innovation Proposal Award (Annual)	→ 93 participants (up 3.3%), with 53 proposals and 40 multimedia submissions, totaling NT$162,500 in awards.
	● Labor-Management Meetings (Quarterly)	→ 16 sessions.
	● Daily Morning Briefings	→ Daily.
	● Training Programs (Ad Hoc)	→ 421 sessions, with 10,839 participants trained.
	● Others	→ Internal eWork announcements, employee suggestion box, 0 policy change briefing sessions (no major HR policy changes in 2024), 65 EAP (Employee Assistance Program) seminars with 1,464 participants, and 233 employees used EAP counseling services (a 74% increase).

4.1 Employee Profile

4.1.1 Employee Composition and Distribution

GRI 2-7 GRI 2-23 GRI 405-1

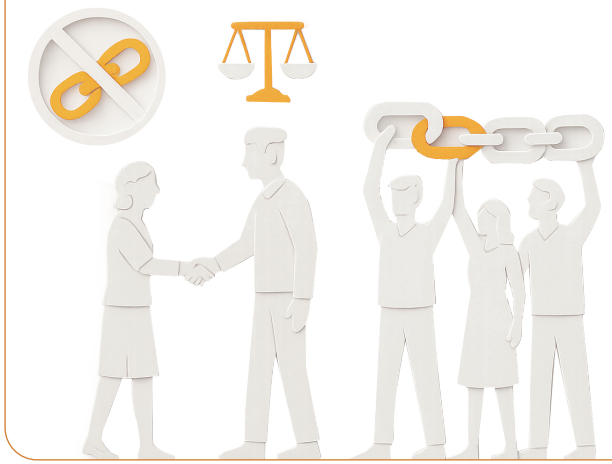
Human Rights Policy

Purpose and Scope of Human Rights Policy

Pacific SOGO Department Stores respects human rights. To safeguard the fundamental rights of stakeholders, the Company supports and adheres to the International Bill of Human Rights, the United Nations Universal Declaration of Human Rights (UDHR), and the UN Global Compact (UNGC), among other international conventions. In compliance with domestic labor laws, the Company has established a Human Rights Policy that applies not only to all employees but also to business partners, suppliers, contractors, and the local communities in which it operates.

Link to Official Human Rights Policy

Please visit the Company ESG website under "Sustainability Commitments and Policies."



Human Rights Issues	Commitment Details
No Forced Labor	Comply with government labor regulations, prohibiting forced or coerced labor of any unwilling individual. Restricting personal freedom or withholding personal identification documents is strictly prohibited.
Prohibition of Child Labor	The employment of workers under the age of 16 is strictly prohibited across all operations and supply chains.
Working Hours, Wages, and Benefits	All working hours, overtime, wages, benefits, and living conditions strictly comply with government labor regulations.
Diversity, Equality, and Inclusion	Policies ensure diversity, equality, and inclusion, with no discrimination based on gender, race, class, age, marital status, language, belief, religion, political affiliation, union membership, disability, zodiac sign, or blood type. Equal pay for equal work is guaranteed, with a commitment to a workplace free from harassment and discrimination.
Maternity Protection	Protect maternity rights and foster a gender-friendly work environment.
Privacy Protection	Ensure the protection of personal data in compliance with government regulations.
Health and Safety	Comply with international standards and government laws to establish occupational health and safety measures, creating a safe workplace.
Human Rights Policy Advocacy	In September 2023, the Company's Chairperson formally signed the Human Rights Policy. Beyond actively implementing its own sustainability and human rights commitments, the Company expects stakeholders to uphold the same standards, jointly advancing awareness and practices related to human rights.

Guided by a merit-based principle, the Company treats all employees equally, with no discrimination based on race, gender, religion, nationality, social background, or disability. In compliance with labor laws, the Company has never engaged in child labor or human rights violations.

In 2024, the Company's total workforce in Taiwan was 1,297 employees (1,274 full-time and 23 contract staff), representing a 0.61% decrease from the previous year. Employees were predominantly aged 31–50, accounting for 51% of the workforce. Women made up the majority at 65.77%. Gender representation among middle and senior management was balanced, with women holding 48.1% of such positions. Based on residence data, 75.25% of employees lived in the same cities as their assigned workplaces (Taipei region includes Taipei City, New Taipei City, and Keelung City), roughly consistent with previous years.

The vast majority of employees and management were Taiwanese nationals (99.92%), including 85 Indigenous employees. One employee was a foreign national, with new immigrant numbers not separately recorded. In compliance with Article 38 of the People with Disabilities Rights Protection Act, the Company provided fair and diverse employment opportunities, hiring a total of 12 employees with disabilities, exceeding the statutory quota at all locations except the Hsinchu Store.

Workforce Overview in 2024

Category	Gender						Store													
	Male		Female		Total		Headquarters		Taipei Zhongxiao Store		Tianmu Store		Taoyuan Zhongli Store		Hsinchu Store		Kaohsiung Store		Garden City (Dome)	
	Headcount	Percentage	Headcount	Percentage	Headcount	Percentage	Headcount	Percentage	Headcount	Percentage	Headcount	Percentage	Headcount	Percentage	Headcount	Percentage	Headcount	Percentage	Headcount	Percentage
Number of Employees (A)	444	34.23%	853	65.77%	1,297	100%	203	15.65%	566	43.64%	122	9.41%	157	12.10%	163	12.57%	62	4.78%	24	1.85%
Number of Permanent Employees (B)	435	34.14%	839	65.86%	1,274	98.23%	201	15.50%	549	42.33%	119	9.18%	157	12.10%	162	12.49%	62	4.78%	24	1.85%
Number of Temporary Employees (C)	9	39.13%	14	60.87%	23	1.77%	2	01.5%	17	1.31%	3	0.23%	0	-	1	0.08%	0	-	0	-
Number of Zero-Hour Contract Employees (D)	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-
Total Number of Employees (E)	444	34.23%	853	65.77%	1,297	100%	203	15.65%	566	43.64%	122	9.41%	157	12.10%	163	12.57%	62	4.78%	24	1.85%
Number of Part-time Employees (F)	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-

Note

1. Employee Count (A) = Permanent Employees (B) + Temporary Employees (C) + Zero-Hour Contract Employees (D) = Total Employees (E) + Part-time Employees (F).
2. Permanent Employees: Full-time employees under open-ended (indefinite) contracts.
3. Temporary Employees: Employees under fixed-term contracts. Contracts expire upon completion of specified projects or assignments (e.g., project completion or reinstatement of the employee being substituted).
4. Zero-Hour Contract Employees: Employees with no guaranteed minimum working hours annually or monthly, but who are called upon as needed. Includes hourly employees, temporary staff, zero-hour contract employees, and on-call staff.
5. Retired Employees: Employees who leave the Company at the end of their tenure, monthly, or annually, in accordance with retirement laws and procedures.
6. Part-time Employees: Employees working fewer than full-time hours weekly, monthly, or annually.
7. The Taipei Store includes three operating locations: Zhongxiao, Fuxing, and Dunhua.
8. Workforce statistics are as of December 31, 2024, covering a total of 1,297 employees across seven Far Eastern SOGO stores and Far Eastern Garden City (Dome).

Workforce Composition in 2024

Category	Group	Male		Female		Subtotal	
		Headcount (A)	Percentage(D)	Headcount (B)	Percentage (E)	Headcount (C)	Percentage (F)
	Subtotal	444	34.23%	853	65.77%	1,297	100%
Position Level	Senior Executives	13	54%	11	46%	24	1.85%
	Middle Managers	96	52%	90	48%	186	14.34%
	Professionals	335	31%	752	69%	1,087	83.80%
Age	Under 30	99	28.21%	262	74.64%	351	27.06%
	31–50 years old	240	36.20%	423	63.80%	662	51.04%
	Over 51	105	38.46%	168	61.54%	284	21.90%
Education	Doctorate	2	100%	0	0%	2	0.15%
	Master's Degree	31	53.45%	27	46.55%	58	4.47%
	Bachelor's Degree	260	33.64%	513	66.36%	773	59.60%
	Associate Degree	79	41.15%	113	58.85%	192	14.80%
	High School or Below	72	26.47%	200	73.53%	272	20.97%

Note
1. "Senior Executives" refer to Associate General Manager level and above; "Middle Managers" refer to Managers, Deputy Managers, and Section Chiefs.
2. D = A/C; E = B/C; F = C/Total Employees.

Employment of Persons with Disabilities in 2024

Region/Gender	Male	Female	Total	Difference from Statutory Requirement
Taipei Region	3	5	8(per 10 people)	+1
Zhongli	2	0	2	+1
Hsinchu	0	0	0	-1
Kaohsiung	1	1	2	+2
Total	6	6	12	-

Note
1. The Taipei Region includes the Taipei Zhongxiao Store, Tianmu Store, and Garden City (Dome).
2. The Taipei Region was required to employ 9 persons with disabilities. As 2 employees had severe disabilities (counted as 4 under the law), the total exceeded the statutory requirement.

4.1.2 Employee Turnover GRI 401-1

The Company recruits talent through multiple channels such as online job banks, campus recruitment, job fairs, industry-academia cooperation, and headhunting firms. Job vacancies are also posted internally to provide diverse career development opportunities. In addition, the Company enhances overall compensation, restructures job levels, promotes employee health management programs, and implements work-life balance initiatives to reduce turnover. In 2024, there were 139 new hires (new hire rate 10.72%) and 207 separations (turnover rate 15.96%), both slightly lower than in 2023. The top three reasons for turnover were: career change (45%), job mismatch (15%), and family reasons (9%).

2024 New Hire and Employee Turnover Profile

		New Hires		Employee Separations	
Category	Group	Male	Female	Male	Female
Age	Under 30	28	76	34	106
	31–50 years old	11	20	11	38
	Over 50	2	2	6	23
Region	Taipei Region	30	80	36	108
	Zhongli	1	2	2	9
	Hsinchu	6	16	8	35
	Kaohsiung	4	0	5	4
Total		41	98	51	156
New Hire and Turnover Rates		3.16%	7.56%	3.93%	12.03%

Note
1. New Hire Rate (%) = Number of new hires / Total number of employees as of year-end.
2. Turnover Rate (%) = Number of separations / Total number of employees as of year-end.

2024 Reasons for Employee Turnover

Reason for Separation	People
Job Mismatch	31
Further Studies	5
Contract Expiration	18
Family Reasons	19
Retirement	18
Health Condition	8
Death	2
Work Assignment	1
Probation Failure	4
Layoff	1
Compensation	6
Career Change	94
Others	0
Total	207

4.1.3 Composition and Distribution of Non-Employees GRI 2-8

Pacific SOGO's non-employees include contractors (security, maintenance, employee cafeteria, etc.), counter staff employed by tenants, and IT personnel hired through agencies, totaling 9,897 individuals.

Note
1. Workers not under organizational control, such as vendor staff providing scheduled maintenance or temporary project personnel, are excluded. The total number increased by 0.8% compared to last year, mainly due to the opening of the Taipei Dome (Far Eastern Garden City), which led to an increase in counter staff.
2. As of the end of 2024, there are no more employee cafeterias.

Non-Employee Composition

	2022		2023		2024	
Category/Year	Male	Female	Male	Female	Male	Female
Counter Staff	1,878	6,781	1,855	6,794	2,152	7,261
Security Staff	134	23	115	27	134	30
Maintenance Staff	36	243	69	238	61	241
Employee Cafeteria	2	3	4	5	0	0
Parking Fee Collectors	0	2	17	17	1	15
Dispatched Personnel	1	1	2	1	2	0
Total	2,051	7,053	2,062	7,082	2,350	7,547

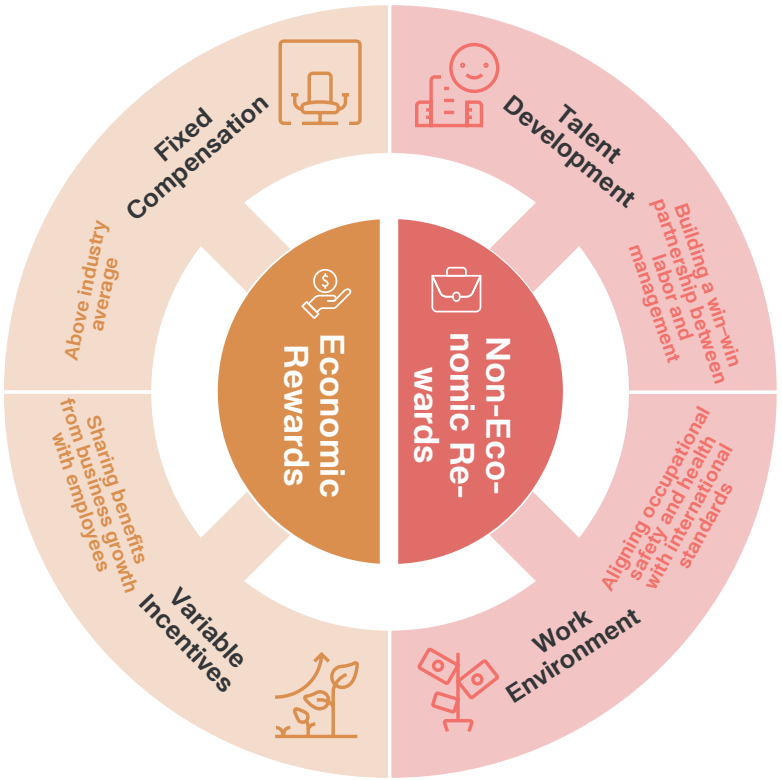
4.2 Compensation and Benefits

4.2.1 Compensation System GRI 2-20 GRI 405-2

The Company has established a fair, reasonable, and competitive compensation system that is not influenced by gender, age, or ethnicity. The annual salary adjustment budget is approved by the Board of Directors in the prior year and analyzed by the Human Resources Department in collaboration with external consultants. Factors considered include socioeconomic indicators, salary adjustments for civil servants, teachers, and peers, as well as employees' professional competence, work performance, and appraisal results. Adjustments are finalized with the approval of the Group Chairman, Company Chairman, and the Management Committee. There is currently no independent governing body member or independent compensation committee to provide oversight. The consulting firm engaged is an independent third-party entity, with no conflict of interest with the Company, its governing bodies, or senior management.

According to the Directorate-General of Budget, Accounting and Statistics (DGBAS), the average monthly regular salary in the "Wholesale and Retail Trade" sector in 2024 was NT$45,834. In comparison, the Company's average monthly regular salary was NT$50,061, 9.22% higher than the industry average; including bonuses, the Company's figure reached NT$75,164, which is 39.72% higher than the industry average of NT$53,797. Despite revenue and profit remaining flat in 2024, the Company granted across-the-board salary increases in March 2025, marking the fourth consecutive year of pay raises.

Comprehensive Compensation System



Number of Non-managerial Full-time Employees and Annual Salary Statistics

Item/Year	2022	2023	2024
Number of Non-managerial Full-time Employees	1,119	1,100	1,087
Average Salary of Non-managerial Full-time Employees (NT$1,000/person)	575	653	710
Median Salary of Non-managerial Full-time Employees (NT$1,000/person)	585	620	676

Note
1. Salary refers to regular salary, including base pay and fixed monthly allowances.
2. Non-managerial full-time employees exclude part-time employees; their job grade is classified as professional staff.
3. Data for 2022 and 2023 has been restated to present annualized figures, which have no impact on Company operations.

Starting Salary of Professional Staff vs. Statutory Minimum Wage (Regardless of Gender or Regional Differences)

Education Level	Far Eastern SOGO Minimum Starting Salary (NT$)	2024 Statutory Minimum Wage (NT$)	Salary Premium Rate
University	32,000	27,470	16.49%

Note Salary premium rate = (Far Eastern SOGO minimum starting salary □ statutory minimum wage) / statutory minimum wage × 100%.

The Company has established a gender-equal promotion and compensation system. By mid-2024, the gender gap among senior managers was within 8 percentage points, and salary ratios have gradually converged, approaching equal pay.

Gender Pay and Compensation Ratios by Job Level

Year		2022		2023		2024	
Gender		Male	Female	Male	Female	Male	Female
Senior Managers	Headcount Ratio	52%	48%	55%	45%	54%	46%
	Gender Pay Ratio	1.15	1	1.18	1	1.07	1
	Gender Compensation Ratio	1.11	1	1.14	1	1.07	1
Middle Managers	Headcount Ratio	49%	51%	50%	50%	52%	48%
	Gender Pay Ratio	1.06	1	1.05	1	1	1
	Gender Compensation Ratio	1	1	1.06	1	1.02	1
Professional Staff	Headcount Ratio	29.22%	70.78%	29.91%	70.09%	31%	69%
	Gender Pay Ratio	1.06	1	1.03	1	1.05	1
	Gender Compensation Ratio	1.06	1	1.04	1	1.05	1

Note
1. Salary (fixed pay) = base salary + allowances.
2. Compensation = fixed pay + variable pay (bonuses).
3. Headcount ratio represents male-to-female ratio at each job level.
4. Data for 2022 and 2023 has been restated to present annualized figures, which have no impact on Company operations.

4.2.2 Employee Benefits

GRI 201-3 GRI 401-2 GRI 401-3

Benefit Measures

The Company provides various employee benefits including bonuses, allowances, and subsidies.

In 2024, the Employees' Welfare Committee distributed annual surplus settlements and disbursed expenditures from cash dividend income, totaling NT$63.34 million, with a 23% utilization rate for travel subsidies, amounting to NT$14.85 million. A total of 842 employees participated in group trips abroad (Austria & Czech Republic, Japan, and Thailand) with a satisfaction rate of 91%; domestic trips (Kenting and Taitung) achieved a satisfaction rate of 83%.

Benefit Category	Description
Bonus Distribution*	Year-end bonus, profit-sharing bonus, anniversary bonus, special performance bonus, surplus distribution
Allowances & Subsidies	Festival, birthday, wedding, and childbirth bonuses; children's education scholarships; communication allowance; fuel allowance; childbirth allowance; childcare allowance; paid short-hour leave for childcare; parental leave subsidies
Recreation Subsidies*	Travel subsidies up to NT$15,000; annual club activity subsidy of NT$32,000; employee meal subsidies
Emergency & Relief Assistance*	Hospitalization allowances; emergency relief funds; condolence payments
Leave System	Statutory leave; birthday leave*; flexible working hours*; volunteer leave* (10 hours annually)
Insurance & Health	Labor insurance, health insurance, group insurance, maternal protection measures, employee health checkups, EAPs*, hospitalization allowances, critical illness allowances
Convenience Facilities	Employee parking spaces, nursing rooms, medical rooms
Retirement Benefits	Retirement pension contributions per the new and old labor pension systems; subsidies up to NT$7,000 for retiree gatherings*; retirees eligible to join employee trips*
Discounts & Perks	Employee purchase discounts*; affiliated company employee discounts; partner store discounts*; self-service coffee machines and smart vending machines

Note *Above statutory requirements.

Retirement Benefits

According to the Ministry of Labor's definition, the Company employed 502 middle-aged and senior employees (aged 45–65) and 5 elderly employees (over 65), accounting for 39.09% of the total workforce. A total of 405 employees had over 20 years of service and 70 employees had over 30 years. In compliance with the law, the Company contributes to the monthly employee retirement reserve fund, while employees may voluntarily contribute 1–6%.

Promoting DEI to Foster an Inclusive Workplace

In accordance with the Gender Equality in Employment Act and Labor Standards Act, the Company provides benefits such as maternity bonuses, reduced working hours for childcare, childbirth subsidies, and childcare allowances, either as mandated or exceeding legal requirements, to encourage employees to establish families. Starting in 2025, substitutes covering parental leave will be eligible for allowances. To align with social trends, women's uniforms were updated in winter 2024 to include trousers, challenging unconscious gender bias.

Gender Equality Support Measures

- Friendly restrooms (accessible, family, and gender-inclusive) to be added in all stores in 2025.
- Transportation subsidies for female employees working night shifts.
- Fair promotion and compensation system.
- Women's uniforms updated with trousers; employees may freely choose.

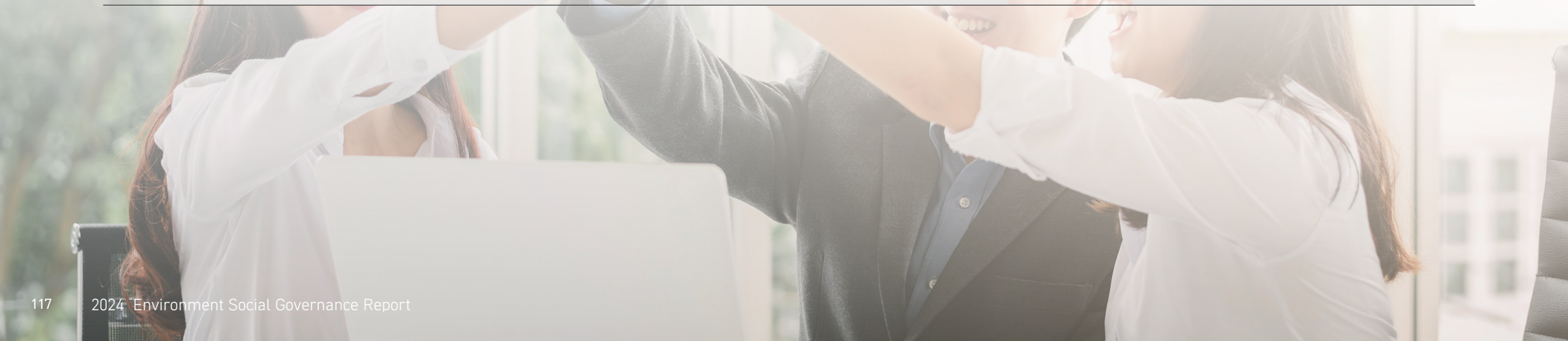


Encouraging Marriage & Childbirth

- Nursing rooms established at headquarters and all stores (100% coverage).
- Job rotations adjusted as needed for pregnant employees.
- Childbirth subsidy of NT$5,000 (above statutory requirements); 19 applications in 2024.
- Childcare allowance of NT$10,000 (above statutory requirements); 18 applications in 2024.
- Paid childcare short-hour leave at 80% salary (above statutory requirements); 105 hours taken by 4 employees in 2024.
- Wedding bonus of NT$8,000; 8 applications in 2024.
- Children's education subsidy of NT$1,000 per year; 295 applications in 2024.

Safeguarding Employment Rights for Employees with Disabilities

- Headquarters signed fixed-term contracts with visually impaired massage therapists.
- The Zhongli and Kaohsiung branches exceeded legal employment quotas for employees with disabilities.



Parental Support Measures

In 2024, 18 female employees and 3 male employees applied for parental leave. The reinstatement rate after parental leave was 82.35%, and the one-year retention rate after reinstatement was 87.5%.

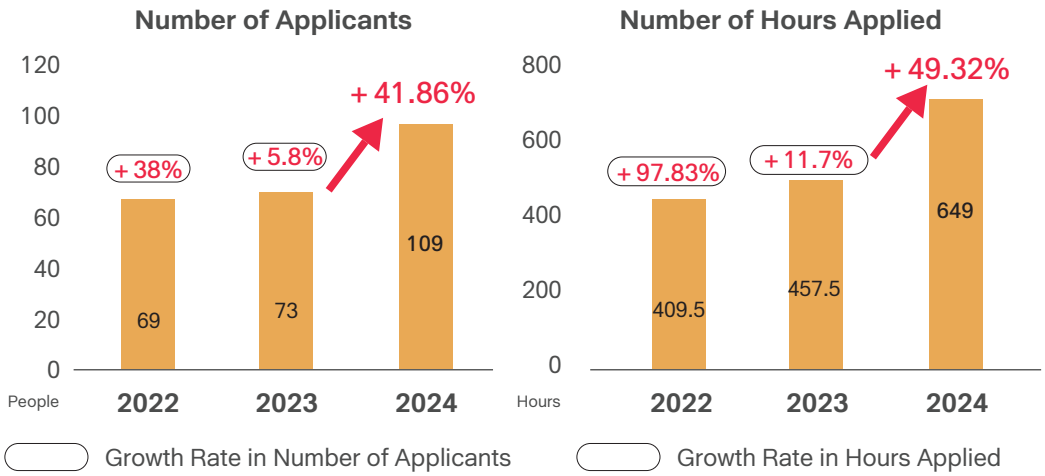
Parental Leave Statistics

Year	2022		2023		2024	
Gender	Female	Male	Female	Male	Female	Male
Number of Employees Eligible for Parental Leave (A)	48	24	33	24	50	21
Number of Employees Applying for Parental Leave (B)	11	3	4	3	18	3
Number of Employees Scheduled to Return to Work That Year (C)	9	1	10	3	14	3
Number of Employees Scheduled and Actually Returned to Work That Year (D)	6	0	6	2	12	2
Number of Employees Actually Returned to Work in Previous Year (E)	8	0	6	0	6	2
Number of Employees Still Employed 12 Months After Reinstatement (F)	7	N/A	5	N/A	5	2
Parental Leave Application Rate = (B)/(A)	22.92%	12.5%	12.12%	12.5%	50%	17.65%
Return-to-Work Rate After Parental Leave = (D)/(C)	66.67%	0%	60%	66.67%	85.71%	66.67%
Retention Rate One Year After Reinstatement = (F)/(E)	87.5%	N/A	83.33%	N/A	83.33%	100%

Note
1. Eligibility for applying for parental leave is limited to employees with children under the age of three, calculated based on the number of childbirth subsidies claimed in the past three years.
2. For 2022 and 2023, the figures in columns C and D are based on Note 1, and include all employees scheduled to return regardless of the duration of leave. This does not affect company operations.

Public Service Leave and Public Service Points

Far Eastern SOGO employees are entitled to 10 hours of public service leave each year. Employees may apply for compensatory leave when participating in public service activities outside of working hours, and participation has grown year over year.




The Volunteer Club holds an annual year-end banquet to recognize departments and colleagues who actively participate in public service activities.

Employee Assistance Programs (EAPs)

The Company fully promotes the "Employee Assistance Programs (EAPs)," providing consultation on finance, taxation, home repair, health, retirement and insurance, and legal services. A total of 233 employees used the service in the year, representing a 74% increase. Across all stores, 65 EAPs-themed seminars and 36 ESG-related courses were held, with a total of 3,291 participants. Both the number of sessions and attendees reached a record high.



Labor-Management Communication

The Company strengthens communication through multiple mechanisms to foster sound labor-management interaction. In the event of significant operational changes affecting employees, information will be provided in accordance with the minimum notice period required by the Labor Standards Act.The Human Resources Department and Audit Office have set up secure and confidential complaint mailboxes. Far Eastern SOGO has established the "Sexual Harassment Prevention Policy," publicly announcing reporting mailboxes and hotlines. Complaints are handled with privacy protection as the principle. No related cases occurred in 2024.

2024 Labor-Management Meetings and Occupational Safety and Health Committee Dates

Store	2024 Labor-Management Meetings and Occupational Safety and Health Committee Dates
Headquarters, Taipei Store (Zhongxiao, Fuxing including Dunhua), Tianmu Store	3/29、6/28、9/23、12/19
Zhongli Store	3/4、6/17、9/23、12/16
Hsinchu Store	3/22、6/28、9/27、12/27
Kaohsiung Store	3/28、6/17、9/16、12/30

Employee Engagement

To understand employees' satisfaction with systems, measures, and benefits, as well as their awareness of company policies, the Company launched the five-year "Vision Project" in 2020. A consulting firm was commissioned to conduct employee opinion surveys and design workshops to listen to employees' voices.The "2024 Employee Engagement and ESG Survey" conducted in early 2025 collected 1,162 valid responses, with a response rate of 92%.The survey analyzed employee engagement (including satisfaction, happiness and loyalty, and Net Promoter Score) as well as recognition of core values and ESG. Overall satisfaction scored 3.84, and the Net Promoter Score was -26.4, roughly the same as in 2023.

The HR Department formulated improvement measures, mainly focusing on enhancing employee benefits and talent development, including standardizing employee travel subsidies across all stores, providing parental leave replacement allowances, and offering subsidies for foreign language learning.

After declines in happiness and loyalty indicators in 2023, some recovery was seen in 2024: 71.34% felt proud to be part of the company, and 66.35% planned for long-term development with the company.

The Company also cross-analyzed the issues employees deemed important and satisfactory. The top priorities for improvement were "Health and Well-being" and "Leadership and Communication."

Although 60.33% agreed with the company's human resources policies, 35.8% frequently felt significant work pressure, and only 55.25% were able to maintain work-life balance.

The issue most valued by employees was "Fairness in performance evaluation and reasonable compensation" (61.45%), far exceeding the next-ranked issue, "The company values employees' physical and mental health and provides appropriate workloads" (12.48%).However, the gap between importance and satisfaction averaged 0.76, second only to "The company provides digital learning tools," "The company assigns appropriate workloads," and "The company values my physical and mental health."



4.3 Diverse Talent Attraction and Training

4.3.1 Employee Training

GRI 404-1 GRI 404-2 GRI 403-5

Education and Training

Far Eastern SOGO designs training programs for different departments and job levels, including onboarding, competency, management, and growth learning courses. In 2024, the company invested over NT$8.73 million in training, with an average training cost of NT$6,732 per person, representing nearly a 20% increase in actual training participants.

Training Content

Onboarding Training	Two-day onboarding training sessions for all new employees in both head office and sales units.
Competency Training	Enhancing morale, professional manpower planning, work efficiency, service etiquette, posture training, foreign language skills, and improving service quality for international customers.
Management Training	Improving leadership, project management, and process execution capabilities.
Growth Learning	Knowledge trends, gender communication, popular updates, and health management.
Occupational Safety and Health	Occupational safety and health training for new employees (including safety in using equipment), event setup applications and procedures, occupational hazard identification and risk assessment, workplace harassment prevention, prevention of cardiovascular and musculoskeletal diseases, and basic first aid.
Corporate Culture Transformation	“Cheers! Reverse Mentorship Program,” breaking traditional seniority boundaries, where frontline managers serve as instructors to train mid- and senior-level managers.

Training Participation and Investment

	2022		2023		2024	
	Male	Female	Male	Female	Male	Female
Number of Courses Offered	310		424		421	
Number of Training Attendances	6,581		9,048		10,839	
Number of Trainees	1,268		1,444		1,450	
Total Number of Employees	424	891	433	872	444	853
Average Training Hours for Senior Managers	7.63	9.82	20.75	27.95	19.42	21.05
Average Training Hours for Mid-Level Managers	18.73	15.54	28.59	27.94	27.39	27.74
Average Training Hours for Professional Staff	10.56	10.44	14.74	16.29	17.85	19.50
Average Training Hours per Employee	12.11	10.94	17.85	17.64	19.96	20.39
	11.32		17.74		20.24	
Total Training Investment (NT$)	6,690,513		15,244,792		8,731,352	
Average Training Cost per Employee (NT$)	5,087.8		11,681.8		6,732	

Note
1. Average training cost per employee = total training investment / total number of employees.
2. Average training hours = total training hours of employees in the category (hours * sessions * number of trainees in the category) / total number of employees in the category.

Training Attendance by Course Category

Course Category / Year	2022	2023	2024
Management and Leadership	331	716	464
Sales Competency	941	370	666
Professional Competency	2,692	1,500	1,671
Training Projects	183	1,454	224
Basic Education	461	727	723
Growth Learning	1,046	1,798	1,550
Information Security	-	58	245
Sustainability-Related	-	384	787
Others	927	2,041	4,509
Total	6,581	9,048	10,839

Note
1."Others" includes book clubs, home delivery packaging education, new system training, health management and promotion, etc.
2. Starting from 2023, Information Security and Sustainability courses are reported separately.

Enhancing Human Rights Awareness and Preventing Sexual Harassment

In response to the # MeToo movement and the amendment of the "Three Gender Equality Laws" by the Executive Yuan, Far Eastern SOGO strengthened employer awareness and responsibility for prevention, designating sexual harassment as a key issue. In addition to the existing "Sexual Harassment Prevention Guidelines," a new gender-friendly workplace course was introduced, with 842 employees having completed the training. Manager completion rate reached 100%, and all employees are expected to complete the course by 2025. Furthermore, human rights policies were promoted during new employee training, with 223 employees completing human rights courses.



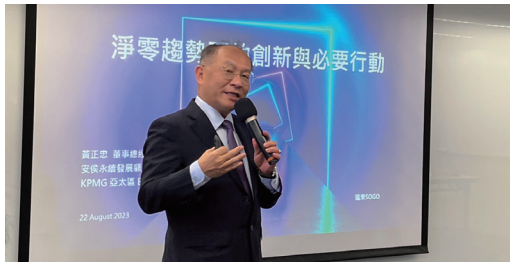
"Cheers!" Reverse Mentorship Program

To foster a youthful corporate culture, the company developed the "Cheers!" Reverse Mentorship Program, embracing a bottom-up approach to encourage senior managers to adopt an open mindset and absorb new knowledge. In 2024, a total of 21 sessions were held.



Embedding Sustainability Education

According to multiple domestic and international studies, a brand's "sustainability" influences both consumer purchase intention and the willingness of young workers to join. The company aims to enhance all employees' sustainability literacy to bring about cultural change.



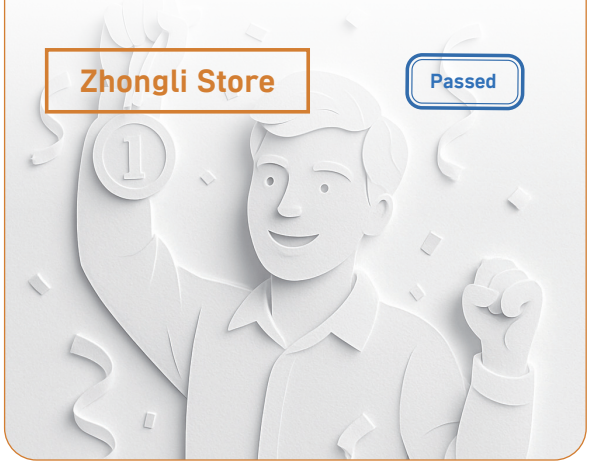
Target Audience	Course / Activity	Frequency	Description
New Employees	New Employee Training	Once every 2–3 months (Feb, May, Jul, Sep, Dec)	Each new employee orientation included one hour of sustainability basics and an introduction to the company's sustainability practices. In 2024, five sessions were held with a total of 142 participants.
All Employees	Sustainability Knowledge Courses	Irregular	Sharing new insights and company sustainability policies, open to all employees. In 2024, 23 sessions were held with 787 participants.
	Sustainability Quiz with Prizes	Once a year, year-end	A company-wide sustainability knowledge survey with incentives. In 2024, participation rate reached 70%.
	ESG Best Contribution Award and Innovation Proposal Award	Once a year, first half	Recognizing outstanding teams or individuals for sustainability contributions and encouraging innovative ideas. In 2024, the company received 21 sustainability achievements, 28 innovation proposals, and 40 sustainability-themed graphics and articles. For the first time, an individual award was added to encourage daily sustainability practices.
Middle and Senior Managers, ESG Committee Members	ESG Regular Meetings	Once a month	Participants included department heads, with occasional invitations to consultants, companies, social enterprises, and social welfare groups. In 2024, 14 meetings were held with 313 total participants, including 7 sessions featuring external speakers.
Governance-Level and Senior Executives	Advanced Sustainability Training	3 times a year	Following the listed company standard of 6 hours of annual continuing education for directors, sustainability courses were arranged as mandatory for executives at manager level and above, up to the chairman. Attendance rate reached 84.9%.

TTQS Talent Quality Management System

To ensure the integration of business strategies with human resources policies and to strengthen organizational competitiveness, Far Eastern SOGO has implemented the Talent Quality Management System (TTQS). Through five major dimensions and 19 indicators, the system establishes institutionalized training and education.

Store Evaluation Results

Hsinchu Store (2022~2024)	Bronze
Kaohsiung Store (2021~2025/11)	Bronze
Head Office and Taipei Three Stores Passed	Passed
Tianmu Store	Passed
Zhongli Store	Passed



4.3.2 External Talent Development

Industry-Academia Collaboration

Since 2015, Far Eastern SOGO has recruited interns and held multiple campus recruitment briefings, offering internships in sales, customer service, and administrative departments. In 2024, the company partnered with 19 universities and colleges, four more than in 2023, enrolling a total of 30 interns. In 2023, 21.4% of interns from the industry-academia program were converted to full-time employees in 2024.

List of Partner Universities

1	National United University	11	National Chin-Yi University of Technology
2	Tamkang University	12	Oriental Institute of Technology
3	National Taipei University	13	Hungkuo Delin University of Technology
4	Shih Chien University	14	Hsing Wu University of Science and Technology
5	Ming Chuan University	15	Tungnan University of Technology
6	Chinese Culture University	16	Chung Hua University
7	Fu Jen Catholic University	17	China University of Technology
8	Taipei City University of Science and Technology	18	Minghsin University of Science and Technology
9	Takming University of Science and Technology	19	Yuanpei University of Medical Technology
10	Chihlee University of Technology		

4.3.3 Career Development GRI 404-3

The Company identifies high-potential talents through real-time communication and annual performance reviews, offering them opportunities to develop and build necessary skills. Year-end evaluations cover business performance, customer satisfaction, professional competence, and attendance. For managerial positions, additional leadership competency assessments are included as criteria for bonuses and promotions. In 2024, excluding special employment of persons with disabilities and temporary staff on parental leave, the overall evaluation coverage reached 98.2%.

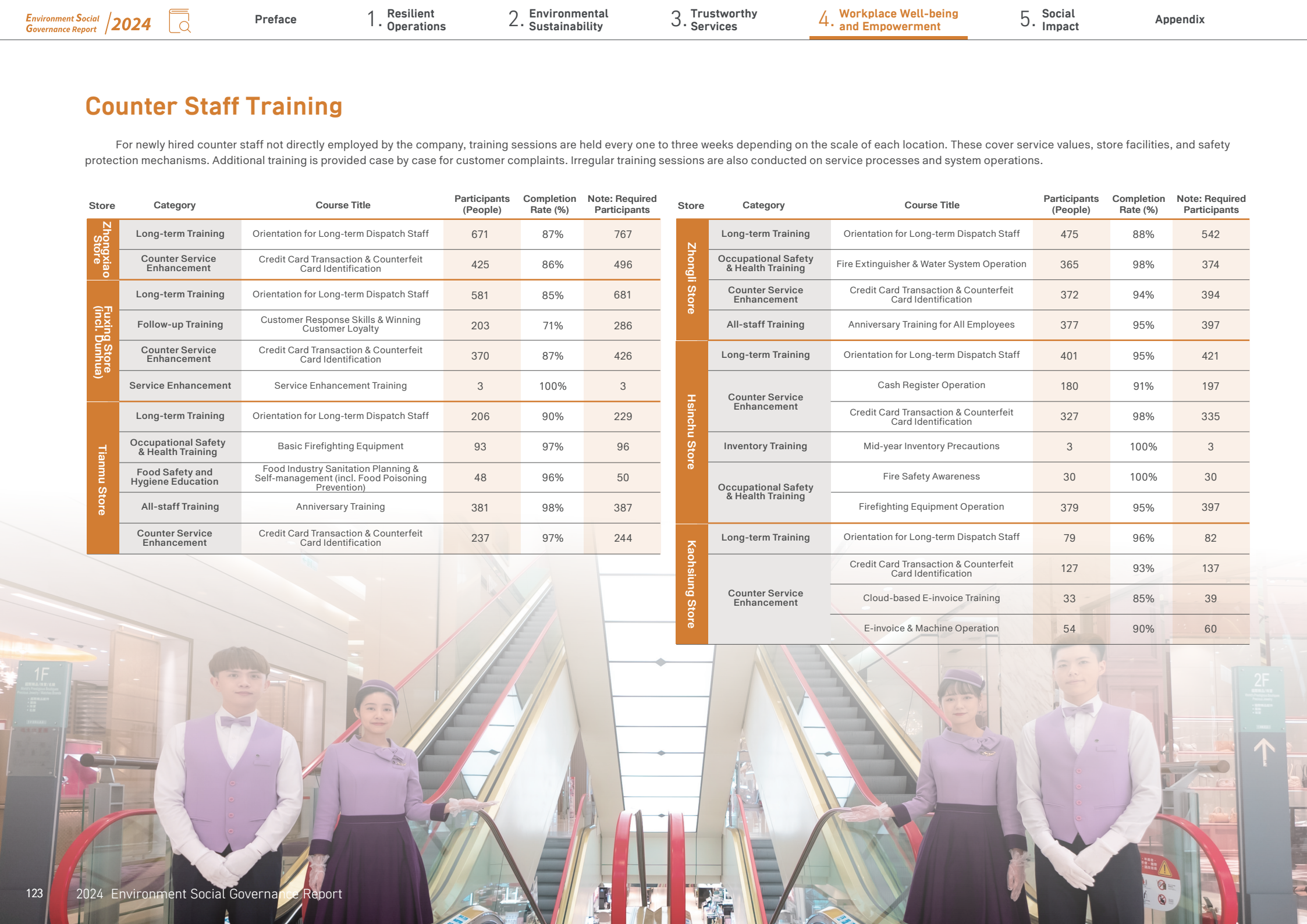
Development Stage		Corresponding SOGO Level	Training Goals	Training Content
Professional Advancement	Senior Executives	General Manager & above	Strategic Navigator	Cross-functional workshops, special lectures
	First-level Managers	Assistant General Manager & above	Strategic planning, change management, operational policy-setting	New department head training, cross-functional workshops
	Second-level Managers	Manager	Enhancing market sensitivity, leadership development	Management reserve training, cross-functional training, new manager workshops, job-specific professional training
	Frontline Supervisors	Section Head	Application of management tools, delegation and empowerment skills	Job-specific training, management reserve training, job training certification
Foundational Capability Building	General Staff	Staff	Professional capability development and enhancement	Job basics, job-specific training, job training certification
	New Employees	New Hires	Understanding company profile, regulations, scope of work	New employee orientation

Counter Staff Training

For newly hired counter staff not directly employed by the company, training sessions are held every one to three weeks depending on the scale of each location. These cover service values, store facilities, and safety protection mechanisms. Additional training is provided case by case for customer complaints. Irregular training sessions are also conducted on service processes and system operations.

Store	Category	Course Title	Participants (People)	Completion Rate (%)	Note: Required Participants
Zhongxiao Store	Long-term Training	Orientation for Long-term Dispatch Staff	671	87%	767
	Counter Service Enhancement	Credit Card Transaction & Counterfeit Card Identification	425	86%	496
Fuxing Store (incl. Dunhua)	Long-term Training	Orientation for Long-term Dispatch Staff	581	85%	681
	Follow-up Training	Customer Response Skills & Winning Customer Loyalty	203	71%	286
	Counter Service Enhancement	Credit Card Transaction & Counterfeit Card Identification	370	87%	426
	Service Enhancement	Service Enhancement Training	3	100%	3
Tianmu Store	Long-term Training	Orientation for Long-term Dispatch Staff	206	90%	229
	Occupational Safety & Health Training	Basic Firefighting Equipment	93	97%	96
	Food Safety and Hygiene Education	Food Industry Sanitation Planning & Self-management (incl. Food Poisoning Prevention)	48	96%	50
	All-staff Training	Anniversary Training	381	98%	387
	Counter Service Enhancement	Credit Card Transaction & Counterfeit Card Identification	237	97%	244

Store	Category	Course Title	Participants (People)	Completion Rate (%)	Note: Required Participants
Zhongli Store	Long-term Training	Orientation for Long-term Dispatch Staff	475	88%	542
	Occupational Safety & Health Training	Fire Extinguisher & Water System Operation	365	98%	374
	Counter Service Enhancement	Credit Card Transaction & Counterfeit Card Identification	372	94%	394
	All-staff Training	Anniversary Training for All Employees	377	95%	397
Hsinchu Store	Long-term Training	Orientation for Long-term Dispatch Staff	401	95%	421
	Counter Service Enhancement	Cash Register Operation	180	91%	197
		Credit Card Transaction & Counterfeit Card Identification	327	98%	335
	Inventory Training	Mid-year Inventory Precautions	3	100%	3
	Occupational Safety & Health Training	Fire Safety Awareness	30	100%	30
		Firefighting Equipment Operation	379	95%	397
Kaohsiung Store	Long-term Training	Orientation for Long-term Dispatch Staff	79	96%	82
	Counter Service Enhancement	Credit Card Transaction & Counterfeit Card Identification	127	93%	137
		Cloud-based E-invoice Training	33	85%	39
		E-invoice & Machine Operation	54	90%	60



4.4 Workplace Safety and Health

4.4.1 Workplace Safety Management

GRI 403-1 GRI 403-2 GRI 403-4 GRI 403-8 GRI 403-9 GRI 403-10

Since 2017, the company has established and signed the "Occupational Safety and Health Policy" by the Chairman. The highest decision-making body is the "Occupational Safety and Health Committee," chaired by the Executive Vice President. The scope of management covers all employees within Pacific SOGO workplaces. Occupational safety committee members at all levels are responsible for promoting, managing, and monitoring relevant tasks. The company has consecutively received the Taipei City Labor Safety Award for consecutive years, leading the retail and service industry.

Zero work-related fatalities in 2024

Occupational Safety and Health Committee

2024 Operations

Meeting Frequency	Once every 3 months	Meetings Held	16 meetings in 2024

Committee Composition	Number of Members	Attendance Rate
Chairperson (Executive GM / Store Manager)	4	100%
Occupational Safety & Health Officers	9	100%
Department Heads	22	89%
Medical Staff	3	100%
OSH-related Engineering & Technical Staff	3	100%
Employee Representatives	23	100%

Major Resolutions

- Appointment of employee representatives to the OSH Committee — Confirmed
- Approval of proposed 2025 employee health checkup items — Confirmed

Note
1.In 2024, a total of 23 employee representatives were appointed: 8 in Taipei, 5 in Taoyuan, 5 in Hsinchu, and 5 in Kaohsiung.
2.In March 2024, all committee members participated in labor-management meetings, addressing consultation and disputes while jointly reviewing and deciding on OSH management plans.
3.he number of members attending the meetings matched the required attendance.

Term of Committee Members

2 years per term

Meeting Agenda

- Quarterly performance review
- Provide recommendations on proposed OSH policies
- Assist in and advise on OSH management plans
- Review OSH education and training programs
- Review workplace environment measurement plans, monitoring results, and corrective measures
- Review medical supervision, occupational disease prevention, and health promotion measures
- Review emergency response safety and health measures
- Review OSH audit matters for automated machinery and equipment
- Review preventive measures for machinery, equipment, and raw material hazards
- Review occupational accident investigation and reporting cases
- Evaluate on-site OSH management performance
- Review special OSH management issues
- Other OSH-related management matters



The Company has been recognized with the Taipei City Labor Safety Award for 12 consecutive years.

ISO 45001 Occupational Safety and Health Management

In 2020, the company launched the occupational safety and health system certification project and issued the "Occupational Safety and Health Code of Practice." The Zhongxiao Store became the first department store in Taiwan to obtain ISO 45001:2018 Occupational Safety and Health Management System certification, aligning with international standards. In 2024, the certification was renewed, with all Taipei stores completing implementation.

The company continues to adopt this standard, implementing appropriate management measures at all locations to cover all workers, including 1,297 employees (11.6%) and 9,897 non-employees (88.4%). No work activities are excluded. Based on standard requirements, the company has established 22 occupational safety and health management procedures, published on the internal system, and selected seed colleagues from each unit to participate in training on "Hazard Identification and Risk Assessment" and "Internal Auditor" programs.

For details on occupational safety and health policies, please refer to the company's ESG website → "Sustainability Commitments and Policies".

Workplace Safety Risk Management

The Company has established management procedures based on three stages of occupational safety incidents: "Before Occurrence," "During Occurrence," and "After Occurrence." In 2024, the Company recorded one legally reportable occupational incident.

Occupational Safety and Health Management Process

Before Occurrence	Hazard Identification	▶ Establish hazard awareness: Conduct training courses on "Hazard Identification and Risk Assessment," delivered by internal occupational safety and health managers. ▶ Daily communication: The Occupational Safety Office regularly issues announcements in the morning briefing, conveyed by floor managers and department supervisors.
	Risk Assessment	▶ Workplace risk assessments: Conducted once a year. ▶ Risk occurrence type: Occurs on a regular basis. ▶ Evaluation participation levels: Department supervisors, non-management representatives, and specialists.
	Project Improvements	▶ Establish management programs: Conduct annual audits and reviews, implement disaster drills, and track frequency and indicators. ▶ Establish response procedures: Implemented at the decision-making level.
During Occurrence	Emergency Response	▶ Right to withdraw: In accordance with the Occupational Safety and Health Act, workers may leave a work situation they believe poses potential injury or illness risks, under established policies and procedures, without penalty.
	Occupational Safety Reporting	▶ Report in accordance with procedures. ▶ Reporting targets: Internal higher-level management and external entities (local labor inspection authorities).
After Occurrence	Incident Investigation	▶ Participating units: The Occupational Safety Office, in coordination with relevant departments and worker representatives, conducts investigations, analysis, and documentation. ▶ Investigation reports: Include incident types and risk categories.
	Review and Improvement	▶ Review proposed solutions. ▶ Improvement plan: Responsible units and audit frequency.
	Effectiveness Tracking	▶ Track outcomes of the improvement plans. ▶ Tracking results: Reassess risks → return to the "Risk Assessment" stage, reduce risks to acceptable levels → case closed.

Effectiveness Tracking of Project Improvements

Major Hazard Items	Improvement Actions	Improvement Objectives
Statutory Occupational Accident (Facilities Section – Entrapment Incident)	1. Conduct occupational safety and health training courses for all engineering units across all stores. 2. Conduct advanced first aid skills courses in 2025.	1. Strengthen the professional skills and safety awareness of engineering units. 2. Enhance employees' emergency first aid capabilities.

Occupational Safety and Health Management Results

In 2024, Far Eastern SOGO's Disabling Severity Rate (SR) was 12, and the Disabling Frequency Rate (FR) was 1.15, both better than the industry average.

		2022	2023	2024
Disabling Severity Rate (SR)	Far Eastern SOGO	10	81	12 Above Average
	Industry Average	42		
Disabling Frequency Rate (FR)	Far Eastern SOGO	0.38	2.33	1.15 Above Average
	Industry Average	3.02		

Note
1. According to the occupational safety indicators set by the Occupational Safety and Health Administration (OSHA) of the Ministry of Labor, calculated on the basis of one million work hours, the formulas are as follows:
2. SR = (Lost workdays due to occupational injury ÷ Total work hours of the specified gender or region) × 1,000,000.
3. FR = (Number of occupational injury cases ÷ Total work hours of the specified gender or region) × 1,000,000.
4. Industry averages are based on the latest data released by the OSHA on January 25, 2024, covering the cumulative injury indices of each industry over the previous three years.
5. The calculation method is consistent with industry practice and excludes commuting accidents.

The department store retail industry has no direct exposure to high-risk factors. In 2024, Far Eastern SOGO recorded one legally reportable major occupational injury, zero occupational disease cases confirmed by occupational physicians, and three recordable occupational injuries, including one fall, one slip/trip/fall from height, and one entanglement.

Employee Occupational Injury Statistics (by Gender)

Year	2022		2023		2024	
Gender	Female	Male	Female	Male	Female	Male
Total Number of Employees	891	424	872	433	853	444
Number of Fatal Injuries	0		0		0	
Fatal Injury Rate	0		0		0	
Severe Occupational Injuries (Excluding Fatalities)	0	0	0	0	0	1
Recordable Occupational Injuries	1	0	6	0	2	1
Disabling Frequency Rate (FR)	0.56	0	3.5	0	1.17	1.11
Disabling Severity Rate (SR)	16	0	122	0	5	24

Note
1. The statutory definition of a major occupational injury is stipulated in Article 37, Paragraph 2 of the Occupational Safety and Health Act: an incident resulting in fatalities, an incident involving three or more injured employees, or an incident involving at least one employee requiring hospitalization.
2. Recordable occupational injuries are defined in Article 38 of the Occupational Safety and Health Act. For businesses designated by the central competent authority, employers shall report occupational injury statistics monthly to inspection agencies for recordkeeping.
3. According to the occupational safety indicators set by the Occupational Safety and Health Administration (OSHA) of the Ministry of Labor, calculated on the basis of one million work hours, the formulas are as follows:
FR = (Number of occupational injury cases ÷ Total work hours of employees of the specified gender) × 1,000,000.
SR = (Lost workdays due to occupational injury ÷ Total work hours of employees of the specified gender) × 1,000,000.

Employee Occupational Injury Statistics (by Region)

Region	Item	2022	2023	2024
Taipei	Disabling Frequency Rate (FR)	0.55	1.68	1.65
	Disabling Severity Rate (SR)	16	6	17
Taoyuan	Disabling Frequency Rate (FR)	0	0	0
	Disabling Severity Rate (SR)	0	0	0
Hsinchu	Disabling Frequency Rate (FR)	0	9.28	0
	Disabling Severity Rate (SR)	0	615	0
Kaohsiung	Disabling Frequency Rate (FR)	0	0	0
	Disabling Severity Rate (SR)	0	0	0

Note
1.Taipei includes the head office, Taipei Zhongxiao Store, Fuxing Store, Dunhua Store, and Tianmu Store; Taoyuan refers to the Zhongli Store.
2.According to the occupational safety indicators set by the Occupational Safety and Health Administration (OSHA) of the Ministry of Labor, calculated on the basis of one million work hours, the formulas are as follows:
FR = (Number of occupational injury cases ÷ Total work hours in the region) × 1,000,000.
SR = (Lost workdays due to occupational injury ÷ Total work hours in the region) × 1,000,000.

Promotion and Management of Partner Labor Safety

In 2024, the Company had a total of 9,897 non-employees. Based on the Ministry of Labor's latest announcement that the average annual total working hours of Taiwanese workers in 2023 was 2,020 hours, the total working hours amounted to 19,991,940 hours.

Contracts signed between Pacific SOGO and its suppliers include "sustainability clauses," explicitly ensuring the protection of workers' legal rights and adherence to labor rights principles. In 2024, the Occupational Safety Office, together with the Engineering Department and Legal Office, revised the contractor management procedures to include additional occupational safety and health management measures, penalties for violations, risk assessments, inspection audits, hazard communication, and establishment of joint committees.To better monitor the workplace health conditions of its workforce, Far Eastern SOGO has initiated a reporting mechanism for occupational incidents among non-employees. In 2024, there were no reported occupational injuries or legally defined major occupational accidents among contractors and tenant vendors.

For more details on labor rights provisions, please visit the Company's ESG website under "Sustainability Commitments and Policies" and "Happy Workplace."

Non-Employee Occupational Injury Statistics by Gender

Year	2024	
Gender	Female:	Male:
Total Number	7,547	2,350
Number of Fatal Injuries	0	
Fatal Injury Rate	0	
Severe Occupational Injuries (excluding fatalities)	0	
Recordable Occupational Injuries	0	
Disabling Frequency Rate (FR)	0	
Disabling Severity Rate (SR)	0	

4.4.2 Employee Health Management GRI 403-3 GRI 403-6 GRI 403-7

The Company has been awarded the "Health Promotion Badge" by the Health Promotion Administration, Ministry of Health and Welfare, and was once again recognized in 2023 as a "Sport i Taiwan Enterprise" by the Sports Administration, Ministry of Education. In 2024, it passed the follow-up review, continuing to provide a healthy and supportive work environment. Most benefits are also extended to non-direct employees, including health and travel discount programs, on-site physician consultations, health book rentals, and club activities.

Employee Health Checkups

The Company provides health checkups every two years, exceeding the legal requirement of once every 3–5 years. We cooperate with hospitals certified by the Ministry of Labor and design programs tailored to age, job level, workplace characteristics, and job type. Additional items and preferential rates are offered, with employees aged 55 and above receiving expanded cardiovascular, gastrointestinal, and cerebrovascular screenings, implementing a graded health risk management system.

Common Health Examination Items		Complimentary Health Check-up Items (Optional)				
		#	General Employees	Employees Aged 55+	Section Head Level	Manager Level
Cardiovascular Function Test	Cancer Screening	1	Women – New Pap Smear	Cardiac Test	Cardiac Nasopharyngeal Endoscopy	Cardiopulmonary & Cerebrovascular
Routine Blood Test	Electrolyte Test	2	Women – HPV Test	Lung Test	Lung Nasopharyngeal Endoscopy	Gastrointestinal
X-ray Examination	Body Fat Distribution Index	3	Lung Cancer Screening	Gynecological Exam	Gynecological Exam	Cardiovascular
Liver Function Test	Physical Examination	4	Bone Hormone Test	Painless Gastroscopy	Gastrointestinal	Gynecological Exam
Kidney Function Test	Hearing Test	5	Liver & Thyroid Test	Cerebrovascular Test	Cerebrovascular Test	Full Spinal Bone Density
Diabetes Screening	Vision Test	6	Gastrointestinal & Cardiovascular Test			
Routine Urine Test	General Examination					

Health Promotion

In collaboration with the occupational safety office, all store training units conduct employee health and safety education. Topics include cardiovascular and musculoskeletal disorder prevention, prevention of workplace hazards, stress management, risk management training for supervisors, and retail disaster drills.

In 2024, a total of 306 sessions were held with 2,505 participants. Based on the top ten abnormalities found in employee health checkups, programs were developed for disease prevention and dynamic classes such as fat-burning aerobics. Contracted occupational health physicians and hired health service nurses provide health education, consultation, and professional services.

No.	Item	Percentage	No.	Item	Percentage
1	Weight	48.75%	6	Chest X-ray	19.86%
2	Diastolic Pressure	27.00%	7	LDL Cholesterol	19.83%
3	Waist Circumference	25.45%	8	Hemoglobin	19.00%
4	Total Cholesterol	24.01%	9	Triglycerides	17.32%
5	Creatinine	23.54%	10	Urine Occult Blood	16.53%

Musculoskeletal Disorder (MSD) Prevention

Due to the nature of department store retail, employees are often required to stand for long periods, which may lead to musculoskeletal discomfort. To address this, the company has set up rest areas, provided ergonomic chairs in designated zones, and displayed awareness posters during anniversary events. The infirmary offers healthcare support, and external specialists are regularly invited to give health promotion talks.

On-Site Physician Services

Far Eastern SOGO employs occupational health service nurses and, in compliance with statutory requirements, engages on-site physicians for regular consultations. Consultation services include preventive healthcare, health management, medical advice, common illness diagnosis, chronic disease control and management, travel medicine consultation, and vaccination education.



5.

Social Impact

Pacific SOGO is committed to the values of Caring, Sustainability, and Reliability as its three core pillars of social engagement. By promoting social good, long-term co-creation, and shared cultural values, the Company brings together customers, tenants, suppliers, employees, and other stakeholders. Through partnerships with enterprises and government agencies, SOGO works to build a sustainable ecosystem, leveraging collective strength to create positive social impact.

10 Reduced Inequalities | 11 Sustainable Cities and Communities | 17 Partnerships for the Goals

Promoting DEI to Reduce Inequality

The "SO GOOD Youth Role Model Selection and Presentation" showcased 24 exceptional students from disadvantaged backgrounds and awarded NT$297,000 in scholarships.

Caring for Underprivileged Children

The "SO GOOD Children's Christmas Wish" campaign fulfilled the dreams of 1,169 disadvantaged students.

Promoting Sustainable Food

The "Home Cooking Contest" attracted 168 participants and reached over 680,000 people, successfully promoting the concept of sustainable dining.

Building a Sustainable Ecosystem

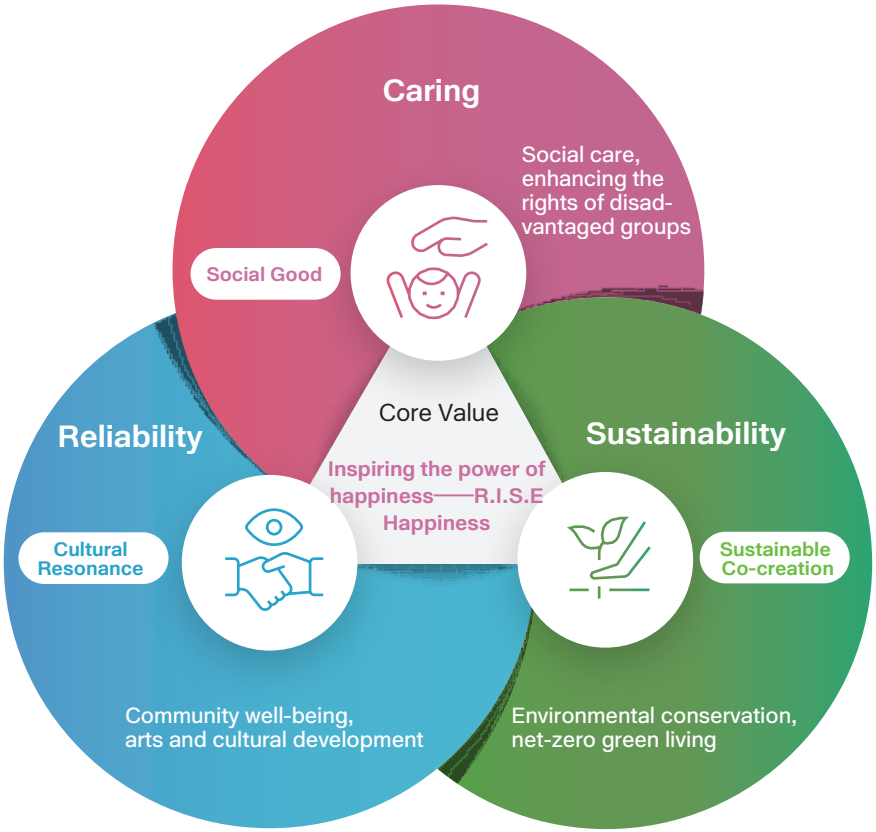
Partnered with 590 external organizations to launch 620 community engagement activities across Taiwan, investing NT$84 million in resources and benefiting 1.5 million people.

5.1 Promoting Social Good, Sustainable Co-creation, and Cultural Resonance

With the corporate mission of "providing happiness for all," Pacific SOGO upholds its core values of R.I.S.E. (Reliable, Inspire, Sustain, Excellence). The Company delivers a blend of international and local food culture, lifestyle experiences, and refined services. Leveraging its channel advantages, Pacific SOGO collaborates with stakeholders to advance the "NEW LIFE Project," continuously investing resources in the three pillars of "Caring, Sustainability, and Reliability" to fulfill social participation.

Based on the B4SI global social impact framework, the Company allocates resources for social engagement through four channels: cash donations, in-kind contributions, staff time, and management overheads. In 2024, over NT$84 million was invested, supporting 620 events and benefiting more than 1.5 million people. Of these initiatives, 57% focused on fostering community well-being by leveraging department store channels to highlight local characteristics, promote lifestyle trends, and enhance cultural literacy through cultural services. The Company also engaged stakeholders in co-creating sustainability activities aimed at a net-zero vision through environmental education. Additionally, Pacific SOGO embeds itself in local communities, transforming its high-traffic channels into platforms for social impact to foster shared prosperity.

Three Main Pillars / Visions

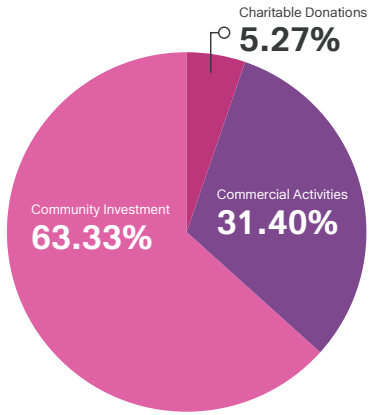


2024 Outcomes

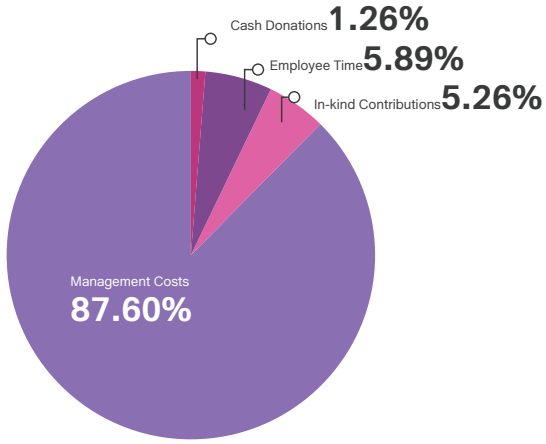
2024 Outcomes	Social Good	Sustainable Co-Creation	Cultural Resonance
Resources Invested (NT$)	8,199,617	27,698,633	48,589,835
Proportion (%)	9.71%	32.78%	57.51%
Beneficiaries	365,734	335,208	804,420
Events Held	103	68	449

Note
1.Based on the B4SI framework, contributions include cash donations, in-kind donations, employee time, and management costs.
2.Employee time is calculated using the Ministry of Labor's 2024 announced minimum hourly wage of NT$183.

B4SI | Three Drivers



B4SI | Four Types of Contributions



5.1.1 Sustainable Public Welfare Chain

Far Eastern SOGO established the Pacific SOGO Cultural and Educational Foundation and the Pacific SOGO Social Welfare Foundation, working in collaboration with cultural institutions, social welfare organizations, and schools. By continuously pooling resources, the foundations serve as a stable force in advancing cultural, educational, and philanthropic initiatives. Each year, SOGO anchors its efforts around three flagship events, including support for charitable initiatives, with updates shared through online and social media platforms.

Foundation 財團法人太平洋崇光文教基金會 **Year Established** 1988 **Mission** Aiming to enhance cultural and artistic literacy and quality of life for the public, with a long-term commitment to promoting cultural exchange and organizing educational activities.

2024 Key Project The 5th Far Eastern SOGO Home Cooking Competition

Partner Organizations

Co-organizers

- Taiwan Health Promotion Foundation
- Shangri-La's Far Eastern Plaza Hotel, Taipei

Sponsors

- Ruikang House
- Thai Town Cuisine
- San Heyuan
- pd by petit doux
- Swire Coca-Cola Taiwan
- Unilever
- Good Noodles
- Sanuki Udon
- Standard Foods
- Soy Sauce Master (Dou You Bo)
- Zen Zhou
- San Xiao Market

Advocacy Partners

- United Daily News – Advocacy Program
- Royal Copenhagen Café (Zhongxiao Store)
- Xin Pu Yuan Restaurant (Fuxing Store)
- Red Bean Dining (Dunhua Branch)
- Red Bean Dining (Tianmu Branch)

Project Outcomes

Input

Cash Donations	NT$430,000 total funding
In-kind Contributions	Over 200 gifts
Human Resource Costs	4 staff contributed 640 hours; 2 volunteers contributed 20
Management Costs	NT$1,627,677

Outputs

- 168 participants completed the competition
  20 finalists, 10 winners
- Reached over 680,000 people
- First “Food Waste Reduction” side competition encouraged participants to prepare appropriate portions.
- Kitchen waste was processed through recycling equipment, reducing food waste by 5 kilograms
  80 participants joined experiential workshops to learn about off-grade fruits
- “Bringing Winning Dishes Back to the Table”: Partnered with four popular department store restaurants to serve winning dishes from the 4th competition, promoting sustainable dining with 424 meals sold

Impact

- Integrated the green dining concept into department store supply chain management
- Created a dining sustainability column to educate employees on sustainable consumption and engage downstream customers in a low-carbon dining ecosystem
- Enabled partner restaurants to recognize the revenue growth potential of promoting low-carbon dining
  Inspired participants to adopt locally sourced ingredients and embrace sustainable dining practices

Event Website

Far Eastern SOGO Sustainable Home Cooking Competition

-

財團法人太平洋崇光社會福利基金會

Foundation

Year Established 2000

Mission To uphold Far Eastern SOGO's philosophy of giving back to society and to actively promote social welfare and charitable activities.

2024 Key Project The 33rd SO GOOD Children's Christmas Wish Fulfillment Event

Partner Organizations

Co-organizers

Taiwan Fund for Children and Families
Sunshine Social Welfare Foundation
Noordhoff Craniofacial Foundation
Taiwan Foundation for Rare Disorders
Taipei Women's Rescue Foundation
Mustard Seed Mission
National University of Tainan Affiliated School for the Hearing Impaired
Maria Social Welfare Foundation
HAPPY GO Joint Marketing

Project Outcomes

Input

Cash Donations None
In-kind Contributions 1,176 gifts with an average value of NT$600, totaling NT$705,600
Human Resource Costs 4 staff contributed 300 hours; 1 volunteer contributed 10 hours
Management Costs NT$249,766

Outputs

- More than 600 community members received gifts through public voting
- 1,176 disadvantaged students received Christmas gifts

Impact

- Longstanding year-end charity events have gradually cultivated a stable base of philanthropic participants
- Introduced online gift adoption for the first time, enabling broader participation and fostering a positive cycle of kindness in society

Event Website

SO GOOD Children's Christmas Wish

2024 Key Project The 12th SO GOOD Outstanding Youth Model Selection and Recognition

Partner Organizations

Co-organizers

Taiwan Fund for Children and Families
Sunshine Social Welfare Foundation
Noordhoff Craniofacial Foundation
Taiwan Foundation for Rare Disorders
HAPPY GO Joint Marketing

Sponsors

Standard Foods
Zen Zhou
BlueBird Travel
deya Pinzhuo Enterprise Co., Ltd.

Project Outcomes

Input

Cash Donations Total prize fund NT$297,000
In-kind Contributions 60 gift sets, including daily necessities and stationery
Human Resource Costs 4 staff contributed 750 hours; 26 volunteers contributed 4,442 hours
Management Costs NT$1,157,559

Outputs

- 33 organizations recommended 60 children; 24 models selected, including 5 filial piety models
- One past model received the "Upward Scholarship"
- 3 institutions received Sustainability Awards; 2 schools designated as Far Eastern SOGO Sustainability Hub Schools
- Public exhibition of visual works by honorees, featuring 149 student artworks
  Reached 290,000 participants

Impact

- Children received recognition and affirmation, enhancing confidence
- Caregivers' efforts were meaningfully recognized
  Far Eastern SOGO staff wrote about caring for youth models,
- experiencing the joy of helping others
  Volunteer art teachers provided home tutoring, gifted plays, and
- supported youth models in envisioning their future
  Past honorees shared stories and encouragement, fostering mutual support with positive energy

Event Website

SOGO Youth Model

5.1.2 Social Engagement Outcomes

In 2024, Far Eastern SOGO collaborated with 590 external organizations (instances), including charitable foundations, academic and research institutions, government agencies, and corporate brands, to launch 620 social engagement initiatives addressing diverse social issues. The total value of resources invested exceeded NT$80 million, benefiting more than 1.5 million people.

Far Eastern SOGO Social Engagement Outcomes

Year	Number of Events	Participants	Beneficiaries	Value of Resources Invested (NT$)	Collaborating Organizations (instances)
2024	620	397,318	1,505,362	84,488,084	590
2023	529	935,016	3,705,317	50,248,810	517
2022	912	1,389,167	2,029,931	67,765,917	1,975

Note Starting from 2022, all resources invested have been monetized in accordance with the B4SI framework.

Caring / Social Good

Far Eastern SOGO conveys the concept of social good through its caring initiatives. In 2024, the company invested nearly NT$8.2 million to organize 103 activities across social welfare, child support, and disadvantaged care, engaging 39,000 participants and benefiting 365,000 people.

SO GOOD Model Youth Awards

SO GOOD 好小孩 少年楷模

Encouraging Diversity, Inspiring Dreams

Project Continuity	Total Scholarship Amount (NT$)	Cumulative Student Recipients
12 editions	NT$4.127 million	337 students

Reach (Persons)	Beneficiaries	Presidential Education Award
7.77 million	More than 350 disadvantaged families and their relatives 350 frontline social workers and teachers	Supported 53 recipients (the nation's highest honor for exceptional students)

Corresponding SDGs: 4 Quality Education; 10 Reduced Inequalities



Mission	Leveraging the influence of a popular department store to support under-resourced disadvantaged children
Solution	Provide scholarships to alleviate short-term financial difficulties; offer public recognition to give children the courage to pursue their future
Beneficiaries	Disadvantaged and special-needs students, as well as their parents, teachers, and social workers
Cumulative Resources Invested	Based on the B4SI community investment model, quantifying SOGO's historical resource input into the "Model Youth Program"



Since 2011, Far Eastern SOGO has organized the "SO GOOD Model Youth Awards," the only program of its kind by a department store chain to recognize disadvantaged children. Elementary school students—whether from low-income families, with rare diseases, or facing special challenges—are eligible to participate, with the goal not of "selection" but of setting positive examples. Over the years, 53 celebrities have joined as supporters, leveraging their influence to help children secure resources. The "Heartfelt Guardian Award" also honors the dedication of frontline teachers and social workers.

In 2024, the theme "The Light Within Me" promoted DEI values—respecting differences, eliminating discrimination, and empowering each child to recognize their unique worth. Among the 24 honored students, many faced poverty, rare diseases, or severe hearing impairments, yet overcame obstacles to pursue their passions. Five were recognized as filial exemplars, supporting household chores and caring for siblings despite difficult circumstances, becoming key pillars of their families.

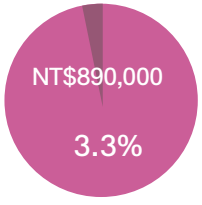
To broaden its impact, the initiative launched its first public call for a key visual, partnering with elementary school teachers to guide students in learning about the SDGs (United Nations Sustainable Development Goals). Students watched a series of youth role model videos and expressed their understanding of "reducing inequalities" through drawings, with the winning piece selected as the campaign's main visual. A nationwide call for sustainability proposals was also held, resulting in three winning teams: Chengfu Elementary School in New Taipei City, Songshan High School in Taipei City, and the Taiwan Fund for Children and Families (Changhua Service Center). These schools and organizations became SOGO's sustainability partners, extending the company's sustainability vision into campuses and local communities. Each winning team received funding and resources to implement their proposals, ensuring that within the coming year their sustainability concepts are transformed into concrete action with lasting positive impact.



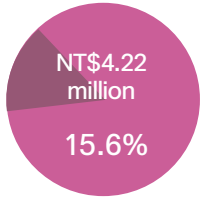
Invited award-winning students' idol, Li Ke-Ying(first from the right), to provide encouragement and support to the children



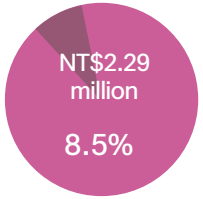
Ongoing care for disadvantaged children has created a stable source of support.



Project Management



Cash Donations



Human Resources

In-kind Donations

Total:NT$27.07 million

Special Jury Award – Stories of the Children

SO GOOD Kids' Christmas Wish

Bridging the Two Ends of an M-shaped Society

Project Continuity	Total Participants	Total Beneficiaries
33 Editions	42,000	31,000



Far Eastern SOGO partnered with the Maria Social Welfare Foundation to launch the "Accompanied by Love, Walking with Happiness" donation campaign.



Every year, Far Eastern SOGO mobilizes thousands of customers to help disadvantaged children fulfill their Christmas wishes.

Far Eastern SOGO has long established a public welfare platform to promote social exchange in an M-shaped society. Its most representative initiative is the SO GOOD Kids' Christmas Wish. Over the past 33 years, the program has engaged more than 42,000 participants and helped over 31,000 disadvantaged children fulfill their wishes, demonstrating SOGO's long-term impact as a public welfare platform.

In 2024, SOGO stores displayed 1,176 wish cards from disadvantaged children, which received enthusiastic responses from the public. More than half of the participants chose to fulfill two or more wishes at once. In addition, 90.3% of participants were satisfied with the event, 93.3% recognized SOGO's social impact, and 100% expressed willingness to recommend the program to friends and family.

By combining on-site booths with online promotions, Far Eastern SOGO successfully expanded public attention to child welfare issues, gathering broader social support for public welfare. Among participants, 27.6% had responded for more than three consecutive years, demonstrating a stable base of supporters who continue to make children's wishes come true each year; meanwhile, 58% were first-time participants, showing the program's ability to continuously attract new supporters.

Upholding its commitment to public welfare, Far Eastern SOGO does not restrict where the gifts must be purchased. Even though only 22.1% of participants chose to buy gifts from SOGO, bringing no direct commercial benefit, SOGO has continued to run this program, making the SO GOOD Kids' Christmas Wish one of Taiwan's most influential children's charity projects, bringing warmth and hope to society year after year.

In addition, embracing the Christmas spirit, SOGO launched its year-end charity campaign on the SOGO APP for the third consecutive year. Customers across Taiwan donated a total of 290,000 reward points, equivalent to NT$87,000, to the Maria Social Welfare Foundation's "Maria Baby Early Intervention Program." This initiative supports early intervention services for children aged 0 to 3 with developmental delays, providing families with strong backing as they navigate the often difficult journey of early intervention.

Sustainability / Co-creating Sustainability

Far Eastern SOGO is committed to becoming "Asia's No. 1 Green Department Store." By integrating environmental concepts into daily operations and activities, SOGO creates low-carbon educational spaces that inspire stakeholders to internalize environmental awareness. In 2024, the company invested nearly NT$27.7 million, hosting 68 sustainability co-creation activities that engaged 78,000 participants and benefited 335,000 people.

Home Cooking Competition

Food Education for All, Green Dining

Project Continuity	Total Participants	Total Reach
5 Editions	645	75.077 million

Far Eastern SOGO has cultivated cooking competitions for 14 years, strengthening Taiwan's soft power in food, with nearly 2,000 contestants to date. Originating from the "Far Eastern Kitchen Master Contest," the event was transformed into the nationwide "Home Cooking Competition" in 2020 in response to the pandemic. The competition promotes healthy self-cooking and nutrition management, while leveraging its format and attractive prizes to draw public attention to global sustainable dining trends and deepen awareness of food education.





宅料理競賽推廣使用在地當令食材，鼓勵全民參賽挑戰



攜手供應鏈，重新詮釋優勝料理，促進永續轉型

Over the past five editions, Far Eastern SOGO has invested tens of millions of dollars, with the competition reaching over 75 million people. The initiative has turned sustainable cooking into a nationwide movement and nurtured 100 “Green Chefs,” further supporting the government’s “Net-Zero Green Lifestyle” policy. By integrating low-carbon operations and promoting supply chain management through a “big guiding small” model, the competition amplifies sustainability impact, helping employees, customers, and department store restaurants enhance climate resilience through participation.

The 2024 competition continued its theme of “using seasonal and local ingredients,” requiring contestants to cook with locally produced seasonal foods to reduce food miles. Additionally, “food waste reduction” was added to the judging criteria. An off-stage food waste weighing contest rewarded contestants who generated the least waste, promoting the philosophy of “eat what you need, buy what you need, cook what you need.” The event recovered a total of 5 kilograms of food waste, with the highest and lowest amounts among contestants differing by 22 times—highlighting varying levels of awareness regarding food waste. Moving forward, the competition will continue to promote food conservation and guide the public toward better food management practices.

The competition also engages supply chain partners, with restaurants reinterpreting award-winning dishes for five consecutive years to promote “Green Restaurants” certified by the Ministry of Environment. In 2024, four restaurants participated, achieving a 94% increase in dish sales and a 100% growth in revenue. This effectively advanced supply chain sustainability transformation and enhanced consumer awareness of green dining. Looking ahead, Far Eastern SOGO will continue using the cooking competition to connect industries and consumers, ensuring that delicious flavors and sustainability go hand in hand, fostering a more eco-friendly food culture.

Family Activities to Embed Sustainability Education

Far Eastern SOGO believes sustainability education should take root from childhood. Through diverse parent-child activities, ecological and environmental awareness is naturally integrated into daily life. Each store hosts monthly ThanQ Club birthday parties or fairs that not only provide innovative experiences but also incorporate sustainability concepts, helping children transform knowledge into everyday habits.To mark Earth Day, the Tianmu Store joined the “Open House Taipei” event by opening its rooftop for public tours. Visitors experienced the department store’s sustainability features firsthand. Guided tours allowed participants to learn up close about solar panels and rainwater recycling systems, deepening their understanding of sustainable management through practical examples.The Zhongli Store partnered with the Taoyuan Environmental Protection Bureau to host a “Net Zero Green Living: Small Actions, Big Sustainability” picture book reading activity. Through engaging storytelling, children were guided to reflect on environmental challenges and learn how to practice eco-friendly actions in their daily lives.


The Tianmu Store opened its rooftop for the first time, allowing the public to learn about the store’s green initiatives.



The Zhongli Store hosted the “Net Zero Green Living: Small Actions, Big Sustainability” activity, using picture book reading to inspire children to reflect on sustainability in everyday life.

Reliability / Cultural Empathy

In 2024, more than 2,500 counters were set up across all operating locations in Taiwan. These diverse products and services reflect everyday life. Each store organized cultural empathy activities such as educational promotion, arts and cultural development, and sports advancement to strengthen connections with the public. In 2024, NT$48.589 million was invested in 449 cultural empathy activities, attracting over 279,000 participants and benefiting 804,000 people.

Little Professionals Experience and Post-Earthquake Response Practice



The Zhongxiao Store organized the "Little Customer Service Experience Camp," encouraging children to respect different professions.


The Zhongli Store promptly provided accurate disaster prevention education after the earthquake, promoting resilient communities.

Leveraging the advantages of department store channels, various stores launched diverse professional experience activities. Through immersive interaction, children were encouraged to explore different roles and develop respect for various professions. Among the most popular programs, the "Little Customer Service Kawaii Camp" was fully booked upon registration, offering children the opportunity to experience the fun and challenges of customer service. Stores also organized multiple occupational experience activities, such as the Tianmu Store's "Little Police Officer Camp," where children participated in simulated scenarios to learn about anti-drug awareness, fraud prevention, and traffic safety, fostering lawful behavior and crime prevention awareness.Following the 403 Hualien-Taitung earthquake, the Zhongli Store hosted Taiwan's first post-earthquake parent-child camp, the "Disaster Preparedness Little Heroes Alliance Experience Camp." Through interactive games and role-play, parents and children learned about earthquake evacuation, fire escape, rapid emergency response, and smoke escape drills, enhancing family safety awareness and strengthening resilience.

Customers Highly Recognize Far Eastern SOGO' s Commitment to Arts, Culture, and Public Welfare

According to the latest Far Eastern SOGO customer satisfaction survey, nearly 70% of consumers recognized SOGO's active promotion of arts, culture, and care for the underprivileged. Among these, "organizing social care activities" and "providing venues and services for public welfare promotion" received the highest recognition, with over 70% of consumers giving positive feedback.However, satisfaction levels were below 70% for aspects such as "organizing arts and cultural activities," "promoting volunteer services," and "facilitating cooperation with local business districts and social welfare organizations to achieve social and economic prosperity."In response, Far Eastern SOGO will further deepen community engagement, expand collaborations with local business districts, and design more diverse volunteer service programs. At the same time, community volunteers will be recruited to enhance consumer awareness and satisfaction regarding volunteer activities.The survey results have been submitted to the ESG Committee as an important reference for future strategy optimization.

5.2 Sustainable Ecosystem

Far Eastern SOGO is committed to low-carbon operations and builds a sustainable ecosystem by promoting sustainable consumption in collaboration with upstream, midstream, and downstream stakeholders.

5.2.1 Leading by Example: Empowering Social Enterprises and Small Farmers

Far Eastern SOGO is the first department store in Taiwan to organize large-scale small farmers' and social enterprises' exhibitions. By actively identifying green business opportunities and promoting sustainable consumption models, SOGO provides customers with innovative shopping experiences.SOGO not only provides sales channels but also offers comprehensive support mechanisms—including vendor selection, product placement guidance, event scheduling, and post-exhibition feedback—to help small farmers and start-ups grow sustainably.These partners are further integrated into SOGO's sustainable procurement and social engagement programs, expanding from individual initiatives to a complete sustainable supply chain. Leveraging its retail expertise, SOGO empowers socially and environmentally responsible brands to collectively enhance sustainability impact.

Since 2018, SOGO has focused on food miles and low-carbon diets, partnering with the social enterprise Good Food Enterprise to host annual small farmers' markets at its Zhongxiao Store, promoting local and seasonal green food concepts.Through the integration of cultural and creative marketing with department store venues, SOGO successfully built the "largest small farmers' market in Taiwan's department store sector," encouraging consumers to shift from simple shopping behaviors to supporting green consumption. After seven years of effort, the initiative has achieved 109,000 transactions, generating NT$52.3 million in revenue, with the average transaction value exceeding NT$600—demonstrating consumers' growing acceptance of sustainable products.In 2024, the "Island East Flavors Exhibition" took over, continuing to promote eco-friendly agricultural products and extending the influence of green consumption.

Beyond the signature exhibitions at the Zhongxiao Store, SOGO organizes various types of local agricultural product fairs tailored to customer demographics across its branches. This has cultivated a loyal community of food lovers and expanded the green consumption trend nationwide.

To shorten the "last mile" from farms to store shelves, SOGO actively partners with social enterprises, enabling small farmers to directly access department store channels and improve profitability.In 2024, SOGO's Fuxing Store collaborated once again with the social enterprise 3 Farmers Market, bringing specialty agricultural products from across Taiwan into department stores through the concept of a food tour around the island.

Within just four days, sales equaled those of an entire week from the previous year, with daily revenue increasing by nearly 60% year-over-year—demonstrating the market potential and influence of social enterprises.

Looking ahead, SOGO will continue to leverage its retail channel advantages, deepen collaboration with upstream, midstream, and downstream stakeholders, and expand the impact of the sustainable ecosystem through brand empowerment, green procurement, and social innovation—embedding green consumption into daily life and driving the market toward a sustainable future.

From Farm to Shelf: Empowering Social Enterprises to Build a Sustainable Ecosystem

Far Eastern SOGO has transformed its popular retail channels into a sustainable consumption platform, building the "No.1 Brand for Small Farmers' Exhibitions in Department Stores." Beyond generating revenue, SOGO also addresses social and environmental challenges through rigorous vendor selection and mentoring mechanisms to empower social enterprises. This effort has cultivated a growing base of sustainable consumers. Since 2018, SOGO has organized 106 events across Taiwan, benefiting 1.73 million small farmers and consumers.



5.2.2 International Day Sustainability Initiatives

As a popular retail channel bearing corporate social responsibility, Far Eastern SOGO connects with an international day each month to launch a sustainability initiative, engaging consumers through each store's Facebook fan pages and in-store digital signage.In 2024, SOGO launched 12 initiatives covering topics such as energy conservation, water saving, DEI (diversity, equity, and inclusion), low-carbon diets, and biodiversity protection, reaching more than 210,000 people in total.SOGO also initiated action plans and expanded supplier participation. For example, in June, it organized the "Summer Solstice Lights-Off for One Hour" campaign, switching off exterior lighting in the evening to demonstrate its commitment to energy saving and carbon reduction.This initiative also aimed to inspire broader action, calling on the public to pay greater attention to climate change, especially during peak electricity demand in the summer.



5.3 Distinctive Sustainable Store Identity

5.3.0 Localized Operations

Department stores attract foot traffic and business opportunities, serving as important indicators of economic prosperity. Far Eastern SOGO has deeply rooted itself in local communities, fostering inclusiveness and co-creation. Each store organizes distinctive events in line with the company's sustainability strategy.

5.3.1 Co-Prosperity with Taipei' s Eastern District Business Circle

Since 2019, the company has fulfilled its corporate social responsibility with "Creativity, Innovation, Entrepreneurship, and Regeneration" as its core strategy, promoting business district development and facilitating the establishment of the "Taipei Eastern District Business Development Association."To revitalize the Eastern District, the company actively sought resources from the Taipei City Government and in July 2024 officially completed the renovation of the "Liugong Green Corridor." The project optimized the previously narrow and inconvenient pedestrian pathways, introduced barrier-free facilities and multifunctional activity spaces, and added greenery and seating areas. These enhancements not only provided a comfortable shopping environment and increased the district's attractiveness, but also created an urban ecological oasis. The project echoed the historical hydrological features of Liugong Canal, establishing green corridors and inclusive facilities that introduced greenery and wind corridors to the city, thereby alleviating the urban heat island effect.

After the completion of the Liugong Green Corridor, Far Eastern SOGO organized annual corridor events in the Eastern District, inviting local businesses to participate. Through cross-brand collaborations and festive marketing, the company revitalized the business district economy.

In the second half of 2024, exciting events such as the "Eastern District Summer Fun Party," the "Eastern District Anniversary Celebration," and the Christmas "Shining Tonight Lighting Ceremony" attracted over 60,000 visitors back to the district.Looking ahead to 2025, Far Eastern SOGO will continue to strengthen collaboration with the government, enterprises, and local merchants. Through diverse strategies such as cultural performances, marketplace economies, and smart business district applications, the company will further promote the transformation and upgrading of the Eastern District, creating Taipei's most innovative and dynamic metropolitan business circle.

Project	Focus	Achievements and Progress
Pacific SOGO Initiates Eastern District Business Circle	Eastern District Summer Fun Party	▪ Centered on summer and music, inviting singers to hold a block concert on Section 1 of Da'an Road. ▪ Connected with Eastern District merchants to host a market, offering shopping vouchers and raffles to attract crowds. ▪ 100 Eastern District stores participated, with attendance exceeding 30,000 people.
Landmark Large-Scale Event	Eastern District Anniversary Celebration	▪ Integrated Far Eastern SOGO Department Stores' anniversary celebration with Eastern District merchants to create a festive atmosphere, offering raffles for purchases at designated stores in the district. ▪ 150 Eastern District stores participated, with attendance exceeding 30,000 people.
Holiday Themed Event	Shining Tonight Lighting Ceremony	▪ From Christmas to the Lantern Festival. On December 20, 2024, Taipei Deputy Mayor Vivian Huang presided over the Christmas lighting ▪ ceremony at Liugong Park.
Large-Scale Community Renovation Project	Liugong Green Corridor Pedestrian Environment Renovation	▪ Construction began in August 2023 and was completed in June 2024. ▪ Coordinated with the city government's initiative and rebuilt the Liugong Green Corridor behind the Zhongxiao Store, linking the Eastern District business community, enhancing the use of open public space, and increasing local foot traffic.
Pedestrian-Friendly Measures	Installation of Pedestrian-Exclusive Signal Phase and Diagonal Crosswalks at Zhongxiao Fuxing Intersection	▪ To ease weekend congestion at Zhongxiao Fuxing and enhance pedestrian safety, the city government introduced pedestrian-exclusive signal phases on weekends and continued advocating for the installation of diagonal crosswalks.



The Eastern District corridor—Christmas lighting ceremony added to the festive atmosphere of the area.



The Eastern District Summer Fun Party held a block event, attracting crowds back to the district.

5.3.2 Stores Engaging with Communities as Bases of Influence

Far Eastern SOGO's stores across Taiwan open their public spaces, providing community stages and transforming popular retail channels into bases of influence, working with stakeholders to foster social well-being.

Taipei Stores (Zhongxiao, Fuxing, and Dunhua Stores) Leveraging Retail Channels for Sustainable Impact

As a department store serving all customer segments, Zhongxiao Store supports SDG 4: Quality Education. Throughout the year, it hosted 55 "Sustainability Classrooms" for ThanQ Club parent-child members, sharing knowledge on environmental education, science, sports, and zero waste. In total, 2,400 families participated, benefiting over 8,000 attendees.The store also promoted net-zero green living to the wider public through initiatives such as the "Sustainable Love: Book Exchange" for second-hand book recycling and "Zero-Waste DIY Workshops."

Fuxing Store utilized its spacious Japanese-style courtyard atrium to host diverse exhibitions. In 2024, it organized a popular "Fossil Expo," featuring awe-inspiring giant fossils, engaging educational introductions, and lively interactive experiences, enabling visitors to develop awareness of eco-friendliness and sustainability.During the Paris Olympic Games, the store also held live screenings, encouraging the public to cheer together for Taiwan's national team.Zhongxiao Store hosted a Zero-Waste Handcraft Workshops to promote resource recycling.Fuxing Store organized a Fossil Expo, allowing participants to learn the stories behind ancient artifacts.

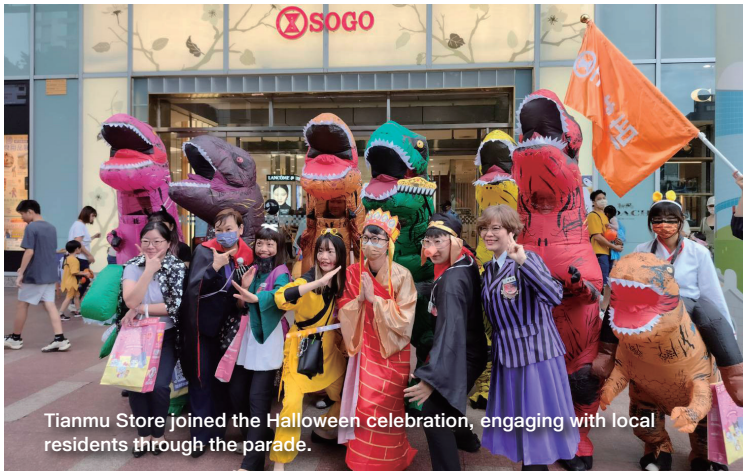


Zhongxiao Store hosted a Zero-Waste Handcraft Workshops to promote resource recycling.


Fuxing Store organized a Fossil Expo, allowing participants to learn the stories behind ancient artifacts.

Tianmu Store Taiwan' s First Green Department Store

Tianmu Store leveraged its advantage as Taiwan's first department store whose consumer spending can be recognized as green procurement, opening B2B channels while continuing to engage consumers on sustainability issues, guiding them to practice green living across food, clothing, housing, and transportation.For example, it organized parent-child second-hand markets to promote the concept of sustainability and to teach children the value of cherishing resources.In response to Taipei City Government's "Urban Farming City" initiative, the store hosted the "Shilin Agro-Fun Festival" to promote food and farming education, showcase agricultural specialties and attractions of the Shilin District, and feature performances by Japanese, Indigenous, and new immigrant communities, highlighting local diversity.The store also actively participated in unique local events to integrate with the community, such as the Tianmu Halloween Parade and the Summer Beer Festival.



Tianmu Store joined the Halloween celebration, engaging with local residents through the parade.

Zhongli Store

Promoting Agricultural Products and Revitalizing the Economy

Zhongli Store is the only large department store in the area and an important fashion hub in the Liuhe business district. It frequently organizes parent-child activities, public welfare initiatives, and business district co-prosperity events. In 2024, it co-hosted the “Earth Day Green Action Farmers’ Market” with the Yangmei District Farmers’ Association, encouraging customers to purchase local agricultural products, reducing carbon emissions from long-distance transportation, and promoting eco-friendly lifestyles. Through green consumption, it fostered a healthy food culture while protecting land resources and biodiversity. Playing its role as a landmark of the district, the store once again invited local communities to fulfill corporate social responsibility, leading 15 malls, shops, and restaurants headed by Venice Cinema to participate in the “Summer Solstice Lights Out for One Hour.” Additionally, it partnered with the Taoyuan City Agriculture Bureau to promote Lalashan peaches from Fuxing District, supporting small farmers and revitalizing local economies.



Zhongli Store collaborated with the city government to hold the Peach Market, promoting the purchase of local agricultural products.

Hsinchu Store

A Family Favore in Taoyuan, Hsinchu, and Miaoli

Hsinchu Store has created a new retail model by integrating a department store with a shopping mall, closely connecting with citizens’ lives. It has become an important venue for parent-child education in the Taoyuan-Hsinchu-Miaoli region, hosting a variety of educational and entertaining activities that allow children to explore their interests. Examples include the “Little Entomologist Camp” for children to learn about natural ecology, and the “Little Musician and Parent-Child Symphony of Love” for children to experience music learning. In 2024, its focus expanded to include seniors, launching the “Grandparents Talk Show” event, which combined training courses with performance showcases. This enabled senior amateurs to perform stand-up comedy, humorously sharing life wisdom, fostering intergenerational harmony, and creating opportunities for cross-generational communication.



Hsinchu Store used its unique performance hall to collaborate with external organizations for the “Grandparents Talk Show” performance.

Kaohsiung Store

A Good Neighbor in the Community

Kaohsiung Store is the first community department concept store in Kaohsiung City and within the Far Eastern Group. It aspires for residents to see SOGO as their own kitchen and living room, actively engaging in social care and providing support for economically disadvantaged groups. Starting in July, it revitalized idle dormitories into social welfare housing, simultaneously saving resources and contributing to public welfare. In September, it launched a community management plan, analyzing neighborhood distribution, visiting borough chiefs to build relationships, identifying needs, and fostering bonds with residents. From October, it further strengthened connections by organizing community events, providing resources and exclusive offers, such as co-hosting vaccination campaigns with the Qianzhen District Health Center, integrating health promotion activities, and interacting with 300 residents during the Shengxing Park inauguration. The store also engaged in cross-sector collaborations to share resources and promote sustainability awareness.


The Kaohsiung Store manager visited local borough chiefs to listen to community needs.



CHAPTER

Appendix

Appendix

Appendix I International Sustainability Disclosure Framework Index

i. Global Sustainability Reporting GRI Standards Index

The following indicators are based on the Global Reporting Initiative (GRI) Sustainability Reporting Standards (GRI Standards) 2021 version, corresponding to the contents of this report. Relevant information has been verified as stated in the external assurance statement, confirming compliance with the GRI Standards requirements for the internal checklist of sustainability reporting.

Statement of Use	GRI 1 Used	Applicable GRI Sector Standards
Far Eastern SOGO reported with reference to the GRI Standards for the period from January 1, 2024 to December 31, 2024.	GRI 1: Foundation (2021)	N/A

Number	Disclosure Indicator	Reference Section	Page Number	Omission/Remarks
2-1	Organizational Details	About this Report	5	
2-2	Entities Included in the Organization's Sustainability Reporting	About this Report	5	
2-3	Reporting Period, Frequency, and Contact Point	About this Report	5	
2-4	Restatement of Information	1.1.2 Board of Directors	29	2022–2023 median remuneration restated; calculation method adjusted. The numerator was previously "median annual total remuneration of other employees with bonus allocation." No impact on company operations.
		2.2.2 Energy-Saving Measures and Effectiveness	76	2022–2023 solar power generation restated
		2.3.1 Water Resource Management Policy	78	2022–2023 water withdrawal and unit water consumption restated; recalculated annual expense amounts. No impact on company operations.
		2.5.1 Green Marketing	82	2022–2023 loan electronic figures restated due to adjustment of annual data reversal; no impact on company operations.
		2.5.1 Green Marketing	82	2023 gift voucher amount restated due to adjustment of fiscal year carryover; no impact on company operations.
		2.5.2 Green Initiatives	85	2022–2023 total green procurement restated; unified to exclude tax. No impact on company operations.
		2.5.2 Green Initiatives	85	2023 market research expenses restated, aligned with government data; no impact on company operations.
		4.2.1 Remuneration System	115	2022–2023 educational resources restated, recalculated on an annualized basis; no impact on company operations.
		4.2.2 Employee Benefits	116	2022–2023 data restated, statistical method adjusted; no impact on company operations.
2-5	External Assurance	About this Report	5	
2-6	Activities, Value Chain, and Other Business Relationships	1.5 Supply Chain Management	50	
2-7	Employees	4.1 Employee Profile	111	

Number	Disclosure Indicator	Reference Section	Page Number	Omission/Remarks
2-8	Workers Who Are Not Employees	4.1 Employee Profile; 4.4 Workplace Safety and Health	111 124	Only disclosures from counters and contractors are reported; no major statutory occupational accidents occurred.
2-9	Governance Structure and Composition	1.1 Corporate Governance	28	
2-10	Nomination and Selection of the Highest Governance Body	1.1.2 Board of Directors	29	
2-11	Chair of the Highest Governance Body	1.1.1 Organizational Overview	28	
2-12	Role of the Highest Governance Body in Overseeing Impact Management	1.1.3 Internal Control Mechanism	34	
2-13	Nomination and Selection of the Highest Governance Body	1.1.3 Internal Control Mechanism	34	
2-14	Person Responsible for Impact Management	About this Report	5	
2-15	Role of the Highest Governance Body in Sustainability Reporting	1.1.2 Board of Directors	29	
2-16	Communication of Key Material Topics	1.1.2 Board of Directors	29	
2-17	Collective Knowledge of the Highest Governance Body	1.1.2 Board of Directors	29	
2-18	Performance Evaluation of the Highest Governance Body	1.1.2 Board of Directors	29	
2-19	Remuneration Policy	1.1.2 Board of Directors 4.2.1 Compensation System	29 115	
2-20	Process for Determining Remuneration	4.2.1 Compensation System	115	
2-21	Annual Total Compensation Ratio	1.1.2 Board of Directors 4.2.1 Compensation System	29 115	
2-22	Statement on Sustainable Development Strategy	II.About Far Eastern SOGO	6	
2-23	Policy Commitments	II.About Far Eastern SOGO 4.1.1 Employee Composition and Distribution	6 111	
2-24	Incorporation of Policy Commitments	II.About Far Eastern SOGO 1.0 Strategic Outcomes and Planning 2.0 Strategic Outcomes and Planning 4.0 Strategic Outcomes and Planning	6 26 59 109	

Number	Disclosure Indicator	Reference Section	Page Number	Omission/Remarks
2-25	Processes to Remediate Negative Impacts	1.1.4 Integrity Management	35	
2-26	Mechanism for Seeking Advice and Raising Concerns	1.1.2 Board of Directors	29	
2-27	Compliance with Laws and Regulations	1.1.4 Integrity Management	35	
2-28	Membership in Associations	1.1.2 Board of Directors	29	
2-29	Stakeholder Engagement Policy	About this Report III Sustainability at SOGO 3.2.1 Customer Relationship Management and Communication 4.2.2 Employee Benefits	5 14 101 116	
2-30	Collective Bargaining Agreements	None	-	The company has not established a labor union; therefore, no collective bargaining agreements have been signed.

GRI Topic Standards

Standard No.	GRI Disclosure Content	Corresponding Section	Corresponding Page	Omission/ Remarks
GRI 3-1	Process to Determine Material Topics	Sustainability at SOGO	14	
GRI 3-2	List of Material Topics	Sustainability at SOGO	14	
Market and Brand Management				
GRI 3-3	Management of Material Topics	1.0 Strategic Outcomes and	26	
1.0 Strategic Outcomes and Planning				
GRI 3-3	Management of Material Topics	2.0 Strategic Outcomes and	59	
Operational Performance				
GRI 3-3	Management of Material Topics	1.0 Strategic Outcomes and	26	
GRI 201 Economic Performance (2016)	201-1 Direct Economic Value Generated and Distributed	1.2.2 Operational Performance	41	
	201-3 Defined Benefit Obligations and Other Retirement Plans	4.2.2 Employee Benefits	116	
	201-4 Financial Assistance Received from Government	1.2.2 Operational Performance	41	

Standard No.	GRI Disclosure Content	Corresponding Section	Corresponding Page	Omission/ Remarks
Market and Brand Management				
GRI 3-3	Management of Material Topics	1.0 Strategic Outcomes and	26	
Energy Management				
GRI 3-3	Management of Material Topics	2.0 Strategic Outcomes and Planning	59	
GRI 302 Energy(2016)	302-1 Energy Consumption within the Organization	2.2.2 Energy-saving Measures and Effectiveness	76	
	302-3 Energy Intensity	2.2.2 Energy-saving Measures and Effectiveness	76	
	302-4 Reduction of Energy Consumption	2.2.2 Energy-saving Measures and Effectiveness	76	
Energy Management				
GRI 3-3	Management of Material Topics	2.0 Strategic Outcomes and Planning	59	
GRI 201 Economic Performance(2016)	201-2 Financial Implications and Other Risks and Opportunities due to Climate Change	2.1.2 Identification of Climate Risks and Opportunities	66	
GRI 305 Emissions (2016)	305-2 Energy Indirect (Scope 2) GHG Emissions	2.1.3 Climate Risks and Opportunities Management	68	
	305-4 GHG Emissions Intensity	2.1.3 Climate Risks and Opportunities Management	68	
	305-5 Reduction of GHG Emissions	2.2.2 Energy-saving Measures and Effectiveness	76	
Resource Recycling and Waste Management				
GRI 3-3	Management of Material Topics	2.0 Strategic Outcomes and	59	
GRI 306 Waste (2020)	306-1 Waste Generation and Significant Waste-related Issues	2.4.1 Waste Management Policy	80	
	306-2 Management of Significant Waste-related Impacts	2.4.1 Waste Management Policy	80	
	306-3 Waste Generated	2.4.2 Waste Management Policy	82	
	306-4 Waste Transferred for Disposal	2.4.2 Waste Management Policy	82	

Standard No.	GRI Disclosure Content	Corresponding Section	Corresponding Page	Omission/ Remarks
Employee Compensation and Benefits				
GRI 3-3	Management of Material Topics	1.0 Strategic Outcomes and	26	
GRI 401 Employment (2016)	401-1 New Employee Hires and Employee Turnover	4.1.2 Employee Benefits	114	
	401-2 Benefits Provided to Full-time Employees (Excluding Temporary or Part-time Employees)	4.2.2 Employee Benefits	116	
	401-3 Parental Leave	4.2.2 Employee Benefits	116	
Energy Management				
GRI 3-3	Management of Material Topics	2.0 Strategic Outcomes and	59	
GRI 403 Occupational Health and Safety (2018)	403-1 Occupational Health and Safety Management System	4.4.1 Workplace Safety Management	124	
	403-2 Hazard Identification, Risk Assessment, and Incident Investigation	4.4.1 Workplace Safety Management	124	
	403-3 Occupational Health Services	4.4.2 Employee Health Management	128	
	403-4 Worker Participation, Consultation, and Communication on Occupational Health and Safety	4.4.1 Workplace Safety Management	124	
	403-5 Worker Training on Occupational Health and Safety	4.3.1 Employee Training	120	
	403-6 Promotion of Worker Health	4.4.2 Employee Health Management	128	
	Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked to Business Relationships	4.4.2 Employee Health Management	128	
	403-8 Workers Covered by an Occupational Health and Safety Management System	4.4.1 Workplace Safety Management	124	
	403-9 Work-related Injuries	4.4.1 Workplace Safety Management	124	
	403-10 Work-related Ill Health	4.4.1 Workplace Safety Management	124	

Standard No.	GRI Disclosure Content	Corresponding Section	Corresponding Page	Omission/ Remarks
Talent Retention and Development				
GRI 3-3	Management of Material Topics	4.0 Strategic Outcomes and Planning	109	
GRI 404 Training and Education (2016)	404-1 Average Hours of Training per Employee per Year	4.3.1Employee Training	120	
	404-2 Programs for Upgrading Employee Skills and Transition Assistance	4.3.1Employee Training	120	
	404-3 Percentage of Employees Receiving Regular Performance and Career Development Reviews	4.3.3Career Development	122	
GRI 405 Diversity and Equal Opportunity	405-1 Diversity of Governance Bodies and Employees	1.1.2 Board of Directors 4.1.1 Employee Composition and Distribution	29 111	
	405-2 Ratio of Basic Salary and Remuneration of Women to Men	4.2.1 Compensation System	115	

ii.Sustainability Accounting Standards Board (SASB) Metric Disclosures: Multiline and Specialty Retailers & Distributors

Metric Code	Disclosure Metric	Corresponding Disclosure			Corresponding Section
Energy Management in Retail & Distribution					
CG-MR-130a.1	(1) Total Energy Consumed (Unit: GJ)	2022	2023	2024	2.3.2 Energy-Saving Measures and Perfor-
		361,550.3	359,536.21	**354,038.99**	
	(2) Percentage of Electricity from the Grid (Unit: %)	99.93%	99.63%	**99.46%**	
	(3) Percentage of Renewable Energy Consumed (Unit: %)	0.07%	0.37%	**0.54%**	

Metric Code	Disclosure Metric	Corresponding Disclosure			Corresponding Section
Disclosure Topic: Data Security					
CG-MR-230a.1	Description of processes for identifying and addressing data security risks	▪ The Information Security Management Committee completed personal data inventory, established procedures for personal data collection, revised personal data clauses in counter contracts, conducted company-wide personal data training, and implemented handling procedures for changes in marketing campaigns. ▪ An incident reporting system was established, requiring any unit that encounters or identifies a personal data issue to report to the Information Security Management Committee, with overall coordination by the Legal Affairs Office.			1.3 Information Security Safeguards
CG-MR-230a.2	(1)Number of data breaches	2022	2023	2024	
		0	1	0	
	▪ Percentage of breaches involving Personally Identifiable Information (PII) (%)	-	100%	-	
	(1)Number of customers affected	0	1	0	
Disclosure Topic: Labor Practices					
CG-MR-310a.1	(1)Average hourly wage (local currency)	2022	2023	2024	
		193	196	209	4.2.1 Compensation System
	(2) Percentage of in-store employees earning minimum wage (by region) (%)	0	0	0	
CG-MR-310a.2	(1)Voluntary employee turnover rate (%)	20.76%	17.24 %	15.88%	4.1.2 Employee Turnover
	(2)Involuntary employee turnover rate (%)	2.25%	0.08 %	0.08%	
CG-MR-310a.3	Total monetary losses from legal proceedings associated with labor law violations (local currency)	0	0	0	

Metric Code	Disclosure Metric	Corresponding Disclosure	Corresponding Section
Disclosure Topic: Workforce Diversity & Inclusion			
CG-MR-330a.1	Gender distribution of management and other employees (%)	Year: 2022 / 2023 / 2024 Level: Management, Other Employees Male: 7.38% 24.87% 7.97% 25.21% 8.40% 25.83% Female: 7.52% 60.23% 7.74% 59.08% 7.79% 57.98%	4.1.1 Workforce Composition and Distribution
	Percentage of employees by ethnicity/race (%)	The Company is committed to equal employment practices, ensuring no discrimination based on race, gender, religion, nationality, social background, or physical/mental disability. As of 2024, employees of local nationality accounted for 99.92%, including five Indigenous employees; one employee held foreign nationality. Newly immigrated employees were not included in the statistics.	
CG-MR-330a.2	Total monetary losses from legal proceedings related to employee discrimination (local currency)	2022: 0 2023: 0 2024: 0	
Disclosure Topic: Product Sourcing, Packaging & Marketing			
CG-MR-410a.1	Revenue from products certified to third-party sustainability standards (local currency)	2022: - 2023: - 2024: -	3.1 Product Safety Management
CG-MR-410a.2	Description of processes for identifying and managing risks associated with chemical substances in products	▪ Established the “Product Safety Monitoring Network” in 2016, enabling coordination with relevant units through communication software. ▪ Conducts random inspections, with designated personnel collecting daily media reports and government information to monitor developments. ▪ When issues are identified in product-related news, the “Problematic Product Risk Control Procedure” is immediately activated, with the Product Risk Management Taskforce responsible for follow-up and resolution.	
CG-MR-410a.3	Description of packaging strategies to reduce environmental impact	▪ All stores in Taiwan use shopping bags made of FSC (Forest Stewardship Council)-certified paper, and purchase FSC-certified paper towels and toilet paper. ▪ All printed direct mail (DM) materials use soy-based eco-friendly ink. ▪ Packaging materials and cartons used in delivery are primarily reused from in-store resources.	2.1 Green Marketing

Metric Code	Disclosure Metric				Corresponding Disclosure
Activity Metrics					
CG-MR-000.A	Number of operational sites (units)	2022	2023	2024	1.2 Operational Performance
		7	7	7	
	Number of distribution centers (units)	0	0	0	
CG-MR-000.B	Total floor area of operational sites (m²)	393,018.39	393,018.39	393,018.39	
	Total floor area of distribution centers (m²)	0	0	0	

iii.Task Force on Climate-Related Financial Disclosures, TCFD

Disclosure Topics	Disclosure Item	Corresponding Section
Governance	(A)Describe the Board's oversight of climate-related risks and opportunities	2.1 Climate Change Mitigation and Adaptation
	(B) Describe management's role in assessing and managing climate-related risks and opportunities	2.1 Climate Change Mitigation and Adaptation
Strategy	(A) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	2.1.2 Identification of Climate-Related Risks and Opportunities
	(B) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	2.1.1 Climate Change Management Strategy; 2.1.2 Identification of Climate-Related Risks and Opportunities
	(C) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	2.1.3 Climate Risk Issue Management
Risk Management	(A) Describe the organization's processes for identifying and assessing climate-related risks	2.1.2 Identification of Climate-Related Risks and Opportunities
	(B)Describe the organization's processes for managing climate-related risks	2.1.3 Climate Risk Issue Management
	(C) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	2.1.3 Climate Risk Issue Management
Metrics & Targets	(A) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	2.1.3 Climate Risk Issue Management
	(B) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	2.1.3 Climate Risk Issue Management
	(C) Describe the targets used by the organization to manage climate-related risks and opportunities, and performance against those targets	2.2 Energy Management

Appendix II | UN Global Compact (UNGC) Index

Category	The Ten Principles	Corresponding Section
Human Rights	Businesses should support and respect the protection of internationally proclaimed human rights	4.2.3 Workplace Rights
	Make sure they are not complicit in human rights abuses	1.5.1 Supplier Standards
Labour Standards	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	4.2.3 Workplace Rights
	The elimination of all forms of forced and compulsory labour	4.2.3 Workplace Rights
	The effective abolition of child labour	4.1.1 Workforce Composition & Distribution
	The elimination of discrimination in respect of employment and occupation	4.1.1 Workforce Composition & Distribution
Environment	Businesses should support a precautionary approach to environmental challenges	2 Environmental Sustainability
	Undertake initiatives to promote greater environmental responsibility	
	Encourage the development and diffusion of environmentally friendly technologies	
Anti-Corruption	Businesses should work against corruption in all its forms, including extortion and bribery	1.1.4 Ethical Business Practices

Appendix III | Assurance Statement

SGS

ASSURANCE STATEMENT

SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE PACIFIC SOGO DEPARTMENT STORES CO., LTD.'S SUSTAINABILITY REPORT FOR 2024

NATURE AND SCOPE OF THE ASSURANCE

SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by PACIFIC SOGO DEPARTMENT STORES CO., LTD. (hereinafter referred to as Far Eastern SOGO) to conduct an independent assurance of the Sustainability Report for 2024 (hereinafter referred to as the Report). The assurance is based on the SGS Sustainability Report Assurance methodology and AA1000 Assurance Standardv3 Type 1 Moderate level during 2025/4/2 to 2025/5/28. The boundary of this report includes the business locations of Far Eastern SOGO in Taiwan, including "Pacific Chongguang Culture and Education Foundation" and "Pacific Chongguang Social Welfare Foundation", with respect to their CSR-related actions and performance in the economic, social, and environmental aspects. The boundary is not the same as Far Eastern SOGO's consolidated financial statements. SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all Far Eastern SOGO's Stakeholders.

RESPONSIBILITIES

The sustainability information in the Far Eastern SOGO's Sustainability Report of 2024 and its presentation are the responsibility of the directors or governing body and management of Far Eastern SOGO.

SGS has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of assurance based upon sufficient and appropriate objective evidence.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The assurance of this report has been conducted according to the AA1000 Assurance Standard (AA1000AS v3), a standard used globally to provide assurance on sustainability-related information across organizations of all types, including the evaluation of the nature and extent to which an organization adheres to the AccountAbility Principles (AA1000AP,2018).

Assurance has been conducted at a type 1 moderate level of scrutiny.

TWLPP 5008 Issue 2502

SCOPE OF ASSURANCE AND REPORTING CRITERIA

The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below and evaluation of adherence to the following reporting criteria:

Select specific reporting criteria included in the contract

Reporting Criteria Options	
1	AA1000 Accountability Principles (2018)
2	GRI (With Reference to)

- AA1000 Assurance Standard v3 Type 1 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018) is conducted at a moderate level of scrutiny, and therefore the reliability and quality of specified sustainability performance information is excluded.
- The evaluation of the report against the requirements of GRI Standards is listed in the GRI content index as material in the report and is conducted with reference to the Standard.

ASSURANCE METHODOLOGY

The assurance comprised a combination of desktop research, interviews with relevant employees, superintendents, Corporate Sustainability Committee members and the senior management in Taiwan; documentation and record review and validation with external bodies and stakeholders where relevant.

LIMITATIONS

Financial data drawn directly from independently audited financial accounts, Task Force on Climate-related Financial Disclosures (TCFD), Task Force on Nature-related Financial Disclosures (TNFD), and Sustainability Accounting Standards Board (SASB) related disclosures has not been checked back to source as part of this assurance process.

INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from Far Eastern SOGO, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with professional qualifications such as ISO 26000, ISO 20121, ISO 50001, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

TWLPP 5008 Issue 2502

FINDINGS AND CONCLUSIONS

ASSURANCE OPINION

On the basis of the methodology described and the assurance work performed, we are satisfied that the specified performance information included in the scope of assurance is accurate, reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the AA1000 AccountAbility Principles (2018).

We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

ADHERENCE TO AA1000 ACCOUNTABILITY PRINCIPLES (2018)

INCLUSIVITY

Far Eastern SOGO has demonstrated a strong commitment to stakeholder inclusivity and engagement. The organization has effectively integrated stakeholder engagement processes into its governance, strategy, and decision-making frameworks, ensuring involvement from senior management, cross-functional teams, and diverse geographical regions. Through various engagement initiatives, including surveys and communications with employees, customers, investors, suppliers, CSR experts, and other stakeholders, Far Eastern SOGO fosters a comprehensive understanding of stakeholder concerns.

MATERIALITY

Far Eastern SOGO has established and integrated a multifaceted methodology, incorporating double materiality assessment, to identify the organization's material issues. It has developed an impact-based materiality analysis process and established corresponding sustainability objectives. This report appropriately addresses the identified issues based on their materiality and priority.

RESPONSIVENESS

Far Eastern SOGO has adequately demonstrated responsiveness towards the material topics and their impacts that were identified through the review process. The report includes coverage given to stakeholder engagement and channels for stakeholder feedback.

IMPACT

Far Eastern SOGO has demonstrated a process on identifying impacts that fairly encompass a range of environmental, social and governance topics from wide range of sources, such as activities, policies, programs, decisions and products and services, as well as any related performance. Impacts related to material topics were in place at target setting with qualitative and quantitative measurements and evaluation.

TWLPP 5008 Issue 2502

ADHERENCE TO GRI

The report, Far Eastern SOGO's Corporate Sustainability Report of 2024, is reporting with reference to the GRI Universal Standards 2021. The significant impacts were assessed and disclosed with reference to the guidance defined in GRI 3: Material Topic 2021 and the relevant 200/300/400 series Topic Standard related to the material topics claimed in the GRI content index. The report has properly disclosed information related to Far Eastern SOGO's contributions to sustainability development. In the future progressively adopting systematic data collection and integration with IFRS standards can further enhance alignment with the expectations of investors and other stakeholders.

Signed:
For and on behalf of SGS Taiwan Ltd.



AA1000
Licensed Report
000-8/V3-9E1ZH

Stephen Pao
Business Assurance Director
Taipei, Taiwan
30 June, 2025
WWW.SGS.COM

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遠東 SOGO

遠東 Garden City

Starting a New Life with Love

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So good!

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This publication is printed with eco-friendly soy ink and FSC-certified paper.
With dedication, SOGO invites you to join us in loving the Earth.