遠東 SOGO



2025 Sustainability Report

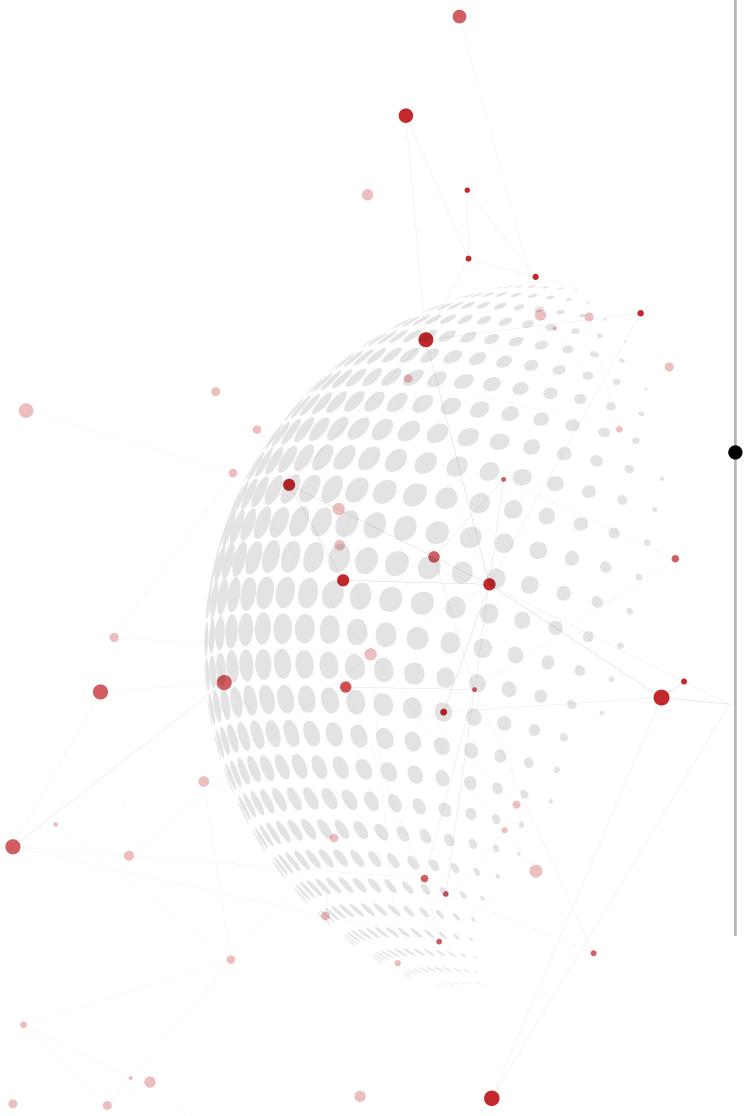
Pacific SOGO Department Stores Corporate Sustainability Report

Cover Design Concept



2025 marked the inaugural year of Pacific SOGO Department Stores' circular economy initiatives. Elements representing water, textiles, green leaves, and recycled PET bottles were ingeniously arranged to form the brand's logo, symbolizing its sustainable actions and commitments to rainwater harvesting, textile circularity, environmentally friendly paper materials, and resource recycling, respectively.

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About This Report

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This Sustainability Report marks the 12th consecutive year in which Pacific SOGO Department Stores Co., Ltd. (hereinafter "Pacific SOGO") has published sustainability information. Upholding the principles of transparency and shared progress toward sustainability, the Company prepared this Report with reference to the GRI Universal Standards 2021 issued by the Global Reporting Initiative (GRI). Published annually, the Report communicates to stakeholders the Company's economic, environmental, and social sustainability performance for the preceding year.

Basis of Report

The Report is prepared with reference to the following international standards and guidelines:

Issuing Organization	Standards Framework/Regulations
The United Nations (UN)	United Nations Sustainable Development Goals (SDGs)
Global Sustainability Standards Board (GSSB)	2021 Universal Standards published by the GRI in 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)

Scope of Report

The data provided in this report are from the period January 1, 2025 to December 31, 2025, and includes the Company's management approach, material topics, implemented projects, and results and performance. The disclosure boundary includes each of Pacific SOGO's operating locations in Taiwan as entities, and also includes the corporate social responsibility actions and results of the Pacific SOGO Culture and Education Foundation and the Pacific SOGO Social Welfare Foundation, across economic, social, and environmental aspects. As the Far Eastern Garden City (Taipei Dome) Store has not been fully opened as of 2025, data on the Company's material topics only include the 7 Far Eastern SOGO locations in Taiwan, and excludes the Far Eastern Garden City (Taipei Dome) Store. However, Far Eastern Garden City's achievements and highlights have still been described in this Report when presenting the Company's special achievements. Only the section on employment relationships covers data from all eight stores in Taiwan, as it involves employee transfers.



Far Eastern SOGO's Seven Locations in Taiwan
Taipei Zhongxiao Store / Fuxing Store / Dunhua Store / Tianmu Store / Zhongli Store / Hsinchu Store / Kaohsiung Store

Pacific SOGO Culture and Education Foundation

Pacific SOGO Social Welfare Foundation

Far Eastern Garden City (Taipei Dome)

The entire complex had not yet opened in 2025.
- Data related to material topics primarily cover Far Eastern SOGO's seven locations in Taiwan
- Notable performance examples also include Taipei Dome-related achievements and highlights
- The section on employment relationships includes data from Taipei Dome

The financial data in this Report are drawn from information verified by the Company's accountants. Where the reporting boundary for a performance indicator differs, the Report provides a specific explanation. Other non-financial data are compiled and calculated by the Company. In order to provide a comparison for the figures presented, some performance figures have been reported alongside figures for the past 3 years. Footnotes have been provided in sections to explain any changes made to the calculation boundary or calculation basis for presented figures.

Report Management Process and Publication

Initial Data Collection, Internal Verification of Data Figures
Each of the responsible units provide required data, which is then verified by the Audit Office.

Compilation and Preparation
The Sustainability Office compiles and organizes data to create the overall report, which is then reviewed by the heads of each responsible unit (the heads of each responsible unit also serve as members of the Company's ESG Committee).

Third-party Verification
Pass external verification procedures.

Report Publication
After being reviewed by the ESG Committee, the report is submitted to the ESG Committee Chairperson (the Company's Chairman) for approval, and published on the Company's ESG website.

External Assurance	Certification Organizations
Financial data	Deloitte Taiwan
GHG Protocol	AFNOR Asia Ltd.
ISO 14067 Carbon Footprint	British Standards Institution (BSI), SGS Taiwan Ltd.
ISO 45001:2018 Occupational Health and Safety Management System (valid until October 2026)	British Standards Institution (BSI)
ISO 27001:2022 Information Security Management Systems (valid until October 2027)	Ares International Certification Co., Ltd.
ISO 27701:2019 Privacy Information Management Systems (valid until September 2028)	British Standards Institution (BSI)
ISO 20400:2017 Sustainable Procurement Guidance (valid until March 2028)	AFNOR Asia Ltd.
ISO 10002:2018 Guidelines for Handling Customer Complaints (valid until September 2028)	SGS Taiwan Ltd.
MAS Mark (valid until September 2026)	Information Security Service Digital United Inc.

Report Assurance

To ensure the transparency and credibility of the disclosed information, SGS Taiwan Ltd. provided Type 1 moderate assurance under AA1000AS v3 for the information and data disclosed in this Report, which was prepared with reference to the GRI Standards 2021. Please refer to the Assurance Statement section in the Appendix to this Report for the assurance/verification methods and results.

Publication Date of First Version	Publication Date of Previous Version	Publication Date of Current Version	Publication Date of Next Version
June 2015	June 2025	August 2026	August 2027

Contact Information

Thank you for reading this report. Please feel free to contact us through the following methods should you have any questions or suggestions for this Report.

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/ Headquarters address: No. 45, Sec. 4, Zhongxiao E. Rd., Taipei City

Stakeholder contact: Please visit the "Contact Us" section on the official ESG website.
☞ https://esg.sogo.com.tw/9-6.php

Official Pacific SOGO Sustainability Website: https://esg.sogo.com.tw/
Download the Pacific SOGO Sustainability Report: Please visit the ☞ "Sustainability Report Download" section on the official ESG Website.

Far Eastern SOGO Corporate Sustainability Official Website

II About Pacific SOGO

GRI 2-22 GRI 2-23

Message from the Chairman

Ten Years of Sustainable Transformation From Retailer to Ecosystem Builder: Building a Sustainable Future for the Next Generation

Over the past 50 years, Earth Overshoot Day has shifted from late December to late July—a stark reminder that, for at least five months of every year, humanity is consuming more than our planet can regenerate. In many affluent countries, where convenient and comfortable lifestyles come with greater demands on natural resources, Overshoot Day arrives even earlier—in March, April, or sometimes before. According to the Global Footprint Network, sustaining humanity's current level of consumption would require at least 1.8 times the regenerative capacity of our planet. Yet the reality is simple: we have only one planet.

I often find myself asking: "Every day we open our doors, what do we bring to the environment and the communities around us? Are we simply taking from the world, or are we helping to make it a better place?" This is a question we at Far Eastern SOGO have continued to ask ourselves throughout our decade-long sustainability transformation. Since embarking on our CSR journey in 2015, we have chosen to take on the role of an "ecosystem builder," charting a different course for Taiwan's retail industry.

Environmental (E)

Leading through Science-Based Carbon Reduction and Smart Energy Management

In 2025, Far Eastern SOGO became the only retailer in Taiwan to have all of its operating locations certified with the Carbon Label. We were also the first department store in the Asia-Pacific region to join EP100, a global corporate energy-efficiency initiative, and have now completed 80% of our ten-year plan. Our efforts were featured in the Smart Energy Coalition Annual Progress and Insights Report 2025 as one of only three member case studies worldwide—and the only one representing the retail sector. We also designated 2025 as the first year of our circular economy journey, taking another important step forward by building a cross-sector circular textile ecosystem. At the supermarket in our Zhongxiao Store, we introduced fresh-food trays made from 100% recycled PET and installed the department store industry's first smart recycling machine. Through these efforts, materials once considered waste are given a second life within our own premises—turning the principles of circularity into part of everyday retail.

Governance (G)

Strengthening Governance through Sustainable Procurement and Ethical Management

Far Eastern SOGO has taken the lead among its industry peers in obtaining verification against ISO 20400, Sustainable procurement — Guidance, incorporating ESG performance into our supplier evaluation criteria and extending sustainability beyond our own operations and into our supply chain. We also established the Carbon Reduction Alliance to lead our suppliers toward a net-zero transition. By early 2026, membership in the Alliance had grown 4.5-fold. For us, this growth represents more than an increase in numbers. It demonstrates the influence a major retail platform can create when it brings partners together—using our scale not only to advance our own transformation, but also to help smaller businesses move forward with us.

Social (S)

Expanding Our Impact through an Inclusive Workplace and the Power of Retail

At Far Eastern SOGO, we have always believed that the true warmth of a company is reflected in how it cares for those who need support the most. In 2024, we introduced a reduced-hours childcare program that allows employees to receive 80% of their salary while working shorter hours to care for young children. In 2025, we went one step further, setting a new precedent in Taiwan's retail industry by introducing an allowance for employees who take on the responsibilities of colleagues on parental leave. Together, these initiatives reflect the culture we strive to build—one in which colleagues support one another and grow stronger together. That same year, the Taipei City and Hsinchu City governments designated Far Eastern SOGO as a model enterprise for workplace safety, while we reached a cumulative 2.8 million accident-free working hours. Beyond the workplace, we organized more than 1,000 sustainability initiatives throughout the year, generating more than 4.71 million participant-visits. Since 2018, we have also held 113 smallholder farmers' fairs, creating opportunities for local producers while bringing sustainable choices closer to consumers. Through these efforts, we continue to deepen a business model built on a belief we have long held: doing good can also be good business.

Sustainability Is Our Deepest Commitment to the Future

Thanks to the collective efforts of our colleagues, Far Eastern SOGO received 41 sustainability awards in Taiwan and internationally in 2025, bringing the total number of sustainability honors we have received since the beginning of our CSR journey in 2015 to more than 250. Over the past decade, our sustainability transformation has taken us beyond simply keeping pace with our department store peers. We have worked to set a benchmark for the wider retail industry. In recognition of these efforts, Far Eastern SOGO received First Prize in the Comprehensive Performance Category for the Service Industry at the Global Views ESG Corporate Sustainability Awards, earned a Gold Award at the National Enterprise Environmental Protection Awards for the second time, and was honored with the CommonWealth Parenting Family-Friendly Workplace Award. Together, these achievements reflect the depth and breadth of our commitment across all three dimensions of ESG.

There is a long-standing Native American proverb: "We do not inherit the earth from our ancestors; we borrow it from our children." These words are a constant reminder that every decision we make as a business carries consequences for the generations that follow. With every choice, we are either giving something back to the next generation—or leaving them with a greater debt to bear.

True sustainability is not defined by the completion of a report. It is defined by the choices we make every day we open our doors. We choose to restore rather than consume. We choose to co-create rather than possess. And we choose to return to the generations who lent us this planet a world better than the one we received. We sincerely thank every stakeholder who has walked this journey with us. Because of you, sustainability is no longer simply a vision. It has become a shared practice—one that we continue to shape together today and pass on from one generation to the next.



Sophia C.W. Huang June 2026

Sustainability Vision

To help shape the future of the retail industry and develop a forward-looking strategy, Pacific SOGO has renewed its corporate vision and adopted an operating approach centered on three key ESG aspects: Grow with the times, remain a friendly and valued member of the community, and provide the public with a comprehensive fashion and lifestyle shopping experience as a benchmark in the retail industry. At the same time, we have sought to fulfill our corporate mission: Bring Happiness to All. Our four core values are: Reliable, Inspire, Sustain, and Excellence, with the first letter of each word forming R.I.S.E., symbolizing Pacific SOGO's achievements and resilience. We remain committed to sustainable operations while maintaining our growth momentum and leading the industry toward a new future.

Vision

Grow with the times, remain a friendly and valued member of the community, and provide the public with a comprehensive fashion and lifestyle shopping experience as a benchmark in the retail industry

Mission

Bring Happiness to All

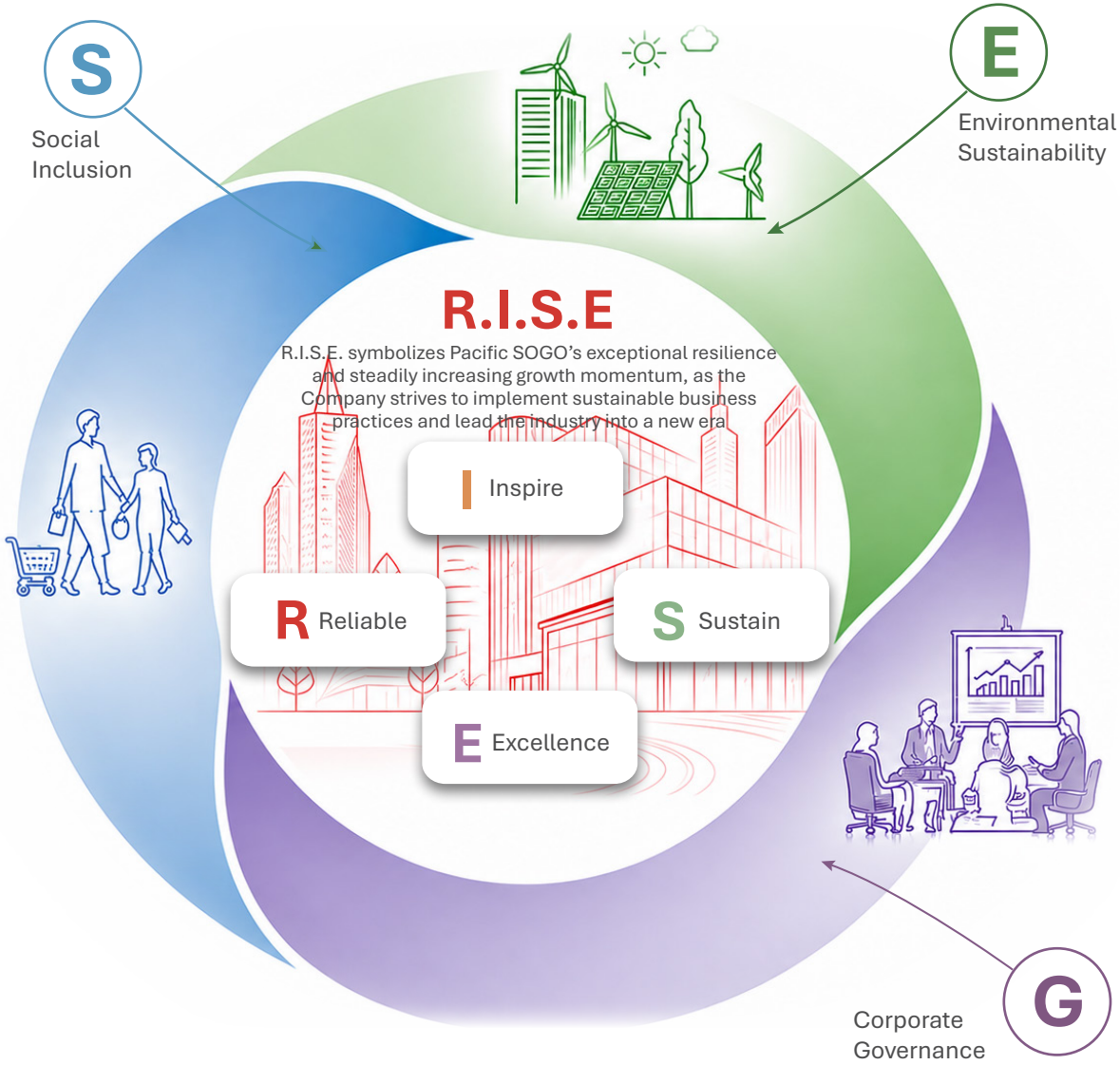
Core Values

R Reliable

I Inspire

S Sustain

E Excellence



Sustainable Development Strategy Blueprint and Value Creation

2025 Results

1 Financial Capital



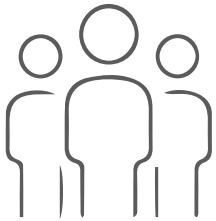
Revenue

NT$**49.104** billion

Net profit after tax

NT$**995** million

2 Human Capital



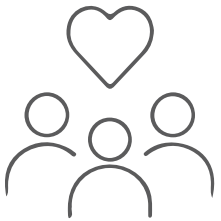
Total number of employees

1,356 people

Number of employee training participations

11,046 participations

3 Social Capital



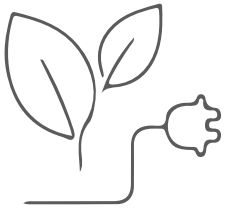
Number of events

1,004 events

Number of stakeholder engagement participations

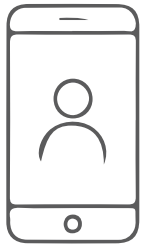
4.72 million

4 Natural Capital



Generated NT$**507.7** in revenue per kWh of electricity, an increase of **1.91%**

5 Intellectual Capital



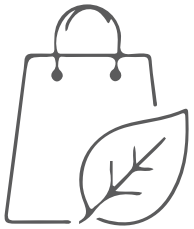
APP members

179 million

Electronic gift vouchers

NT$**2.5** billion

6 Product and Channel Capital



Percentage of green procurement

12.53%

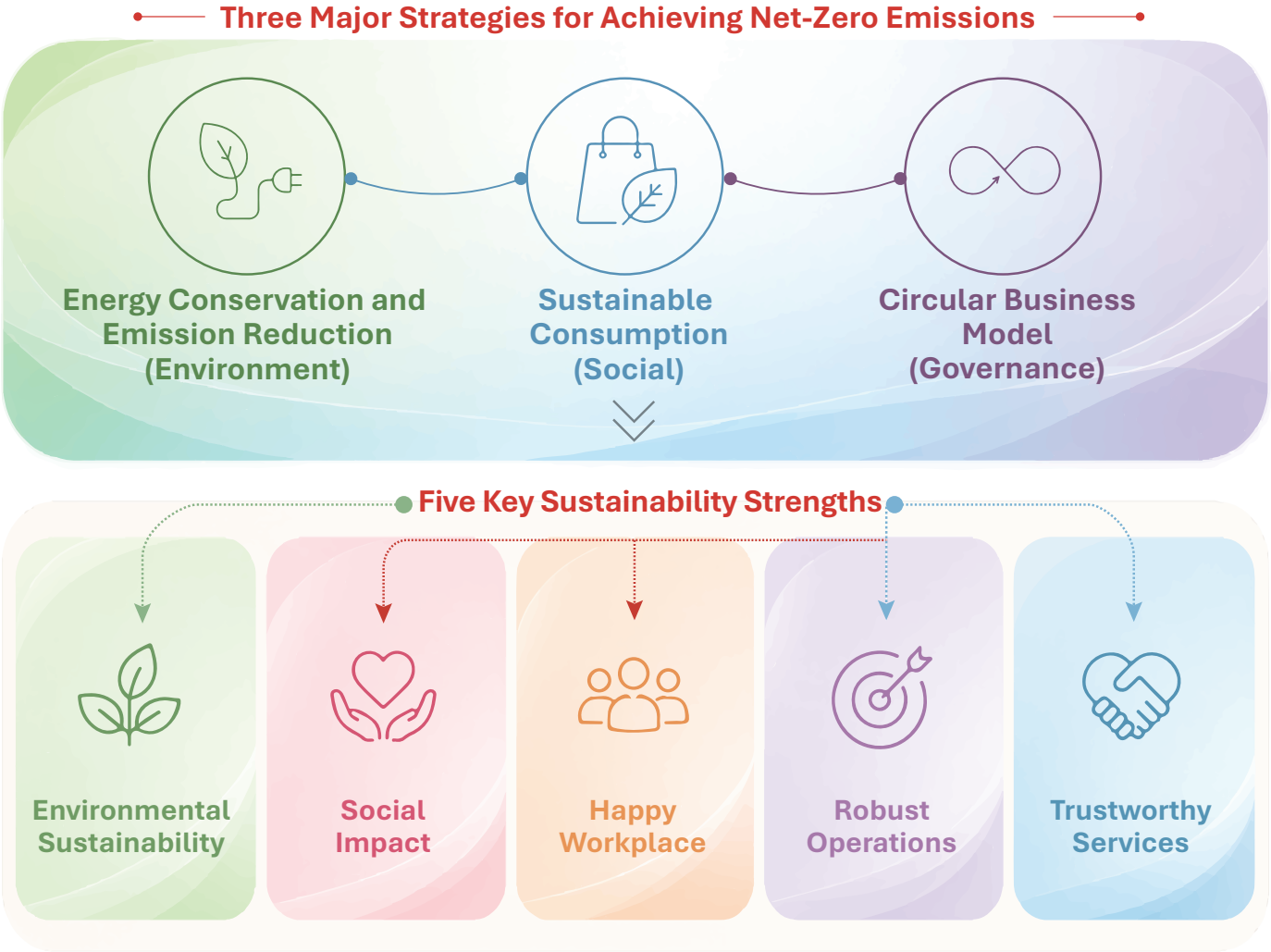
Growth in sustainable procurement

61%

Sustainability in Focus

In response to the United Nations Sustainable Development Goals (SDGs) and considering the business model of the department store industry, Pacific SOGO has selected five key sustainability strengths on which to focus its sustainable development efforts: "Robust Operations," "Environmental Sustainability," "Trustworthy Services," "Happy Workplace," and "Social Impact." Based on these themes, we have incorporated regular sustainability management measures into our daily operations. In response to the high level of attention and expectations that consumers and capital markets worldwide have placed on ESG issues, Pacific SOGO is committed to promoting and integrating sustainable development strategies into its core operations, with the goal of becoming Asia's first green department store. In 2021, under the leadership of the ESG Committee, the Company refocused its goals and formulated the 2030 Sustainable Development Blueprint, centered on "Three Major Strategies for Achieving Net-Zero Emissions": "Energy Conservation and Emission Reduction," "Sustainable Consumption," and the "Circular Business Model." We have worked with upstream, midstream, and downstream stakeholders—including our brand partners, suppliers, employees, and consumers—to promote a range of governance, environmental, and social initiatives. Through these efforts, we aim to realize our corporate vision: "Grow with the times, remain a friendly and valued member of the community, and provide the public with a comprehensive fashion and lifestyle shopping experience as a benchmark in the retail industry."

Pacific SOGO Pathway to Sustainable Development



Five Key Sustainability Strengths	Corresponding SDGs	Three Major Strategies for Achieving Net-Zero Emissions	Key Achievements
Robust Operations **Management Focus** Optimize the shopping experience through sustainable operations and an agile, innovative spirit, strengthening our brand image as a leading department store. **Trustworthy Services** **Management Focus** Rigorously monitor product safety to build customer trust and create a benchmark for food safety management in the department store industry.	8 DECENT WORK AND ECONOMIC GROWTH 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**Circular Business Model Governance**	1 **1.8 million** SOGO APP membership grew to nearly 1.8 million 2 **4.5-fold** The number of companies participating in the Carbon Reduction Alliance increased 4.5-fold 3 **100% training completion** Completed gender equality training for all employees 4 **90.1%** Overall customer satisfaction reached 90.1%, the highest level in the past eight years 2 **ISO 10002** Obtained ISO 10002 certification, resolving customer complaints more efficiently 6 **91.4%** 91.4% of restaurants obtained Good Hygiene Practice for Food certification, of which 96.8% received an “Excellent” rating


National Sustainable Development Awards



First Prize in the Comprehensive Performance Category for the Service Industry in the Global Views ESG Corporate Sustainability Awards



14th in the Commonwealth Magazine Excellence in Corporate Social Responsibility Awards



Excellent Comprehensive Performance Award in the Taiwan Sustainable Retail Management Awards



Taiwan Top 100 Sustainability Exemplary Award in the Taiwan Corporate Sustainability Awards



Sustainability Reporting Platinum Award in the Taiwan Corporate Sustainability Awards



Sustainable Supply Chain Gold Award in the Taiwan Sustainable Retail Management Awards



Sustainability Reporting Bronze Award in the Global Corporate Sustainability Award


Gold Award in the Service Survey in Taiwan


Gold Award in the Taiwan Customer Service Center Evaluation

Five Key Sustainability Strengths	Corresponding SDGs	Three Major Strategies for Achieving Net-Zero Emissions	Key Achievements
Happy Workplace **Management Focus** Build a safe workplace that meets international occupational safety and health management standards. Offer flexible parental leave and remuneration benefits that go beyond industry standards, creating a happy workplace.	3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH	**Sustainable Consumption**	1 **NT$ 51,935** The average monthly salary was NT$51,935, 9.38% higher than the industry average. Total employee remuneration was 35.63% higher than the industry average
			2 **NT$ 35,600** The starting monthly salary was increased to NT$35,600, up 11.25% from the previous level and 24.52% higher than the statutory minimum wage
Social Impact **Management Focus** Build a sustainable ecosystem around three key themes: “Caring, Sustainability, and Reliability.”	10 REDUCED INEQUALITIES 11 SUSTAINABLE CITIES AND COMMUNITIES 17 PARTNERSHIPS FOR THE GOALS		3 **Industry-first parental leave coverage allowance** Pioneered a subsidy for employees covering the duties of colleagues on parental leave, providing NT$1.27 million in allowances during the year.
			4 **4.72 million** Collaborated with 860 external organizations to hold 1,004 social engagement activities, reaching 4.72 million participant-visits


HR Asia
Best Companies to Work for in Asia Awards


HR Asia
Most Caring Company Award


HR Asia
Tech Empowerment Award


HR Asia
Diversity, Equity, and Inclusion Award


Excellent Unit Award in the Taipei City Labor Safety Awards


CommonWealth Parenting Family-Friendly Workplace Award


Social Sustainability Award in the SGS ESG Awards


Social Innovation and Social Co-Prosperity Award in the ASSET Model Sustainable Enterprise Awards

Five Key Sustainability Strengths	Corresponding SDGs	Three Major Strategies for Achieving Net-Zero Emissions	Key Achievements

Environmental Sustainability

Management Focus

By adopting energy management systems and innovative energy-saving measures, continue to develop low-carbon business operations, foster a green corporate culture, and create a platform for sustainable consumption.

Energy Conservation and Emission Reduction

1 **2.76%**

Reduced annual electricity consumption by 1.67%

2 **1.08%**

Increased the share of green electricity used to 1.07%

3 **42.29%**

Each kWh of electricity generated NT$507.70 in revenue, an increase of 42.29% compared to 2018

4 **104,434.8**

Expanded the scope of the carbon emissions inventory. All stores completed GHG Protocol verification, with total Scope 1–3 emissions of 105,800.8 metric tons of CO2e

5 **14.23%**

Reduced water consumption per unit of floor area to 8.44 liters per square meter per day, 14.83% below the recommended level published by the Water Resources Agency, Ministry of Economic Affairs

6 **rPET**

Replaced fresh food packaging trays in self-operated supermarkets with trays made from recycled PET



Gold Award in National Enterprise Environmental Protection Award



Sustainable Retail Climate Action Gold Award in the Taiwan Sustainable Retail Management Awards



Climate Leadership Award in the Taiwan Corporate Sustainability Awards



Bronze Award in the Group A Industry and Commerce category of the Taipei City Climate Action Awards
Zhongxiao Store



Excellence Award for Net Zero New Lifestyles in the Group A Industry and Commerce category of the Taipei City Climate Action Awards
Zhongxiao Store



SDG 13 Gold Award in the Asia-Pacific Sustainability Action Awards



SDG 13 Silver Award in the Asia-Pacific Sustainability Action Awards

Honors and Recognition

Received a Total of 41 Awards in 2025

Overall Performance 7 awards

- National Sustainable Development Awards **Three-Time Winner**
- First Prize in the Comprehensive Performance Category for the Service Industry in the Global Views ESG Corporate Sustainability Awards **First in the Retail Industry**
- 14th in the Commonwealth Magazine Excellence in Corporate Social Responsibility Awards
- Excellent Comprehensive Performance Award in the Taiwan Sustainable Retail Management Awards **Highest Honor**
- Taiwan Top 100 Sustainability Exemplary Award in the Taiwan Corporate Sustainability Awards
- Sustainability Reporting Bronze Award in the Global Corporate Sustainability Award
- Sustainability Reporting Platinum Award in the Taiwan Corporate Sustainability Awards

Environmental Sustainability E 11 awards

- Gold Award in National Enterprise Environmental Protection Award **Two-Time Winner**
- Sustainable Retail Climate Action Gold Award in the Taiwan Sustainable Retail Management Awards
- Climate Leadership Award in the Taiwan Corporate Sustainability Awards
- Bronze Award in the Group A Industry and Commerce category of the Taipei City Climate Action Awards (Zhongxiao Store)
- Excellence Award for Net Zero New Lifestyles in the Group A Industry and Commerce category of the Taipei City Climate Action Awards (Zhongxiao Store)
- Green Leadership Award in the Asia Responsible Enterprise Awards
- SDG 13 Gold Award in the Asia-Pacific Sustainability Action Awards
- SDG 13 Silver Award in the Asia-Pacific Sustainability Action Awards
- SDG 12 Bronze Award in the Asia-Pacific Sustainability Action Awards
- SDG Asia Exhibition Award
- Outstanding Green Procurement Entity among Private Enterprises and Organizations in Taipei City

Corporate Governance G 7 awards

- SDG 17 Special Award in the Asia-Pacific Sustainability Action Awards
- Sustainable Retail Operations Gold Award in the Taiwan Sustainable Retail Management Awards
- Sustainable Supply Chain Gold Award in the Taiwan Sustainable Retail Management Awards
- Sustainable Supply Chain Leadership Award in the Taiwan Corporate Sustainability Awards
- Gold Award in the Service Survey in Taiwan
- Gold Award in the Taiwan Customer Service Center Evaluation
- Silver Procurement Contribution Award in the Taipei Origin Promotional Station Awards

8 Valid Certifications and Labels

- Self-Assessment Workplace Health Promotion certification
- CPR+AED Safe Place certification
- Sports Company Certification
- CommonWealth Magazine 1.5°C Climate Target Label
- Carbon Footprint Label
- Carbon Footprint Reduction Label (Tianmu Store)
- Talent Quality-Management System (TTQS) label (Hsinchu Store)
- Smoke-free and Healthy Workplace label (Hsinchu Store)

Note Certifications under ISO and other standards are listed in Section I. "About This Report", and are not repeated here.

Social Inclusion S 12 awards

- Most Caring Company Award, Sustainable Workplace Award, Diversity, Equity, and Inclusion Award, Tech Empowerment Award in the HR Asia Best Companies to Work for in Asia Awards
- Social Inclusion Leadership Award in the Taiwan Corporate Sustainability Awards
- Excellent Unit Award in the Taipei City Labor Safety Awards **Winner for 13 Consecutive Years**
- Excellent Enterprise Award in the Parenting Friendly Enterprise Award
- CommonWealth Parenting Family-Friendly Workplace Award
- Gold Business Partnerships Award in the Taiwan Sustainable Retail Management Awards
- Silver Customer Sustainability Award in the Taiwan Sustainable Retail Management Awards
- Investment in People Award in the Asia Responsible Enterprise Awards
- Health Promotion Award in the Asia Responsible Enterprise Awards
- Social Innovation and Social Co-Prosperity Award in the ASSET Model Sustainable Enterprise Awards
- Social Sustainability Award in the SGS ESG Awards
- SDG 8 Silver Award in the Asia-Pacific Sustainability Action Awards

III Pacific SOGO Sustainability

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

Pacific SOGO launched the NEW LIFE project in 2007, which promoted sustainability through four main principles: Caring and Sharing, Sustainable Homeland, Quality Lifestyles, and Cultural Innovation. We designated 2015 as the inaugural year of CSR, and established a committee to implement and supervise related management policies and actions. In response to international sustainability trends, we renamed the CSR Committee to the ESG Committee in 2020, and designated 2020 as Pacific SOGO's inaugural year of sustainability.

The ESG Committee's Chairperson is the Company's Chairman, with the President serving as the Vice Chairperson, and the Executive Vice President of Administration serving as the Executive Director. The Committee's organizational structure includes the Operations Division (operating and sales promotion activities), Finance Division, Accounting Division and Administration Division. Specifically, ESG-related policies are formulated by the ESG Committee and jointly implemented by the Human Resources, Sales Promotion, Product, Operations, Engineering and Maintenance, Occupational Safety, Accounting, Finance, Audit, and Sustainable Development departments, as well as by each store. Appropriate management policies are developed based on the characteristics of different stakeholder groups. The ESG Executive Secretariat Team facilitates cross-departmental discussions on relevant issues, integrates resources, advances sustainability strategies, tracks the progress of various projects, and prepares the Corporate Sustainability Report. Through facilitating cross-departmental implementation and creating a shared communication platform, we are able to accelerate sustainable development.

ESG Committee Organizational Structure



Sustainability Project Implementation Mechanisms

The ESG Committee tracks progress on ESG projects every three to four weeks after Committee meeting discussions, and sustainability performance and strategy plans are submitted every six months. During an ESG Committee meeting (attended by executives of vice president rank and above), the Chairman leads senior management into forming a consensus on ESG decisions, which are then implemented as part of the Company's day-to-day operations by the Sustainability Office, other related departments, and each of the Company's stores. Annual sustainability performance results are regularly reported to the Board of Directors every year.



ESG Executive Task Force Meetings

Cross-departmental discussions and resource integration are conducted to advance sustainability strategies, track the progress of various projects, and compile the Corporate Sustainability Report. This cross-departmental implementation and communication platform accelerates progress toward sustainable development.

Procedures for Managing Sustainability Issues

Identifying and managing sustainability issues and stakeholders is the core foundation of promoting ESG. When Pacific SOGO prepares the annual corporate sustainability report, the ESG Executive Secretariat Team references global sustainability reporting standards and frameworks, and takes into account industry characteristics and applies the AA1000 AccountAbility Principles (2018)—Inclusivity, Materiality, Responsiveness, and Impact—as well as stakeholder inclusiveness to identify, analyze, and prioritize sustainability issues.

Understanding Organizational Sustainability Context

Step 1
Identifying Stakeholders

We referenced the five principles of the AA 1000 Stakeholder Engagement Standards to identify stakeholders: Dependency, responsibility, influence, diverse perspectives, and tension. We reviewed our business operations to determine our sustainability context, after which our core ESG team discussed and identified 8 types of stakeholders, approved by our senior management.

8 types of stakeholders

Step 2
Compilation of Organizational Impact Factors

We referenced the GRI Standards, SASB, TCFD, TNFD, ISO 26000 Social Responsibility Guidance, issues relevant to our industry as assessed by international frameworks, the United Nations SDGs, as well as domestic and international sustainability issues, global trends, and media reporting to identify 96 impact factors and their positive or negative impact. We also identified the actual/potential positive/negative impact of our corporate operations on the external environment, as well as the level of impact.

96 impact factors

Identify Actual and Potential Impact

Step 3
Integrate Organizational Impact Factors into Sustainability Issues

Taking the suggestions of external consultants into consideration, we categorized the different impacts identified into individual topics, and compiled a list of 17 sustainability issues for further identification and categorization through a discussion between the Sustainable Development Office and consultants.

17 sustainability issues

Step 4
Analysis and Ranking of Material Topics

Through an online questionnaire, we learned about the level of concern that each of the 8 types of stakeholders have for various sustainability issues. We then analyzed each sustainability issue to determine if they have a high, moderate, or low level of impact with regard to their "level of impact on the organization's finances" and "level of impact caused by the organization on the external environment." These results are used to determine the importance of each sustainability issue.

1,955 questionnaires
18 questionnaires filled out by senior management
1,937 questionnaires filled out by stakeholders

Assess Impact Significance

Step 5
Impact Assessment of Topics

In line with the GRI 3 materiality analysis principles, we measured the impact of issues with a moderate or high level of financial impact, and analyzed their likelihood of occurrence. After taking into consideration the recommendations from external consultants and experts, and referencing the GRI standards, we have identified 3 highly material topics, and 6 moderately material topics with a moderate impact.

3 Material Topics with High Impact
6 Material Topics with Moderate Impact

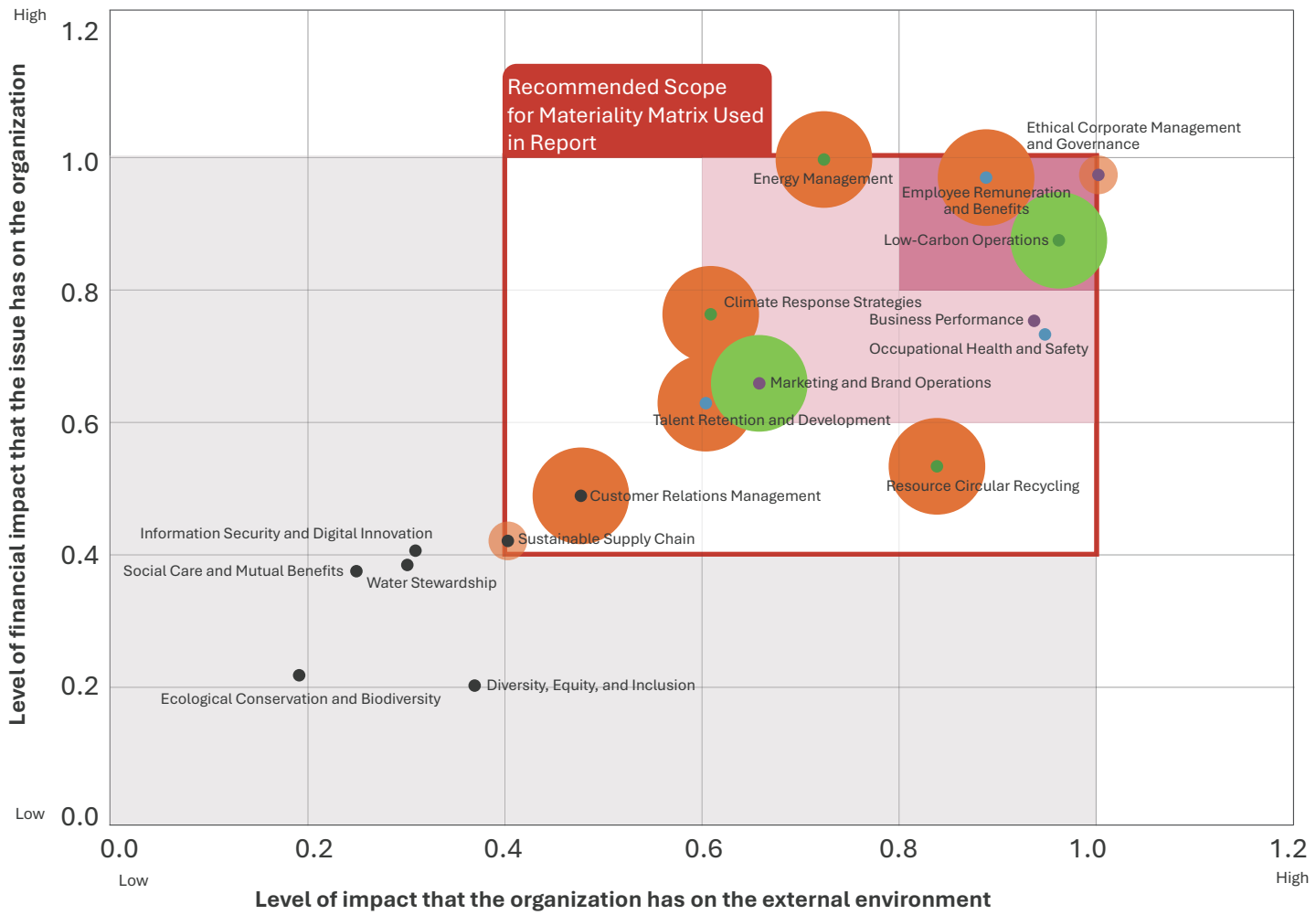
Disclosure and Reporting of Topics with Significant Impact

Step 6
Issue Response and Disclosures

After these results are reported to the ESG Committee, we established a management approach focused on providing disclosures related to these 9 material topics. We have also continued to monitor the importance of each sustainability issue in order to meet stakeholder expectations, and ensured that our sustainability data disclosures are transparent, reasonable, and balanced.

9 material topics

Sustainability Issue Matrix



Number of Sustainability Topics

3	Material Topics with High Impact
6	Material Topics with Moderate Impact
	Management Approach
3	Issues with Low Impact
5	Monitored Issue Outside of the Matrix

Opportunities/Risks

6	Opportunities
11	Risks

Likelihood of Occurrence

8	High Likelihood
2	Moderate Likelihood
7	Low Likelihood

Topics of High and Medium Materiality

E Environmental Sustainability

- Low-Carbon Operations
- Energy Management
- Climate Response Strategies

S Social Prosperit

- Employee Remuneration and Benefits
- Talent Retention and Development
- Occupational Health and Safety

G Economic Governance

- Ethical Corporate Management and Governance
- Marketing and Brand Operations
- Business Performance

Description of Changes to Sustainability Topics

Name of Issue	Importance in 2025	Importance in 2024	Adjustment	Reason for Change/Addition
Resource Circular Recycling	Low	Moderate	Reduction	Pacific SOGO has actively promoted circular recycling and waste reduction programs, incorporating the circular recycling of resources as part of our day-to-day operations. We have therefore slightly reduced the issue's importance.

Relationship between Value Chain and Sustainability Issues

	Material Topics	Definition	Aspect of Impact: Actual/ Potential	Aspect of Impact: Aspect	Aspect of Impact: Level of Impact	Level of Financial Impact	Financial Impact Assessment Items
G	Ethical Corporate Management and Governance	Pacific SOGO's assessment of the diversity of our Board of Directors and senior management, and the integrity, legal business practices, and quality control mechanisms and practices implemented for product traceability information disclosures by our business partners/suppliers. Also includes assessment of whether our business partners/suppliers have been subject to significant fines or non-monetary penalties for violating environmental, social, or economic laws or regulations, affecting the Company's reputation.	Actual	Opportunity	47.1%	Low	▪ A strong corporate governance images allows us to earn the trust of investors, leading to higher amounts of investment, reduced financing costs, or access to more favorable loan interest rates. On the other hand, damage to our corporate image may lead to a decline in investor confidence, affecting stock prices and financing costs. ▪ In response to government policies, additional resources must be invested due to higher required compliance costs. ▪ Violations of related policies leading to a major incident and fines from the government.
				Risk	52.9%		
	Business Performance	Pacific SOGO's financial performance, the financial impact caused by climate change, remuneration and benefits provided, and financial assistance received from the government.	Actual	Opportunity	62.5%	Moderate	▪ Strategic deployment, thriving markets, leading to increased visitors and revenue. ▪ Increase in fair market value of land increases the value of the Company's assets. ▪ Appropriate cost control measures allow the Company to make higher operating profits. ▪ Improper management of capital expenditures and marketing expenses can affect net profit. ▪ Investment losses result in a decline in net asset value.
				Risk	37.5%		
	Marketing and Brand Operations	Pacific SOGO's response to changing consumer needs in the department store retail industry and changes to brand perception from the new generation, as well as collaborations with new types of business partners, such as hotels, in order to focus on meeting more diverse customer needs and improving brand value, maintaining our market competitiveness through new innovative partnerships.	Actual	Opportunity	100%	Moderate	▪ Anniversary products and marketing activities (such as exhibitions, marketplaces) attract customers, driving sales revenue growth. ▪ Cross-industry collaborations to create a diverse service model, enhancing the visibility and appeal of our brand. ▪ Successfully reach the younger audience through innovative new marketing campaigns and social media communication, enhancing brand vitality and ensuring steady long-term revenue growth. ▪ Continue to optimize market deployment and strategies to seize market opportunities and enhance competitive advantages.
				Risk	0%		

E

Material Topics	Definition	Aspect of Impact: Actual/ Potential	Aspect of Impact: Aspect	Aspect of Impact: Level of Impact	Level of Financial Impact	Financial Impact Assessment Items
Low-Carbon Operations	The screening standards and principles established by Pacific SOGO for selecting sustainability partners to work with, the low-carbon green services and products provided to internal and external stakeholders, as well as the communication mechanisms, set frequencies, and other actions implemented to promote our product consumption principles.	Actual	Opportunity	73.2%	Low	▪ Apply for and receive government subsidies for energy-conserving equipment. ▪ The Tianmu Store's efforts to obtain the Services Carbon Label has allowed it to be included as a green procurement supplier. This has led corporate customers to purchase our electronic gift vouchers, increasing revenue. ▪ Incorrect labeling of sustainable products may lead to a public relations crisis, resulting in lower consumer trust and lower revenue.
			Risk	26.8%		
Climate Response Strategies	Pacific SOGO's establishment of greenhouse gas emissions management measures as part of our operating activities, conducting of carbon inventories, and creation of related carbon reduction targets. Also includes the actions and management policies adopted to reduce the impact of climate change risks on our operations through mitigation and adaptation.	Actual	Opportunity	31.3%	Low	▪ Installing new energy-conserving and carbon-reducing equipment can reduce annual management costs. ▪ Extreme weather events can cause adjustments to business hours or lead to financial losses. ▪ High temperatures can harm contracted workers and affect our corporate image. ▪ Climate change leading to insufficient production of popular seasonal fruits or products. ▪ Drought can affect water supply, making it necessary to cooperate with government water conservation measures, affecting the normal operation of our stores.
			Risk	68.7%		
Energy Management	Pacific SOGO's current use and demand for internal and external energy consumption, categorized into use of renewable and non-renewable energy.	Actual	Opportunity	47.6%	Low	• Introduce energy-efficient equipment to reduce annual electricity costs; lower the contracted capacity with Taiwan Power Company to reduce expenses. • Reduce energy consumption each year, establishing a sustainable image for the Company and allowing us to become a benchmark for the industry. • Increased electricity bills leading to additional operating expenses for the Company. • Failure to reduce electricity consumption may lead to paying carbon fees in the future.
			Risk	52.4%		

	Material Topics	Definition	Aspect of Impact			Level of Financial Impact	Financial Impact Assessment Items
			Actual/ Potential	Aspect	Level of Impact		
S	Employee Remuneration and Benefits	Pacific SOGO's hiring of employees and employee benefit systems, explanation of return and retention rates after parental leave.	Potential	Opportunity	37.7%	Low	▪ Stable salary adjustments and comprehensive benefit plans can reduce the number of labor-management disputes each year. ▪ Meeting our corporate commitments to excellent employee welfare standards can provide potential benefits from positive media coverage and positive reception on job banks. ▪ Violating the Labor Standards Act may result in penalties from the competent authority. ▪ Violations of human rights issues may be spread on social media, leading to criticism and negatively impacting our brand image.
				Risk	62.3%		
	Talent Retention and Development	Pacific SOGO'S performance assessment systems for improving employee cohesion, fair promotion systems and actions, and career development plans and diverse training and education programs.	Actual	Opportunity	71.4%	Low	▪ Talent retention measures and employee education and training allow employees to achieve self-fulfillment at work, providing potential benefits from reduced personnel turnover costs. ▪ Costs related to labor shortages or employee turnover.
				Risk	28.6%		
	Occupational Health and Safety	Mechanisms and actions implemented by Pacific SOGO to manage employee health and safety with regard to the workplace environment and work responsibilities.	Potential	Opportunity	47.6%	Low	▪ Improved education and training can reduce the number of occupational safety incidents, reducing related expenditures. ▪ Failing to comply with the Occupational Health and Safety Act may lead to penalties from the competent authority. Severe incidents may affect the Company's revenue.
				Risk	52.4%		

Note Refer to the Task Force on Climate-Related Financial Disclosures (TCFD) scenario analysis conducted by the Company, and the different levels of financial impact, categorized as
High: Reduces Far Eastern SOGO's average revenue by more than 60%.
Moderate: Reduces Far Eastern SOGO's average revenue by 20-60%.
Low: Reduces Far Eastern SOGO's average revenue by less than 20%.

Corresponding Chapters	Material Topics	GRI Topics Standards	Opportunity/ Risk	Scope of Impact on Value Chain								Sustainable Development Goals (SDGs)
				Upstream			Operations		Downstream			
				Government Agencies	Tenants (Store Counters)	Suppliers/ Contractors	Shareholders/ Financial Institutions	Employees	Customers	Society (Community and Media)	Non-Profit and Non-Governmental Organizations	
01 Robust OperationsA	Ethical Corporate Management and Governance	417 Marketing and Labeling	Opportunity		○ ○	○ ○			○ ○			SDG 16.5 Substantially reduce corruption and bribery SDG 16.6 Develop effective, accountable, and transparent institutions at all levels
			Risk		● ● ●	● ● ●			● ●			
	Business Performance	201 Economic Performance	Opportunity	○	●	●	●	●		○		SDG 8.2 Diversify, innovate, and upgrade for economic productivity SDG 8.3 Promote policies to support job creation and growing enterprises SDG 8.4 Improve resource efficiency in consumption and production SDG 8.5 Full employment and decent work with equal pay
			Risk									
	Marketing and Brand Operations	Self-designated Topics	Opportunity	● ●	●	●	●			● ●		SDG 8.3 Promote policies to support job creation and growing enterprises SDG 8.9 Promote beneficial and sustainable tourism
			Risk							● ●		
02 Environmental Sustainability	Low-Carbon Operations	Self-designated Topics	Opportunity		○	● ○	○	●	○		○	SDG 12.6 Encourage companies to adopt sustainable practices and sustainability reporting
			Risk				○					
	Climate Response Strategies	201 Economic Performance 305 Emissions	Opportunity	○	○	○	○	○	○		○	SDG 8.4 Improve resource efficiency in consumption and production SDG 13.2 Integrate climate change measures into policies, strategies, and planning SDG 13.3 Improve education, awareness-raising, and human and institutional capacity on climate change mitigation, adaptation, impact reduction, and early warning
			Risk		○	○						
	Energy Management	302 Energy	Opportunity	○	●		○					SDG 7.2 Increase substantially the share of renewable energy in the global energy mix
			Risk				○					

Legend

- Impacts arising from the organization's own activities: ● Direct Impact ○ Indirect Impact
- Impact Aspect : ● Green circle for environmental ● Yellow circle for social ● Blue circle for economic

Corresponding Chapters	Material Topics	GRI Topics Standards	Opportunity/ Risk	Scope of Impact on Value Chain								Sustainable Development Goals (SDGs)
				Upstream			Operations		Downstream			
				Government Agencies	Tenants (Store Counters)	Suppliers/ Contractors	Shareholders/ Financial Institutions	Employees	Customers	Society (Community and Media)	Non-Profit and Non-Governmental Organizations	
04 Happy Workplace	Employee Remuneration and Benefits	401 Employment	Opportunity	○	○		○	●				SDG 5.1 End all forms of discrimination against all women and girls everywhere SDG 5.5 Ensure full and effective participation in leadership and decision-making
			Risk									
	Talent Retention and Development	404 Training and Education	Opportunity		○		○	●				SDG 4.3 Ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education SDG 4.7 Ensure that all learners acquire the knowledge and skills needed to promote sustainable development and global citizenship SDG 8.2 Diversify, innovate, and upgrade for economic productivity
			Risk									
	Occupational Health and Safety	403 Occupational Health and Safety	Opportunity		●		○	●	○			SDG 3.4 Reduce mortality from non-communicable diseases and promote mental health
			Risk									

Legend

- Impacts arising from the organization's own activities: ● Direct Impact ○ Indirect Impact
- Impact Aspect : ● Green circle for environmental ● Yellow circle for social ● Blue circle for economic



Stakeholder Engagement GRI 2-26

The Company's ESG Committee has referenced the five main principles of the 2011 AA1000 Stakeholder Engagement Standard (SES): Dependency, Responsibility, Influence, Diverse Perspectives, and Tension, through which the Company's Vice Presidents, Store General Managers for Each Operating Location, and executives of Assistance Vice President rank or above have identified the Company's 8 major stakeholders important to our sustainable development: Customers, Employees, Shareholders/Financial Institutions, Tenants (Store Counters), Suppliers and Contractors, Government Organizations, Non-Profit and Non-Governmental Organizations, and Society (community and media). Through this process, Pacific SOGO has deepened our engagement processes, enhancing our sustainable development strategy and social accountability.

8 Key Stakeholder Groups



Customers



Employees



Shareholders/ Financial Institutions



Tenants (Store Counters)



Suppliers and Contractors



Government Agencies



Non-Profit and Non-Governmental Organizations



Society (Community and Media)

Stakeholders	Importance to Pacific SOGO	Communication Channel and Frequency	Responsible Department	Issues of Concern	Engagement Effectiveness and Corresponding Chapter
 Customers	The Company assesses market dynamics to select brands and vendors to fill our store counters. The only key to evaluating whether Pacific SOGO has accurately identified consumer trends is through customers visiting our stores to shop and support us.	**Regular** Customer Satisfaction Survey — Annually **Ad hoc** Social media fan page, customer feedback form, free service hotline, and online message boards	▪ Operations Department ▪ Sales Promotion Department ▪ Human Resources Department ▪ E-Commerce Department ▪ IT Department ▪ Engineering and Maintenance Department ▪ Customer Service Center	Ethical Corporate Management and Governance; Low-Carbon Operations; Resource Circular Recycling; Occupational Health and Safety; Employee Remuneration and Benefits	01 Robust Operations; 02 Environmental Sustainability; 04 Happy Workplace
 Employees	In the face of changing consumer trends, and as sales channels and brands become increasingly diversified, each of our employees also actively look to change how they approach their job responsibilities through innovative thinking, in order to strive for customer recognition and pursue more effective business operations.	**Regular** Employee Engagement and ESG Surveys — Annually; Labor/management meetings — Quarterly; Morning Newsletter/ morning meetings — Daily **Ad hoc** Internal announcement systems (ework, ehr), employee suggestion mailboxes, workshops	▪ Human Resources Department ▪ Worker Safety Office ▪ Worker Benefits Committee	Ethical Corporate Management and Governance; Low-Carbon Operations; Resource Circular Recycling; Occupational Health and Safety; Employee Remuneration and Benefits; Talent Retention and Development	01 Robust Operations; 02 Environmental Sustainability; 04 Happy Workplace

Stakeholders	Importance to Pacific SOGO	Communication Channel and Frequency	Responsible Department	Issues of Concern	Engagement Effectiveness and Corresponding Chapter
 **Shareholders/ Financial Institutions**	Recognize and support our ESG principles, invest various resources, support the Company's implementation of various corporate sustainability activities to become a benchmark in the department store industry.	**Regular** Shareholders' meeting, parent company (Far Eastern Department Stores) annual report — Annually Board of Directors meetings — Quarterly **Ad hoc** Market Observation Post System	▪ Secretary Office ▪ Finance Department ▪ Accounting Department	Business Performance Low-Carbon Operations Resource Circular Recycling Occupational Health and Safety Employee Remuneration and Benefits	01 Robust Operations 02 Environmental Sustainability 04 Happy Workplace
 **Tenants (Store Counters)**	As a leading brand in the department store industry, the Company relies not only on the collective efforts of our employees, but also the services provided by the staff at our store counters, and the support and cooperation of store counter tenants, in order to provide customers with the best possible shopping and service experience.	**Regular** Contract signing/renewal — Annually Vendor meetings — Quarterly Morning Newsletter/ morning meetings — Daily **Ad hoc** Telephone, e-mail, written letters, briefing and coordination sessions (vendor recruitment presentations, promotional period coordination meetings, floor renovation and construction briefings, brand achievement presentations, sustainability due diligence)	▪ Product Department ▪ Operations Department ▪ Sales Promotion Department	Business Performance Low-Carbon Operations Resource Circular Recycling Occupational Health and Safety Employee Remuneration and Benefits	01 Robust Operations 02 Environmental Sustainability 04 Happy Workplace
 **Suppliers and Contractors**	The backbone allowing the Company's stores to provide the most competitive products, works with Far Eastern SOGO to create rich product variety and a comfortable shopping environment.	**Regular** Contract signing/renewal — Annually **Ad hoc** Telephone, email, written letters, on-site inspections, various meetings (quality improvement meetings, sustainability initiative briefings, Supplier Carbon Reduction Alliance, due diligence investigations, etc.)	▪ Engineering and Maintenance Department ▪ Procurement Department ▪ Sales Promotion Department	Ethical Corporate Management and Governance Low-Carbon Operations Resource Circular Recycling Occupational Health and Safety Employee Remuneration and Benefits	01 Robust Operations 02 Environmental Sustainability 04 Happy Workplace

Stakeholders	Importance to Pacific SOGO	Communication Channel and Frequency	Responsible Department	Issues of Concern	Engagement Effectiveness and Corresponding Chapter
 **Government Agencies**	Government agencies are of critical importance to the Company. They establish regulations, supervise operations, provide infrastructure, and influence investment directions. Building good relationships with the government and complying with laws and regulations helps the Company maintain steady business operations.	**Regular** Each year, our parent company Far Eastern Department Stores submits financial statements and other documents to the Market Observation Post System, and regularly submits reports as a member of the Ministry of Environment Sustainable Fashion Alliance. **Ad hoc** Two-way communication conducted through phone, email, official government letters, and meetings. Participates in forums, seminars, public hearings, and assessments held by the competent authority. Complies with the laws and regulations of the competent authority, cooperates with the supervision actions and audits of the competent authority, and actively supports government policies.	▪ Engineering and Maintenance Department ▪ Accounting Department ▪ Finance Department ▪ Legal Office ▪ Sustainable Development Office	Ethical Corporate Management and Governance Low-Carbon Operations Resource Circular Recycling Occupational Health and Safety Employee Remuneration and Benefits	01 Robust Operations 02 Environmental Sustainability 04 Happy Workplace
 **Non-Profit and Non-Governmental Organizations**	The Company continues to work with non-profit and non-governmental organizations to actively engage with stakeholders on social welfare issues, exert influence, and harness the power of society to do good. Internally, we work to actively improve employee awareness and familiarity with various sustainable social welfare programs, and actively participate in these programs to make a concrete impact.	**Regular** April Earth Day initiative, year-end charity events, small farmers' exhibitions, social innovation exhibitions (Annually) **Ad hoc** Telephone, email, official ESG website, social media, collaboration events, sustainability initiatives	▪ Sales Promotion Department ▪ E-Commerce Department ▪ Sustainability Office	Ethical Corporate Management and Governance Low-Carbon Operations Energy Management Occupational Health and Safety Customer Relations Management	01 Robust Operations 02 Environmental Sustainability 03 Trustworthy Services 04 Happy Workplace
 **Society (Community and Media)**	Implementing corporate social responsibility across overall society helps to boost our positive impact on society, and allows us to work with stakeholders to jointly build a homeland of mutual prosperity.	**Regular** Taipei Eastern District Business District Development Association Board of Directors and Supervisors meetings and member meetings, Eastern District anniversary celebrations, Lights Off Initiative. **Ad hoc** Telephone, email, letter, social media, various meetings, on-site inspections, collaboration events.	▪ Sales Promotion Department ▪ Engineering and Maintenance Department ▪ Legal Office ▪ E-Commerce Department ▪ Sustainable Development Office ▪ Media and Public Relations Department	Business Performance Low-Carbon Operations Resource Circular Recycling Occupational Health and Safety Employee Remuneration and Benefits	01 Robust Operations 02 Environmental Sustainability 04 Happy Workplace

01 Robust Operations

Pacific SOGO Department Stores has long been one of the department stores most trusted by consumers. For the past 38 years, we have led fashion trends in Taiwan, growing with the times while remaining a friendly and valued member of the communities we serve. Guided by our commitment to sustainable management, we continue to enhance the in-store shopping experience through innovation and adaptability as we work toward becoming a benchmark in the retail industry. While pursuing business growth, we also actively fulfill our corporate social responsibilities and continue to build our reputation as a leading department store and a brand committed to ESG.

SDGs Addressed in This Chapter



2025 Performance Highlights

Established an industry benchmark	• Participated in international initiatives and was recognized by the Smart Energy Alliance (formerly EP100) as a retail industry success story.
Supply chain management	• The number of companies participating in the Carbon Reduction Alliance increased 4.5-fold. • Eco-friendly gifts accounted for 9.67% of total gift procurement, exceeding the annual target.
Information Security and Digital Innovation	• SOGO APP membership grew 13% year over year to nearly 1.8 million, and customer satisfaction reached 85.1%. • Established a five-layer information security framework: ISO 27001 Information Security Management Systems, ISO 27701 Privacy Information Management Systems, and ISO 27002 Information Security Controls certifications, the Mobile Application Security (MAS) label for the SOGO APP, and Taiwan Personal Information Protection & Administration System (TPIPAS) certification established by the Institute for Information Industry.
Corporate governance	• Completed gender equality training for all employees.



1.0 Strategic Achievements and Plans

Since its establishment on November 11, 1987, Pacific SOGO Department Stores has continued to pursue transformation and innovation while adopting operating policies aligned with ESG principles. This has enabled us to achieve strong business performance while creating greater corporate value, as we work toward becoming a benchmark in the retail industry and a model for sustainable department store operations.

Policy Commitments

Promote business operations aligned with the three ESG pillars and build our reputation as a leading department store and a brand committed to ESG

Organization Vision

Grow with the times, remain a friendly and valued member of the community, and provide the public with a comprehensive fashion and lifestyle shopping experience as a benchmark in the retail industry

Material Topics

- Business Performance
- Ethical Corporate Management and Governance
- Marketing and Brand Operations

International Frameworks and Indicators

- GRI 201 Economic Performance
- SASB Operational Indicators CG-MR-000.A, CG-MR-000.B
- Self-Designated Topics

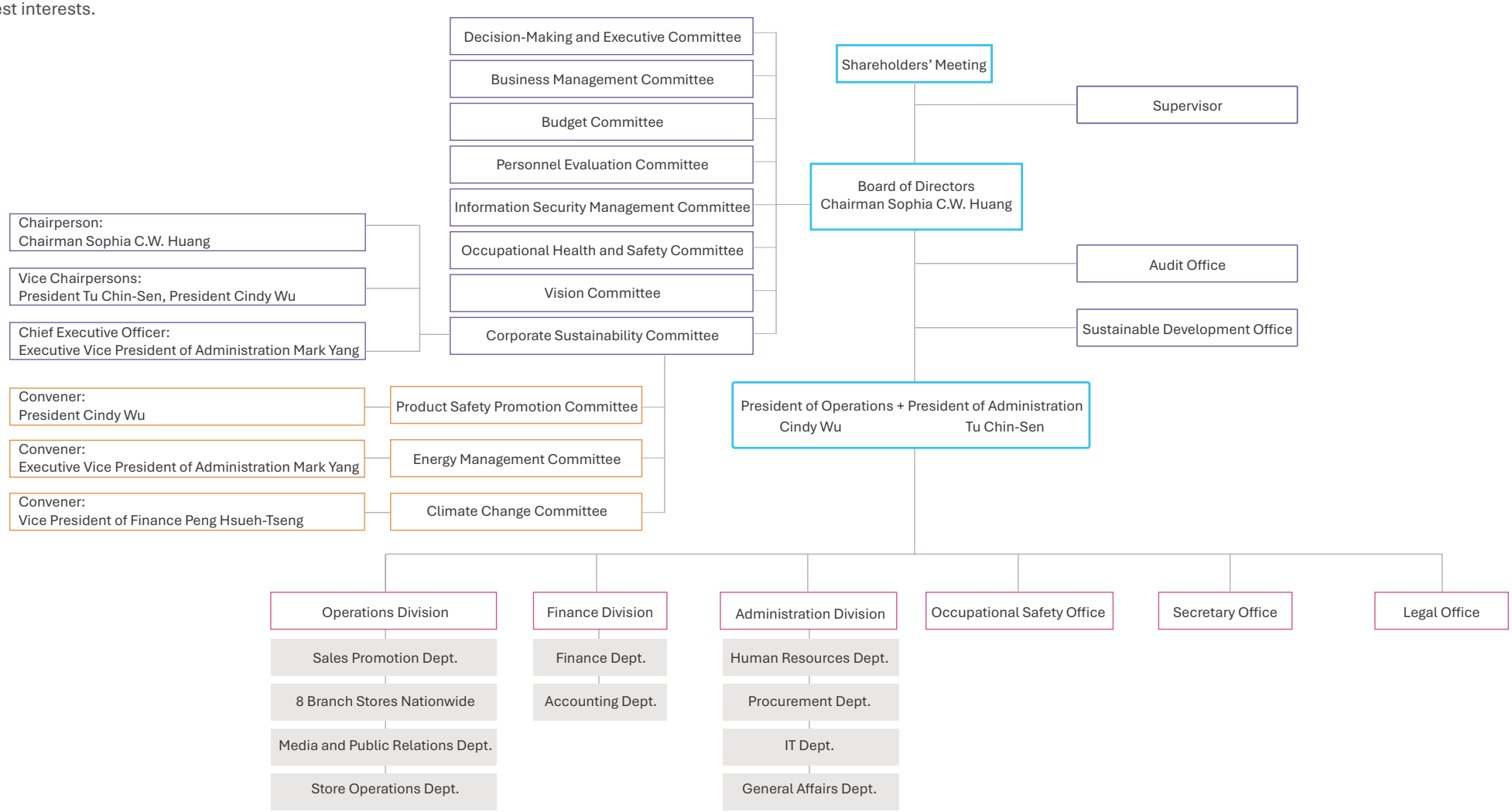
Management Actions	2025 Performance	Achievement Status	Short-Term Targets (1–3 Years)	Medium- and Long-Term Targets (3 Years or More)
Optimized our store presence in the Eastern District	• Opened the Far Eastern Garden City Taipei Dome Section A Store (Cinema Building) • Closed the Far Eastern SOGO Dunhua Store, known as the "Jewel Box of the Eastern District," after 31 years of operation	Target achieved ▶ Completed the opening of the planned sections Target achieved ▶ Completed the store closure upon lease expiration	After all sections of Far Eastern Garden City have opened, attract new customers, lower the average age of our core customer base, and revitalize the Greater Eastern District shopping area together with our Zhongxiao and Fuxing Stores.	Become the highest-grossing shopping destination in Taipei City.
Strengthened customer loyalty and expanded our customer base	• Launched exclusive discounts for co-branded cardholders during peak shopping seasons to strengthen customer loyalty and increase card usage • Developed a value-driven e-commerce business model and increased online sales revenue	Target achieved Target achieved ▶ Revenue increased by nearly 20%	Expand our core customer base by incorporating digital marketing strategies, creating diverse communication channels, and implementing precision marketing.	Develop distinctive operating features for each store, integrate e-commerce into our operations, respond to domestic and international sustainability trends, and strengthen operational resilience to reinforce our market-leading position.
Strengthened supplier sustainability and resilience	• Became the first department store to obtain ISO 20400 Sustainable Procurement – Guidance verification • Promoted the Carbon Reduction Alliance and expanded the scope and number of supplier guidance targets	Target achieved ▶ Became the first department store to do so Target achieved ▶ Alliance membership increased 4.5-fold	Support suppliers in their sustainability transformation, provide guidance on improving sustainability practices, and establish carbon reduction targets.	Collaborate with stakeholders and upstream and downstream suppliers to build sustainable development partnerships and create a sustainable value chain together.
Strengthening Internal Controls and Regulatory Compliance	• Received no fines or administrative penalties from the competent authorities	Target achieved ▶ No fines or administrative penalties recorded	• Strengthen internal training, internal controls, and external audits to ensure that no major violations occur. • Link senior management remuneration to sustainability performance.	Build long-term relationships of trust with internal and external stakeholders and become a model for the industry.
Established a comprehensive information security system	• Adopted domestic and international information security standards and obtained relevant certifications	Target achieved ▶ Established a five-layer information security framework	• Adopt the ISO 22301 Business Continuity Management Systems standard and obtain TPIPAS certification to enhance operational resilience in the digital era. • OPlus green e-commerce platform into a value-driven platform to enhance customer loyalty.	• Apply the Plan-Do-Check-Act (PDCA) cycle to identify potential risks in advance and build a stronger protection framework for sustainable operations. • Enhance our brand image and strengthen customer trust by delivering an excellent customer experience.

Stakeholder Groups	Shareholders/ financial institutions	Store tenants/suppliers	Customers	Communities
Engagement Channels	• Press conferences and press releases on store openings and closures, as well as peak season performance. • Regular Board of Directors and shareholders' meetings.	• ESG website, internal newsletter, and education and training programs. • Supplier Carbon Reduction Alliance annual meetings, award ceremonies, sustainability initiatives, due diligence assessments, and other engagement activities.	• Social media and digital communication channels, including fan pages, the official website, Instagram, digital newsletters, direct mail (DM), and the SOGO APP. • Physical/store service counters. • Phone/toll-free hotlines. • Internet/online message boards.	• News releases and updates shared through social media. • Participate in and organize events in the shopping districts where our stores are located, while supporting the development of major shopping district infrastructure. • Participate in regular meetings of the Taipei Eastern District Business District Development Association and communicate with the Taipei City Government.
2025 Results	• Convened **four** Board of Directors meetings, achieving a **90%** attendance rate. • In 2025, shareholders attending the shareholders' meeting in person or by proxy represented **81.55%** of the Company's total outstanding shares.	• Completed due diligence assessments of Tier 1 suppliers and conducted third-party audits and improvement guidance for suppliers with poor assessment results. • **770** brands and suppliers participated in the "Lights Off for an Hour" Summer Solstice event. • **18** suppliers participated in the Carbon Reduction Alliance annual meeting. • Recognized **eight** store tenants for their active participation in sustainability initiatives.	• **88.4%** of customers agreed with our overall brand direction. • SOGO APP membership reached **1.797 million**, representing **13%** year-over-year growth and effectively enhancing customer engagement and satisfaction. Customer satisfaction surveys showed that satisfaction with the "SOGO APP's ability to integrate multiple functions" reached 78.4%, exceeding the levels recorded in the previous two years.	• Co-organized **three** large-scale events in Taipei City's Eastern District, attracting a total of **140,000 participants**. • Opened Far Eastern Garden City at the Taipei Dome, bringing together sports, culture and the arts, shopping, dining, cinemas, and hotel accommodations to create a vibrant lifestyle destination that drives economic growth and prosperity across the entire shopping district.

1.1 Corporate Governance

1.1.1 Organizational Profile GRI 2-9

The Company has established the Chairman's Office, President of Operation's Office, and President of Administration's Office under the Board of Directors. The President of Operations is responsible for coordinating the front-line operations at each store, while the President of Administration is responsible for managing back-end support and administrative operations. Overall management responsibilities are divided between these two roles, which work to support each other. Together, they act according to the Company's operational policy to maximize the Company's best interests.



1.1.2 Board of Directors

GRI 2-11 GRI 2-10 GRI 2-15 GRI 2-16 GRI 2-17 GRI 2-18 GRI 2-19 GRI 2-21 GRI 2-28 GRI 405-1

The Company's highest governance body is the Board of Directors, which consists of 5 directors and 1 supervisor. Each director and supervisor is required to possess relevant professional and management experience in related industries, and is elected by the shareholders' meeting. 1 Chairman is then elected by the directors. The Board of Directors meeting is convened by the Chairman of the Board of Directors. An extraordinary board meeting may be convened in response to an urgent proposal. 4 Board of Directors meetings were convened in 2025 with a director attendance rate of 90% and a supervisor attendance rate of 100%.

Directors and supervisors serve three-year terms, and may be re-elected to serve consecutive terms. When nominating and electing members to the Board of Directors, the views raised by stakeholders are taken into consideration, and the process is conducted in compliance with the Articles of Incorporation. This ensures the professionalism, independence, and diversity of the Board of Directors, as well as the organization's capability to respond to impacts. The shareholders' meeting was convened on June 14, 2023, where the Company's directors and supervisors were re-elected. The current Board of Directors includes two women, accounting for 40% of total members. The Board of Directors' Chairman is the renowned Ms Sophia C.W. Huang, and each member of the Board possesses the professional and academic expertise, insight, judgement, and innovative ability to lead the Company's two department store brands in maintaining their leading position within the department store retail industry.

2025 Board of Directors Operations-Pacific SOGO Department Stores Co., Ltd.

Number of Board of Directors Seats	Female Directors	Number of Meetings	Average Director Attendance Rate	Supervisor Attendance Rate
5	40%	4	90	100
Directors	Seats	Meetings	%	%

Important Resolutions

6th meeting of the 15th Board 2025.2.24

- Proposal on final annual financial statements
- Proposal on distribution of annual remuneration and earnings for directors and supervisors
- Proposal on annual business report

Passed by all attending directors

8th meeting of the 15th Board 2025.7.1

- Discussion of annual dividend distribution

Passed by all attending directors

9th meeting of the 15th Board 2025.12.15

- Annual Company budget
- Proposal on renewal of the Company's Public Property Lease of the MRT Wenhu Line Zhongxiao Fuxing Station (BR4) Joint Development Building.
- The Company's Dunhua Branch will no longer renew this lease contract after it expires on December 23, 2025.
- Report on ESG results and climate change response measures

Passed by all attending directors

Role of the Pacific SOGO Board of Directors

Purpose of the Board of Directors

All members of the Board of Directors are able to fulfill their responsibilities in guiding and assisting executive departments to make steady progress towards achieving sustainable development goals on environmental sustainability, social inclusion, and corporate governance (ESG)

Sustainable Development Vision

Grow with the times, remain a friendly and valued member of the community, and provide the public with a comprehensive fashion and lifestyle shopping experience as a benchmark in the retail industry

ESG Strategies and Policies

- Weigh sustainability-related risks and opportunities, and make the best decisions for the Company. For example, when deciding on a new operating location for the Company, the potential environmental impact and opportunities that can be provided to the community (such as promoting development of the shopping district, creating additional employment opportunities, and stimulating the development of the department store retail industry) should be taken into consideration.
- We work together with our stakeholders, including our contractors, suppliers, and consumers, to jointly advance towards a sustainable future in line with our three main sustainability strategies: energy conservation and carbon reduction, sustainable consumption, and building a circular business model.

Preventing Conflicts of Interest

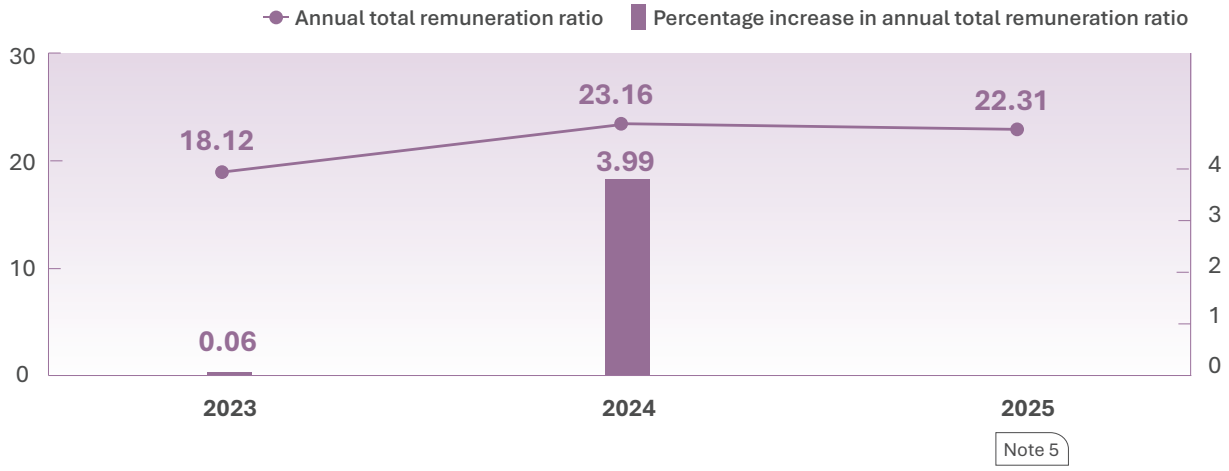
In order to improve corporate governance, the Code of Ethical Conduct has been established to specifically prevent conflicts of interest by the highest governance body. In order to ensure director independence and prevent conflicts of interest, the Chairman of the Company remains supervised by the Group's parent company despite being the Company's highest-level manager. None of the Company's directors are spouses or second-degree relatives of another director. No cases of corruption, bribery, Fair Trade Act violations, conflicts of interest, money laundering, or insider trading occurred in 2025. (The Company is not a listed company. The Company's corporate governance affairs are conducted pursuant to laws and regulations, and in compliance with the parent company Far Eastern Department Stores Ltd.'s rules. Please refer to p. 23, 26, 30, 58 of Far Eastern Department Stores' 2025 Annual Report for more information on director recusals to avoid conflicts of interest. Please refer to the organizational relations chart on page 91 of the 2025 Fourth Quarter Financial Report for more information on the existence of controlling shareholders.)

Chairman and Senior Manager Remuneration Policy

Director and Manager Remuneration Policy

Recipients	Performance Evaluation	Distributed Payments
Directors and Supervisors	Pursuant to Article 27 of the Company's Articles of Incorporation, if the Company has made a profit for the year, a maximum of 2% of this profit shall be allocated as director remuneration. The actual proportion and amount distributed shall be determined by the Board of Directors, taking into account factors including the results of the corporate sustainability performance evaluation, the Company's operating results, and future operational risks. The proportion and amounts determined shall be reported to the shareholders' meeting. In 2025, a total of NT$15,000 thousand was paid to directors and supervisors, and director remuneration accounted for 1.5% of the Company's net profit after tax. As Pacific SOGO is not a listed company, we have not established a performance evaluation for directors.	Transportation allowances, bonuses, etc.
Managers (President, Vice President, and other managers)	Manager remuneration for managers at the rank of vice president or above is based on the Company's business performance and industry standards. Performance evaluation results are also taken into consideration, and remuneration may be reasonably and flexibly adjusted based on future operational risk factors.	• Fixed monthly salary, various bonuses (including special performance bonuses, employee remuneration, anniversary bonuses, year-end bonuses), supervisor bonuses, and monthly retirement contributions (including contributions to both the new and old pension systems), welfare benefits, etc. • Remuneration distributed to supervisors in special circumstances, such as retirement pay, severance pay, and compensation pay. • Executive Vice President of Administration remuneration linked to ESG performance

Individuals/groups receiving the most remuneration



Note

1. Annual total remuneration ratio = annual total remuneration for the organization's highest-paid individual employee/Median annual total remuneration for other employees
2. Change in annual total remuneration ratio = percentage increase in annual total remuneration for the organization's highest-paid individual employee/median percentage increase in remuneration for other employees
3. Total employee remuneration is composed of fixed and variable remuneration
4. Method for determining total annual employee remuneration: A remuneration adjustment budget (including percentage increase and total remuneration budget) is prepared in August of the previous year for the following year and reported to the Board of Directors for approval. When implemented for the year, the Human Resources unit will propose a suggested remuneration adjustment plan based on the performance results and budget set the previous year. After being discussed and approved by senior management and the Chairman, the plan will be submitted to the Group Chairman for approval before being implemented.
5. Due to a decrease in net profit before tax in 2025, the individual remuneration amount paid to the Company's highest-paid individual decreased, resulting in a negative value. While the median annual total compensation for employees increased, this resulted in no ratio being calculated.

Diversity and Independence of Board of Directors Members

Position	Name	Gender	Age			Current Position at the Company and at Other Companies	
			50-65	65-75	75 and above		
Director and Chairman of Far Eastern Group	Douglas Hsu	Male			●	• Chairman, Far Eastern New Century Corporation • Chairman, Asia Cement Corporation • Chairman, Oriental Union Chemical Corporation • Chairman, Far Eastern Department Stores Co., Ltd. • Chairman, Far EasTone Telecommunications Co., Ltd.	• Chairman, U-Ming Marine Transport Corporation • Vice Chairman, Far Eastern International Bank Ltd
Chairman	Sophia C.W. Huang	Female	●			• Chairman, Pacific China Holdings (British Virgin Islands) Ltd. • Chairman, Pacific China Holdings (Hong Kong) Ltd. • Director, Shangri-La Far Eastern Taipei International Hotel • Director, Ding Ding Integrated Marketing Services Ltd. • Chairman, Pacific Chongguang Culture and Education Foundation	• Chairman, Pacific Chongguang Social Welfare Foundation • Member, Taichung City Government International Affairs Commission • Chairperson, Retailers Association of Chinese Taipei
Director	Shaw Y. Wang	Male			●	• Director, Far Eastern New Century Corporation • CEO of Charity Division, Far Eastern New Century Corporation • Executive Director, Far Eastern International Bank Ltd • Chairman, Far Eastern Construction Co., Ltd. • Director, Yuan Ze University	
Director	Chee Ching	Female	●			• President, Far EasTone Telecommunications Co., Ltd. • Chairman and President, Far Eastern Info Service (Holding) Ltd. • Chairman, Arcoa Communications Co., Ltd. • Chairman, Prime EcoPower Co., Ltd. • Director and President, New Century Infocomm Tech Co., Ltd. • Chairman, Yuanshi Digital Technology Co., Ltd. • Chairman, IDEAWORKS Entertainment Co., Ltd. • Director, Far Eastern Electronic Toll Collection Co., Ltd.	• Director, Ding Ding Integrated Marketing Services Ltd. • Director, FETC International Co, Ltd. • Director, Far Eastern Department Stores Co., Ltd. • Chairman, Field Delivery Service Co., Ltd. • Chairman, Nextlink Technology Co., Ltd. • Chairman, Amplified Stream Platform Technologies Inc. • Field Delivery Service Co., Ltd.
Director	Tsai Min-Hsiung	Male	●			• Chief Administrative Officer, Far Eastern New Century Co., Ltd. • Chairman, Ding Yuan International Investment Co., Ltd. • Director, Yuan Ding Investment Corporation • Director, Arcoa Communications Co., Ltd. • Director, of Yuan Ding Co Ltd.	• Chairman, Yue Ding Industry Co., Ltd. • Chairman, Shanghai Far Eastern IT Company
Supervisor	Wang Ching-Yi	Male			●	• Director, Yuan Ze University • Director, T.N. Soong Foundation	

For more information, please refer to “Corporate Governance” ☞ “Investor Relations” section on the Company’s official ESG website.

Sustainable Knowledge Development

The Company has helped directors to arrange for continuing education programs and courses for the year based on each director's academic and professional background, enhancing the professional competencies of our directors and supervisors and optimizing corporate governance operations. All 5 directors completed 6 hours or more of continuing education, totaling 45 hours.

Topic	Course Name	Number of Participants	Course Hours
Sustainable Development and Macro Trends	• The Trump effect and changes and constants in the retail industry	1	2 hours
	• Explanation of global climate-related political trends and Taiwan's net-zero transition strategy	1	2 hours
	• Corporate response strategies for US tariffs and supply chain restructuring	3	9 hours
	• Corporate Governance Forum - Corporate response strategies for US tariff policies and supply chain restructuring	1	3 hours
	• Moving towards sustainable development for the retail industry	1	2 hours
Corporate Governance and Compliance	• Corporate governance from a legal perspective	1	3 hours
	• From management rights and shareholder activism... analyzing director responsibilities through global perspectives	1	3 hours
	• Practical workshop on sustainability information preparation and reporting	1	6 hours
	• Analysis of sustainability and financial reporting laws and regulations	1	6 hours
Digital Innovation and Corporate Transformation	• Corporate Governance Forum - Corporate AI Transformation	1	3 hours
	• Enterprise AI transformation	2	6 hours

All 5 directors completed 6 hours or more of continuing education

Totaling **45** hours



▲ Pacific SOGO organizes continuing education courses for directors, inviting Ambassador Eugene Chien (first row, second from right) to give a talk. This was a compulsory course for all executives of manager rank and above.

Participation in External Organizations

Through participating in the meetings of external associations and engaging in exchanges with representatives from the private, public, and academic sector, the Company has played the role of an opinion leader and led the department store industry in jointly moving forwards, while also supporting the promotion of domestic, foreign, and Taiwan-China affairs. At the same time, we have continued to participate in the Retailers Association of Chinese Taipei (RACT) and the Taipei Department Store Association, providing advice for the industry.

to present	Retailers Association of Chinese Taipei	Chairperson Executive Director Executive Supervisor Director Director Director Director Supervisor	Chairman Sophia C.W. Huang President Tu Chin-Sen President Cindy Wu Vice President Mark Yang Vice President Silvia Hsu Vice President Lai Pi-Chang Director Tang Chih-Ping Peng Hsueh-Tseng, Vice President	Promoting member affairs, facilitating international exchanges, providing policy advice, and consolidating industry strengths to jointly create a sustainable future and lead the department store industry towards further progress
	Taipei Department Store Association	Supervisor	Manager Huang Zheng-Yi	Provide advice to the industry
2017	Center for Corporate Sustainability (CCS)	Director	Chairman Sophia C.W. Huang	Exchange sustainability experiences and build partnerships
2019	Taipei Eastern District Business District Development Association	Executive Director	Vice President Mark Yang	Leading smaller stores in jointly promoting the development of the shopping district and creating mutual prosperity for the community
2022	EP100 Initiative for Increasing Energy Productivity (Later renamed the Smart Energy Coalition in 2025)	Member	Pacific SOGO Department Stores	First Asia-Pacific department store company Achieve cases of success to serve as a model for other Asia-Pacific retailers
	R20 Regions of Climate Change	Member	Pacific SOGO Department Stores	Exchange sustainability experiences and build partnerships
2023	TCFD Supporter	Member	Pacific SOGO Department Stores	First department store company from Taiwan Commit to climate governance and become a model for other domestic retailers
2024	Science Based Targets initiative (SBTi)	Member	Pacific SOGO Department Stores	First large-scale department store from Taiwan First department store in Taiwan to submit a letter of commitment, demonstrating our determined commitment to reduce carbon emissions
	Sustainable Fashion Alliance Circular Economy Textile Alliance 8+N Resource Circulation Alliance	Member	Pacific SOGO Department Stores	First department store company from Taiwan Support government policies, becoming a benchmark enterprise for industry development
2025	Taipei Department Store Alliance Health and Safety Family	Member	Pacific SOGO Department Stores	Leader Leading smaller enterprises, sharing experiences with the industry, and promoting self-management
	Hsinchu City SOGO Health and Safety Family	Member	Pacific SOGO Department Stores	Core family Pass on our occupational health and safety experience, and help other members improve their health and safety systems

RACT Builds Industry-Government-Academia Platform to Drive Sustainable Development of Department Store Industry

On June 18, 2025, the Retailers Association of Chinese Taipei (RACT) held its first general meeting in 2025, and successfully elected its directors and supervisors. Chairman Sophia C.W. Huang assumed the position of RACT Chairperson, and worked together with 8 of the industry's titans: Pacific SOGO Department Stores, Far Eastern Department Stores, Shin Kong Mitsukoshi, the Taipei Financial Center Corporation (Taipei 101), Hanshin Department Store, Far Eastern Big City Department Stores, Breeze Center, and Tonlin Department Store to jointly establish an industry-government-academia platform in order to increase policy participation and enhance the department store industry's voice in government policy.

Under the initiative of Chairman Huang, the RACT established two functional working groups, the Industry Development and Industry Empowerment working groups. The first group aims to keep abreast of domestic and international retail trends in order to assist members in making forward-looking plans. The second group focuses on finding solutions to common issues faced by the industry, such as manpower shortages and generational succession, in order to strengthen talent sustainability and the industry's long-term development. This initiative hopes to combine the strengths of each gathered member to effectively drive overall improvement across the industry and promote the sustainable development of Taiwan's department store industry.



In 2025, RACT invited its members to hold an in-depth discussion on the challenges faced by the department store retail industry when conducting carbon inventory and collecting carbon fees in practice. After collecting and organizing the suggestions proposed by its members, a representative from the Industry Development Working Group held a joint exchange and meeting with the Climate Change Administration, Ministry of Environment and the Administration of Commerce, Ministry of Economic Affairs in February 2026. During the meeting, opinions were exchanged between the industry and government on the practical issues faced by the department store retail industry when conducting greenhouse gas inventory and implementing related systems.

▲ In the 2025 RACT election, Chairman Sophia C.W. Huang (middle) took on the role of Chairperson, while President Yusuke Nanno of Hanshin Shopping Plaza Co., Ltd. (left) and President Lillian Chu (right) of Taipei 101 Mall were elected as Vice Chairpersons.

International Sustainability Initiative Organizations EP100, R20, TCFD Supporter, SBTi

The Company has continued to enhance our climate actions and deepen sustainability commitments steadily year after year, demonstrating our operational resilience.

2021

We began implementing climate governance measures beginning from 2021, and was the first to voluntarily adopt the Task Force on Climate-Related Financial Disclosures (TCFD) framework to systematically strengthen climate governance.

2022

we joined the R20 Regions of Climate Change Catalytic Finance Foundation supported by the United Nations in order to link up with international climate efforts and engage in exchanges with global partners on sustainability trends.

In response to the global net-zero emissions trend, the Company has actively participated in international sustainability initiatives, and became the first department store retail company from the Asia-Pacific to join as a member of the EP100 initiative in 2022. The Company committed to increasing energy productivity by 50.52% by 2028, compared to 2018 baseline year.

2023

we upgraded our actions into a formal commitment, and became the first Taiwanese department store to become a TCFD supporter, striving to manage climate risks through comprehensive information disclosures.

2024

we set another milestone by becoming the first Taiwanese department store to submit a science-based targets (SBT) commitment. In order to fulfill this commitment, we completed a carbon inventory across our full value chain in 2025, and plan to formally submit our carbon reduction targets to the Science-Based Targets Initiative (SBTi) in July 2026, transforming our sustainability blueprint into concrete action.



▲ In February 2026, the RACT Industry Development Working Group visited the Ministry of Environment to hold a joint exchange meeting with the Climate Change Administration, Ministry of Environment and the Administration of Commerce, Ministry of Economic Affairs.

Sustainability Influence: From Building a Benchmark to Overall Industry Prosperity

In recent years, Pacific SOGO has actively pursued sustainability practices and has been widely recognized as a "role model for sustainable development." Its achievements have been acknowledged by professional institutions both domestically and internationally, and the company has been invited to share its practical experience at numerous major forums involving government, industry, and academia, promoting industry-wide progress toward sustainable development through benchmark cases and cross-sector exchange.



Promoting female leadership

Chairman Sophia C.W. Huang serves as a director of the Taiwan Women on Boards Association, and has worked to promote women's empowerment. She has also served as a lecturer for the Leadership Seminar for five years in a row, passing down her governance experience.

◀ Chairman Sophia C.W. Huang (fifth from left) shares her insights at the Taiwan Women on Boards Association



Leading the industry on sustainability issues

In 2025, Pacific SOGO participated in 8 major industry-government-academia activities focused on key issues such as smart cities, ESG practices, circular economy, and the net-zero transition. From the Chairman and Vice President down to the management level, we have demonstrated our comprehensive expertise across a wide range of sustainability issues from the top down, and selflessly shared the results of our sustainability actions to lead industry upgrading.

◀ Vice President Mark Yang (third from right) serves as a guest speaker at the Asia Pacific Circular Economy Roundtable

Key Events in 2025

March

SmartZero City 2025 Forum

Organizer |
Yuan Ze University, European Alliance for Innovation, Y.Z. Hsu Foundation

Topic |
Retail Industry Driving Smart Cities towards a Sustainable Future

June

Leadership Seminar

Organizer |
WOB Academy

Topic |
Survival of the Fittest, Sustainability is the Smart Way Forwards

Department Store Alliance Health and Safety Family

Organizer |
Department of Labor, Taipei City Government

Topic |
Far Eastern SOGO Incorporates ESG Practices into Occupational Health and Safety

August

2025 ESG Summit

Organizer |
Accounting Research and Development Foundation, Accounting Research Monthly

Topic |
New Circular Economy of Resources: Circular Procurement

October

2025 Asia-Pacific Circular Economy Roundtable

Organizer |
Ministry of Environment, Ministry of Agriculture, Ministry of Economic Affairs, Circular Taiwan Network

Topic |
Circular Ecosystem for Textiles

Observation Meeting for the 7th Enterprise Environmental Protection Awards - Outstanding Enterprise Category

Organizer |
Ministry of Environment

Topic |
Sharing of Experiences from Outstanding Enterprises

November

SGS 2025 Annual Industry Exchange Forum

Organizer |
SGS Taiwan Ltd.

Topic |
Dare to Lead! Building a Better Future With SOGO

December

2025 Energy Vision Summit

Organizer |
Economic Daily News

Topic |
Building Net Zero Competitiveness

1.1.3 Internal Control Mechanisms GRI 2-12

Functional Committees

In order to improve operational management across the overall company, Pacific SOGO has established 8 internal committees to strengthen corporate governance.

Committee	Description of Responsibilities
1 Business Management Committee 2002	• Formulate the Company's business targets and set business policies for day to day operations. • Convened by the Chairman. The store general managers for each operating location and highest-level heads of each department are invited to attend, with the Chairman of Far Eastern Group also attending to provide guidance. • Holds a meeting once a quarter.
2 Budget Committee 2012	• Monitors the budget allocated towards each of the Company's business targets, and manages the organization's decision-making and resource allocations through a quantified approach. • Responsible for auditing, reporting, and reviewing quarterly budgets and budget implementation results, as well as following up on the implementation progress of additional budget allocations and performance targets. • Holds a meeting once a quarter.
3 Information Security Management Committee 2012	• Established the Management Policy and Operating Procedures for Protecting Personal Information based on the Company's business characteristics, which serves as a basis for and provides guidelines on how the Company should handle the personal information of customers, employees, and business partners. • Continues to revise and update procedures for managing information security and other related information. • Holds a meeting once a year.
4 Occupational Health and Safety Committee 2012	• As the highest-level decision-making unit for occupational health and safety issues, the Committee is responsible for proposing suggestions on, reviewing, and coordinating occupational health and safety policies. • Supervise, manage, and track the implementation of occupational health and safety measures and projects. • Convened by the President, meets once every three months.
5 Personnel Evaluation Committee 2014	• Responsible for establishing and adjusting the Company's overall organizational structure. • Reviews and revises the personnel structure and personnel rules for each unit. • Reviews and investigates cases of major rewards or penalties awarded or imposed on executives of manager rank or above. • Evaluates the annual performance evaluations, promotions, and dismissals conducted by each unit. • Discusses the major personnel and employee benefit policies adopted by other companies.
6 Decision-Making and Executive Committee 2014	• The highest-level decision-making unit for the Company's business operations and strategy planning. The Committee's members include the Chairman, President, and executives of Vice President rank or above. • The Committee holds meetings every month to review business performance, discuss business strategy, and propose improvement plans in response to future targets or challenges.
7 Corporate Sustainability Committee (ESG Committee) 2015	• Established a Product Safety Committee under the ESG Committee, responsible for the long-term implementation of product safety management projects. Established an Energy Management Committee responsible for managing energy usage at headquarters and at each operating location. Established a Climate Change Committee responsible for assessing climate-related risks and business opportunities. • The Chairman has appointed Executive Vice President of Administration Mark Yang as the Chief Executive Officer of the ESG Committee. The heads of each headquarters division serve on the Executive Secretariat Team, and the Sustainability Office makes regular reports to the Chairman. • The Executive Secretariat Team convenes meetings every 3-4 weeks, and its key responsibilities include: (1) Identifying material issues, assessing incidents and their level of impact, and taking actions to address negative impacts. (2) Establishing implementation guidelines in response to international sustainability trends and domestic regulations. (3) Discussing proposed sustainability measures and tracking implementation progress and performance. (4) Inviting external units or social innovation organizations to share proposed suggestions, stimulating internal innovation. (5) Organize annual ESG contribution awards and offer commendations. (6) Analyze domestic and international sustainability trends, the latest laws and regulations, and industry case studies. • An ESG Senior Executives Meeting is convened once every six months, led by the Chairman and attended by executives of Vice President rank or above. Members of the Executive Secretariat Team also present their reports at this meeting. • Regularly report on sustainability performance and the measures adopted in response to material impacts to the Board of Directors each year.
8 Vision Committee 2020	• Shape the Company's vision and promote digital transformation. • Optimize the customer and employee experience, and strengthen the Company's brand image.

Note Pacific SOGO is not a publicly-listed company, and so is not required by law to establish an Audit Committee, Remuneration Committee, or appoint independent directors. For more information, please refer to "Corporate Governance" and "Investor Relations" sections on the Pacific SOGO official ESG website.

Audit Mechanisms

An independent Audit Office has been established under the Board of Directors. The Chief Auditor is appointed without requiring the approval of the Board of Directors, and full-time audit personnel have also been appointed. Far Eastern SOGO has established risk management strategies and various risk management systems comparable to the internal control and internal auditing requirements of a publicly-listed company. We have continued to make adjustments and optimize these strategies and systems. The Audit Office establishes an annual audit plan based on laws and regulations, and risk assessment results. Apart from implementing the various audit activities provided in the audit plan, the Audit Office also implements special audits in response to changes in laws and regulations or newly-identified risks. These comprehensive risk management measures enable the Company to improve operating results, enhancing the Company's overall benefits. An audit report is regularly submitted to the Board of Directors every year. The 2025 report has been submitted, and no major deficiencies were identified. We will continue to track the results of improvements made following the report.



The 2025 report has been submitted | **no** major deficiencies were identified

1.1.4 Ethical Corporate Management

GRI 2-25 | GRI 2-27 | GRI 417-2 | GRI 417-3

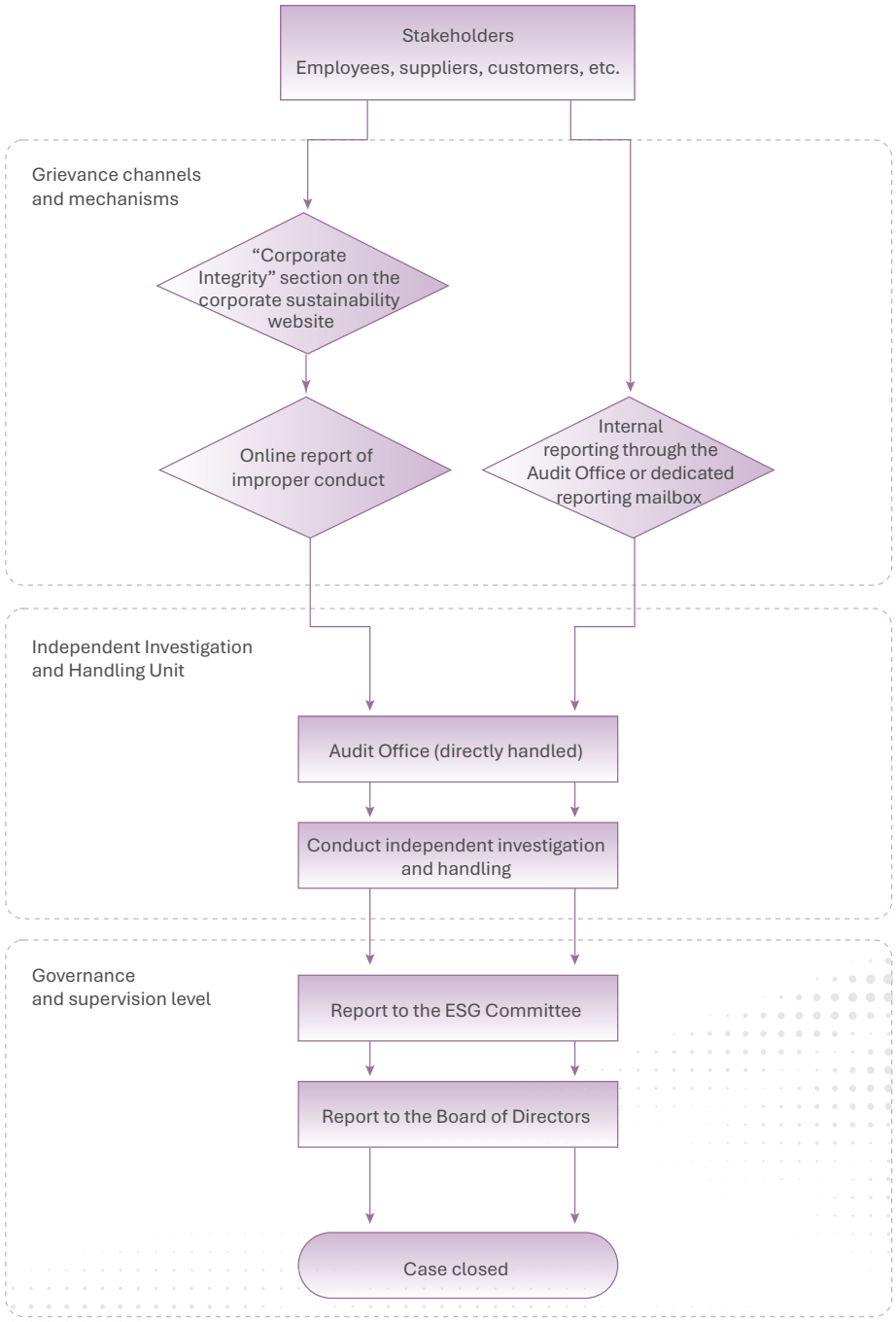
Ethical Corporate Management and Corporate Integrity

Based on our Ethical Corporate Management Policy, the Company's operating process complies with internal and external laws and regulations. We add or revise our existing standard operating procedures pursuant to the latest laws and regulations. The external contracts entered into by each department must be reviewed by the Legal Office. We also ask that all employees carry out their job duties responsibly following ethical business principles, and that they comply with all laws and regulations. New employees are required to complete training courses on work rules, and all employees receive information and explanations on laws and regulations, management guidelines, ethics education, and human rights issues from time to time, enhancing professional ethics in the hopes of enabling our employees to demonstrate a humanitarian spirit.

In order to implement ethical corporate management, a Corporate Integrity section has been established on our corporate sustainability website, allowing stakeholders to report inappropriate behavior online. After the Company receives a non-anonymous report, it will be handled according to our procedures. The identity and rights of the whistleblower will be strictly protected. Individuals can inquire with the Audit Office should they have any concerns regarding the Company's corporate ethics and integrity. Reports are investigated and handled directly by the Audit Office. No reports were received in 2025, and no cases of internal corruption were reported. This information has been reported at the ESG Committee meeting. In order to improve corporate governance and establish a culture of ethical corporate management, the Board of Directors has established the Code of Ethical Conduct to guide the Company's directors, managers, and employees in complying with ethical conduct, improving sustainability performance.

No reports were received in 2025 | **No** cases of internal corruption were reported

Investigation Process



Ethical Corporate Management and Anti-Corruption System

Code of Conduct

The Code of Ethical Conduct was passed by the Board of Directors, which explicitly stipulates rules on fair trade, preventing conflicts of interest, obtaining private benefits through improper means, strict protection of business secrets, and legal compliance.

Management System

- Rules on supplier transactions:
  (1) The Sustainability Clause has been included as part of the anti-corruption rules since 2024, and included on signed contracts.
  (2) New suppliers agree to this Sustainability Clause when filling out the supplier information form
  (3) The Group has clearly stipulated the Anti-Bribery Clause in the Supplier Social Responsibility Commitment Letter of its consortium purchasing agreement. This clause prohibits any form of bribery, corruption, extortion, theft, abuse of power, or improper benefits.
- Ensuring that employees behave ethically
  (1) The Employee Handbook stipulates that acts of "accepting bribes from others for personal gain, or to enrich others" will be investigated by the Company, and result in a dismissal.
  (2) Established the Rules for Reporting and Punishing Violations of Ethical Conduct and Ethical Corporate Management
  (3) Established internal control systems and operating procedures

Methods for Promoting Ethics

Internal courses or meetings	eWork APP	Morning newsletter	Internal correspondence	Announcement board

Grievance Channels

- Please refer to the "Stakeholders" ☞ "Corporate Integrity" section on the official Pacific SOGO ESG website (provide link)
- Labor-management meetings, Employee Welfare Committee meetings, Personnel Evaluation Committee, store manager meetings, and the human resources grievance mailbox at each store.



Anti-Corruption and Anti-Bribery Policy

Article 3: Anti-Corruption Statement

The Company does not engage in or condone any activities that fail to comply with this Policy or related anti-corruption laws.

Code of Conduct

Article 4: Prevention of Conflicts of Interest

Article 5: Prohibition on Seeking Personal Gain

Article 6: Duty of Confidentiality

Article 7: Fair Trade

Article 9: Regulatory Compliance

Code of Conduct

Article 6:
Dismissal: Should an employee meet any of the following criteria based on the facts verified for each case, they shall be dismissed pursuant to law. The Company shall have no obligation to provide advance notice, or provide severance pay.

Paragraph 21:
Those who abuse their job responsibilities for personal gain or to enrich others in cases determined to be severe.

Paragraph 22:
Those who engage in similar business operations as their job duties outside of the Company without the permission of the Company, affecting the performance of their labor contract.

Friendliness and Diversity

Anti-Discrimination



The Chairman signed and announced the Human Rights Policy, which included the pursuit of diversity, equality, and inclusion. The Company shall not discriminate on the basis of gender, race, class, age, marital status, language, beliefs, religion, political affiliation, appearance, disability, zodiac sign, and blood type. We respect equal rights for all, ensure that employees receive the same pay for the same work, and that the workplace is free from any form of harassment or bullying.

Implementation Results

- Promoted the concept of social inclusion, and created a happy workplace through diversity, equity, and inclusion (DEI).
- In 2025, we won the Diversity, Equity, and Inclusion Award in the **HR Asia Best Companies to Work for in Asia awards**.

Gender Equality



The Company established the Gender Equality Rules in 2018, and continued to timely adjust internal rules to align with central regulations. In order to create a diverse and inclusive workplace, we worked to actively establish a basic awareness of these concepts in employees. All employees must take compulsory gender awareness courses.

Implementation Results

- Sexual harassment prevention posters are posted in offices and at each store location, providing information on the mailboxes and phone numbers that can be used to report harassment. This allows harassment cases to be handled while protecting the privacy of involved parties.
- The Company amended and announced the Sexual Harassment Prevention Rules in 2025 to align with the new three major gender equality regulations announced by the government.
- Since 2023, employees are required to attend compulsory gender-friendly workplace seminars, in order to prevent sexual harassment through abuse of power. As of the end of 2025, 100% of management personnel, or 235 people, have completed this seminar course. All regular employees have also completed the seminar course, with 1,192 people completing the course.

1,192 people	235 people	2025	Course completion rate for managers 100% / Course completion rate for regular employees 100%
Course completions by regular employees	Course completions by managers	Systems revised in accordance with the amended three gender equality laws	

Promotion/Implementation Method



Internal courses or meetings | Communication channels provided in Employee Handbook | eWork APP | Morning newsletter | Internal correspondence | Announcement board

Grievance Channels

- The “Stakeholders” ☞ “Contact Us” section on the Pacific SOGO ESG website
- Labor-management meetings, Employee Welfare Committee meetings, Personnel Evaluation Committee, store manager meetings, and the human resources grievance mailbox at each store

Immediately adjusted internal rules to align with central regulations, creating a corporate culture friendly to diversity and equality



Guidelines for Handling Sexual Harassment Prevention Complaints and Investigations Promulgated in 2009 | Sexual Harassment Prevention Rules Announced in 2020 Last amended in 2025 | Human Rights Policy Established and announced in 2023 | Sexual Harassment Prevention Measures, Guidelines for Handling Grievance Complaints and Conducting Investigations Established in 2024 | Procedures for Preventing Illegal Infringements at Work Amended in 2024

Legal Compliance

The Company has promoted awareness on laws and regulations to employees through channels such as the daily morning internal newsletter and the online announcement board. The Legal Office regularly visits each operating location to hold legal awareness courses (customer complaints, personal information, store safety, etc.), ensuring that all activities comply with laws and regulations. The Legal Office also conducts assessments of the Company’s major operating activities, products, and services from time to time. It is responsible for managing major customer complaints or legal compliance risk incidents that may result in violations of law, penalties from the authorities, or negative media attention, and has established horizontal communication mechanisms with other units in the second line of defense.

Although Pacific SOGO is not a publicly-listed company, we define “material incidents” pursuant to the laws and regulations governing the procedures for verifying and disclosing material information for publicly-listed companies. A material incident is defined as one where the individual incident results in a fine of more than NT$1 million. In 2025, the Company organized a rotating legal workshop for all of our operating locations in Taiwan, strengthening awareness of legal compliance amongst all employees. No fines or administrative penalties were imposed by the competent authority for the entirety of the year.

1.2 Operating Results

1.2.1 About the Company

GRI 2-1 GRI 2-6

Dual Department Store Brands

While pursuing business performance results, Pacific SOGO Department Stores has also actively worked to fulfill our corporate social responsibilities. We have promoted a future business direction focused on the three main ESG aspects (environment, social, and governance), reshaping our corporate vision to become a benchmark retail enterprise able to progress together with the times, maintain a friendly and mutually beneficial partnership with the community, and provide the public with a comprehensive fashion and lifestyle shopping experience. In 2025, factors such as tariffs, geopolitical conflicts, inflationary pressures, future uncertainty, and a rise in overseas tourism has led to more conservative consumption behavior. This broke the nine consecutive year streak of positive growth for the overall retail industry. For department stores, this has been a difficult year. The Company's overall revenues outperformed the industry average, supported by the revenues contributed by the section by section opening of the new Far Eastern Garden City department store, and by the crowds attracted by the many sporting matches and concerts held during the year. We earned annual revenues of NT$49,138,990,000, maintaining the same amount as last year.

Far Eastern Garden City (Taipei Dome) benefited from the sporting matches and concerts held, demonstrating how experiential consumption has become mainstream and consumer patterns have changed. In 2026, all sections of the Far Eastern Garden City department store will be opened, revitalizing the Eastern District corridor and shining alongside the Far Eastern SOGO department store in the Zhongxiao Fuxing shopping district. The dual department store strategy of having Far Eastern SOGO and Far Eastern Garden City complement each other will open up a new chapter for the Company's business operations, injecting new revenue momentum.

Basic Information on Far Eastern SOGO

Inquired from the Commercial Industrial Services Portal

Company Name	Pacific SOGO Department Stores Co., Ltd.
Date of Establishment	1987
Paid-in capital	NT$8.28 billion
Location of Headquarters	No. 45, Sec. 4, Zhongxiao E. Rd., Da'an Dist., Taipei City
Products and Services	Department store retail
Number of Employees	1,356 people in 2025
Company Type	Not publicly listed
Operating Locations	Taiwan (8 operating locations, all of which are important operating locations for the Company)

遠東 SOGO

As a one-stop shop department store, our operations extend across cities including Taipei, Zhongli, Hsinchu, and Kaohsiung. We have 7 operating locations, each providing high-quality products and services. We have also exerted our influence to positively impact the community, and remain committed to developing long-term operations in Taiwan.

Taipei Zhongxiao Store	No. 45, Section 4, Zhongxiao E. Rd., Taipei City
Taipei Dunhua Store	No. 246, Sec. 1, Dunhua S. Rd., Taipei City (Closed on December 14, 2025)
Taipei Fuxing Store	No. 300, Sec. 3, Zhongxiao E. Rd., Taipei City
Tianmu Store	No. 77, Sec. 6, Zhongshan N. Rd., Taipei City
Taoyuan Zhongli store	No. 357, Yuanhua Rd., Zhongli Dist., Taoyuan City
Hsinchu Store	No. 239, Zhongyang Road, Hsinchu City
Kaohsiung Store	No. 217, Sanduo 3rd Rd., Kaohsiung City

遠東 Garden City

Far Eastern Garden City (Taipei Dome store)

No. 505, Sec. 4, Zhongxiao E. Rd., Taipei City.

Located within the Taipei Dome complex, the store has an area of 36,000 ping (119,008.8 square meters), boasting a huge shopping area and making it the largest shopping mall in Taipei City. The store has fully elevated department store retail operations and management in Taiwan, and provides an "all-weather, all-encompassing experience catering to all customer groups," as a comprehensive shopping and lifestyle location. After all sections of the department store opens in 2026, it will offer four major retail and dining areas. Incorporating the various international sporting events, performances, and concerts held at the Taipei Dome, and complementing the cultural foundation of the nearby Songshan Cultural and Creative Park, the store will become a super-massive international attraction for leisure, recreation, and tourism.

The Garden of Lights in Section A features trendy fashion stores together with a cinema complex, set with a garden restaurant on the rooftop.

The Monet Garden in Section B is the largest shopping area for an individual mall in Taipei City. It will feature stores focused on the five major categories, including luxury boutiques, cosmetics, sports and leisure, children's toys and games, and dining.

The Garden Corridor in Section C is known as "Taiwan's most beautiful shopping street." Its main customer base consists of nearby office workers and the crowds attending events at the Taipei Dome, and features major themed stores, sports and fitness centers, fast food restaurants, and convenience stores, creating an ecosystem serving everyday lifestyle needs.

The Rim is an independent storefront which wraps around the Taipei Dome stadium, and offers dining options at all hours with bistros, breakfast stores, and late-night food options.

Paid-in capital	Number of Employees	Each operating location	遠東 SOGO 遠東 Garden City
NT$82.8 billion	1,356 people	8 locations (Taiwan)	Opening a new chapter in operations

Each operating location and their special features



1998
Taoyuan Zhongli Store
Highlights green lifestyles in the shopping district, the strongest advocate for sustainability. Located in the central core of Taoyuan City, this location promotes sustainability in line with local government policies.



2012
Hsinchu Store
Landmark store for parent-child shopping in the Hsinchu-Miaoli area, enriching parent-child leisure, cultural, and lifestyle experiences



1996
Kaohsiung Store
A friendly "good neighbor" to the local shopping district, and a center for charity activities in Southern Taiwan deeply embedded within the community.





1987
Taipei Zhongxiao Store
The "Beauty Queen's Palace," fashion flagship of the Taipei Eastern District. This location is integrated with the Liugong Green Corridor, driving the development of the shopping district and contributing to its urban cultural image. The Store also operates its own Fresh Mart supermarket, serving as a benchmark for sustainable consumption amongst department store supermarkets.



1994
Taipei Dunhua Store
The "Jewel Box of the Eastern District," Taiwan's first luxury boutique department store.



2006
Taipei Fuxing Store
First department store in Taiwan to bring together the world's top five luxury boutiques. The Store excels in exhibiting fashion trends, and has been devoted to promoting sustainable fashion.



2009
Tianmu Store
A green department store showcasing sustainability concepts, the first department store in Taiwan to obtain a carbon label, and also the first store to incorporate the carbon reduction label for services into its green procurement strategy.



2025
Far Eastern Garden City
The Taipei Dome store broke away from the model of fully opening a department store in a single launch by adopting a "section-by-section" opening strategy.

2025 Business Overview

Strategic Closure of Dunhua Store



Known as the "Jewel Box of the Eastern District," the Dunhua Store closed after 31 years of operation in mid-December. Following this closure, the Store's main brands will be upgraded and transferred to the Fuxing Store and future Taipei Dome Store to offer more concentrated and in-depth customer services.

The "first in Taiwan" records achieved by the Dunhua Store

First luxury boutique department store
Introduced numerous international luxury boutique brands, including TIFFANY, MIKIMOTO, CELINE, FENDI, Chloe, and dunhill, right from the Store's opening..

Private VIP events, generated highest revenue per square meter of luxury boutiques
Private events for VIP members were held at the Store from 2008 to 2011. Celebrities such as Big S and Small S were invited to host these events together, and the Store also collaborated with Vogue to hold the Fashion's Night Out event. Brands such as FENDI and Chopard also set records for highest revenue per square meter out of all Taiwanese stores.

First Taiwanese locations for dining brands
The first Sarabeth's Taiwan store and the first UCC global flagship store opened in the Dunhua Store.

Large-scale Renovation of Fuxing Store

In order to consolidate its position as a leading luxury boutique department store, the Fuxing Store has launched a multi-year large-scale renovation of its luxury boutique floors, which has partially affected visitor numbers. However, this project has contributed new momentum towards long-term brand upgrading, and the Store hopes to create the most comprehensive selection of boutique brands in Taiwan through the luxury boutiques and brands from its first to fifth floor.

Opening of Far Eastern Garden City

The Taipei Dome store broke away from the model of fully opening a department store in a single launch by adopting a "section-by-section" opening strategy. Following the 2024 opening of The Rim in Section D (focused on dining options), and the Garden Corridor in Section C (most beautiful underground shopping street), the Garden of Lights in Section A opened in 2025 (cinema complex and sports and trending stores). This successfully combines the fluctuating "night-time economy" generated by the exhibition and performance activities held nearby with the permanent "dwell" economy from regular visitors, generating large amounts of traffic even without the support of retail stores. After the department store is fully opened in 2026, we expect to be able to offer a complete one-stop shop experience able to satisfy the leisure and recreation needs of all customer groups through the parent-child shopping, cosmetics, sports, and dining services offered. This allows the store to transform into a consumption hub and form an "Eastern District Corridor" with the Zhongxiao Fuxing shopping district.

1.2.2 Business Performance GRI 201-1 GRI 201-4

2025 Business Performance

Operating revenue in 2025

NT$49,138,990,000

the same as the previous year

The pre-tax net profit growth rat

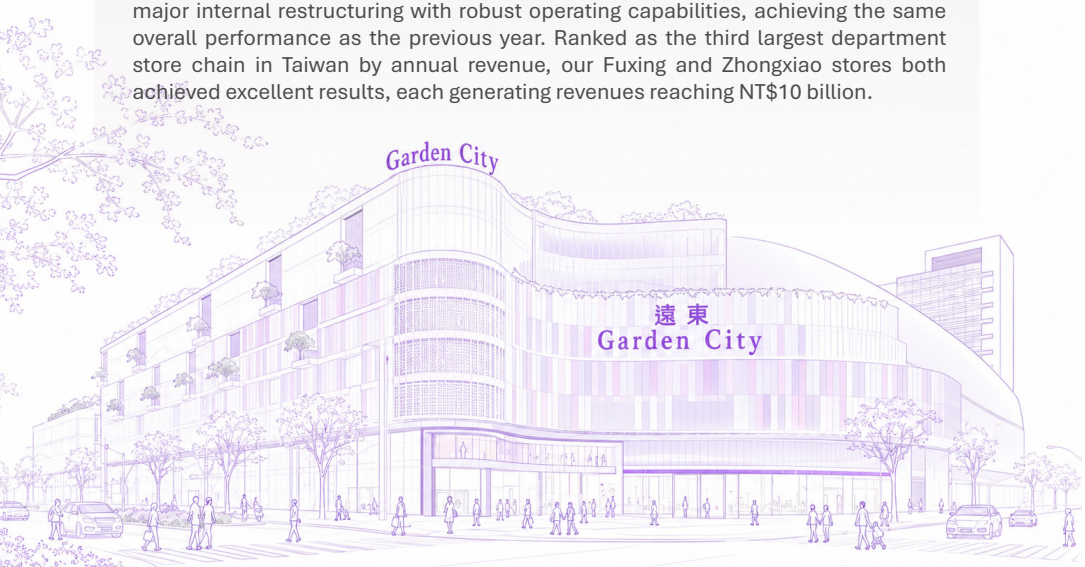
-20.33%

Key factors

- This was mainly due to the large-scale renovation of the luxury boutique counters at and preparation expenses for the Taipei Dome Store.

2025 Business Overview

In 2025, the 9 consecutive years of positive growth experienced by the Taiwanese retail industry came to an end with the industry seeing a slight decline. While the luxury goods market struggled in 2024 and 2025, and Pacific SOGO emerged from a major internal restructuring with robust operating capabilities, achieving the same overall performance as the previous year. Ranked as the third largest department store chain in Taiwan by annual revenue, our Fuxing and Zhongxiao stores both achieved excellent results, each generating revenues reaching NT$10 billion.



Financial Information for Far Eastern SOGO in Previous Years

Expressed in units of NT$ thousand; earnings per share (after tax) is expressed in units of NTD

	2023	2024	2025
Gross Operating Revenue Under IFRS Method	49,661,966	49,433,078	49,103,899
Net Profit Before Tax	2,914,351	2,251,376	1,793,669
Net Profit After Tax	2,193,039	1,360,130	994,770
Earnings Per Share (After Tax)	2.65	1.64	1.20
Return on Shareholders' Equity (%)	16.82	10.24	7.73
Capital	8,280,000	8,280,000	8,280,000

Please refer to the Market Observation Post System (MOPS) for more information. (2903)
http://mops.twse.com.tw/mops/web/t146sb05

Revenue and Expenses for SOGO in Previous Years

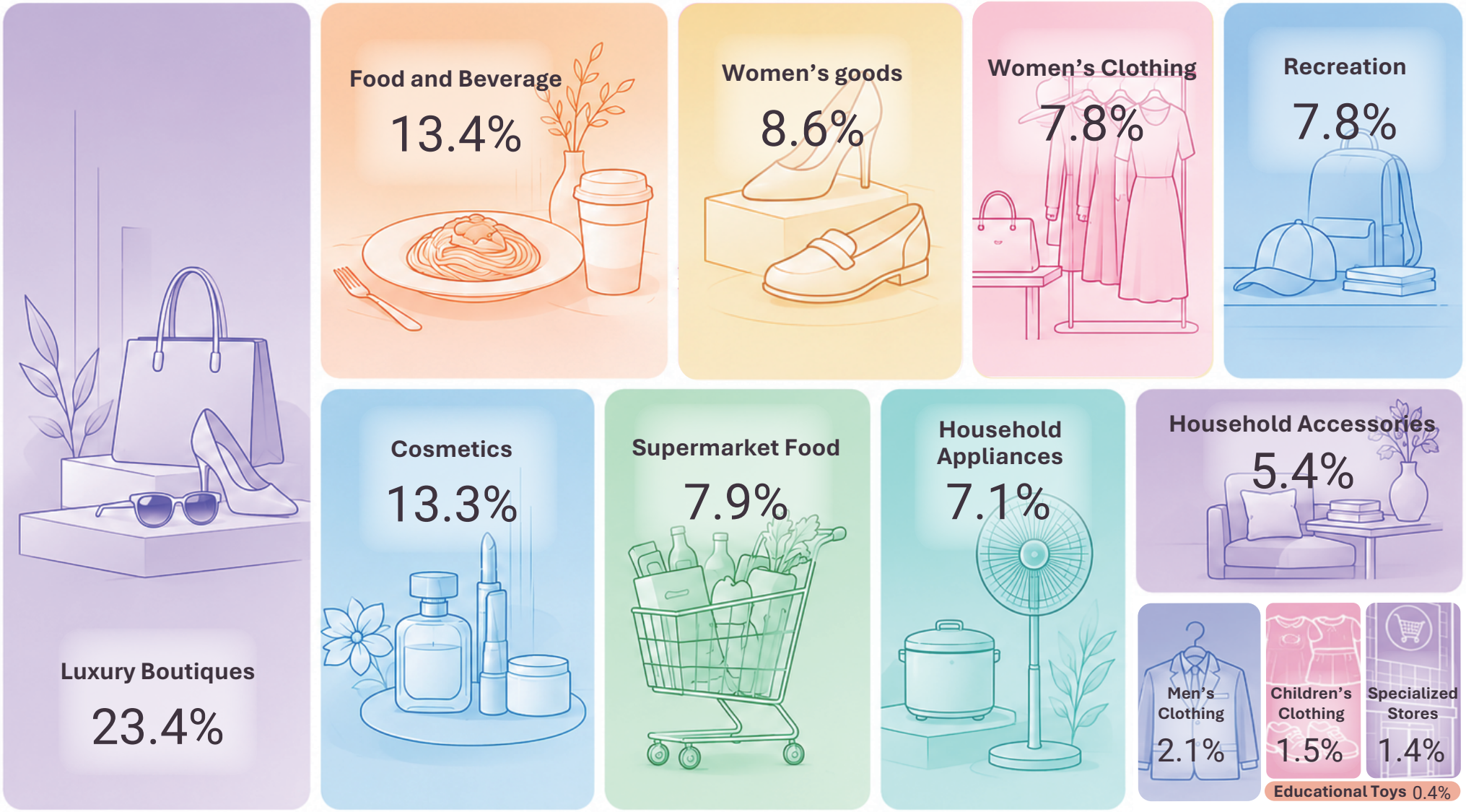
Expressed in units of NT$ thousand

	2023	2024	2025
Gross Operating Revenue Under IFRS Method (A)	49,661,966	49,433,078	49,103,899
Operating Costs (B)	44,893,775	45,676,322	45,373,560
Employee Remuneration and Benefits (C)	1,507,295	1,424,131	1,469,104
Distribution to Shareholders (D)	1,904,400	1,200,600	993,600
Payments to Government (E)	951,030	835,133	791,624
Donations (F)	16,573	12,892	12,888
Economic Value Retained(G)=(A-B-C-D-E-F)	388,893	284,000	463,123
Total Government Financial Support Received	17,280	11,384	9,392

Note
1. Employee Remuneration and Benefits: Includes any special bonuses paid to the Company's employees and other employee benefits
2. Distribution to Shareholders: Total dividends distributed
3. Payments to Government: Includes taxes and fines
4. Total Government Financial Support Received: Includes subsidies for energy conservation projects, COVID-19 relief funds (including COVID-19 relief, COVID-19 rent subsidies, COVID-19 mitigation aid), electricity cost reduction programs, tax credits provided under the Industrial Innovation Statute, etc. In 2025, most of this amount was from the ESCO energy conservation subsidy, accounting for 98.4% of the total.

Product Category and Revenue Breakdown

In 2025, the revenue earned by Pacific SOGO Department Stores mainly came from our three leading revenue sources: luxury boutiques, cosmetics, and dining. Together, these three categories contributed to 50% of total revenue. Amongst these categories, the dining segment had the best performance. Its revenue grew by 7.91%, mainly due to the full opening of our dining stores at the Taipei Dome Store, as well as the successful strategies adopted by each of our department stores to continuously optimize their dining brand portfolio. However, the men's clothing and children's clothing segment faced challenges. The men's clothing segment suffered due to higher rates of foreign travel affecting domestic consumption, experiencing a 7.21% revenue decrease. The children's clothing segment continues to be impacted by the declining birthrate trend, also resulting in a 7% decrease in revenue.



1.2.3 Digital Development

The impact of the pandemic in recent years has led to significant changes in the shopping habits and consumption patterns within the consumer market, again highlighting the importance of digital transformation for the organization. In response, the Company has used this crisis as an opportunity to digitalize operations. With a focus on two major strategic aspects: optimizing digital governance and deepening the digital experience, we have conducted data analysis using customer relationship management (CRM) tools to improve the quality of our shopping experience and better understand the customer journey, while also ensuring that the digital privacy of our stakeholders remains protected.

Since launching the SOGO app in 2020, we have actively established an online-merge-offline (OMO) sales strategy, and promoted real-time, high-quality, and sustainable shopping services. As of the end of 2025, our total members have reached 1.797 million, growing by 13% during the year.

SOGO APP membership grew to	SOGO APP Customer Satisfaction	SOGO plus annual e-commerce revenue growth	POS system upgrade project
1.797 million	85.1%	19.75%	3,500 devices

In April 2023, in response to the needs of the post-pandemic era, the Company developed e-commerce operations and established SOGOplus, a shopping website built on brand new concepts expanding the scope of a department store. We selected products based on our core ESG philosophy, becoming the first department store in Taiwan to create a green e-commerce platform bringing together products from social innovation, youth entrepreneurs, female entrepreneurs, community aid organizations, B Corporations, fair trade, local products, and regional revitalization projects. By using the SOGO APP as a promotional medium, we have been able to take advantage of business synergies from online-to-offline integration. Additionally, the SOGO app offers convenient one-click shopping across multiple different channels, providing customers with an exceptional shopping experience when purchasing values-based socially and environmentally beneficial products, expanding the customer base for sustainability products.

Develop future governance policies and market strategies through digital transformation.

Real-time Digital Communication, Promoting Precision Marketing

- Through the Customer Data Platform (CDP), sort customers into different groups and segments to target through precision marketing.
- Supplier information platform: Organize information on brand suppliers into a database for recruiting new suppliers and crisis/negative press management.

Strengthen System Resilience

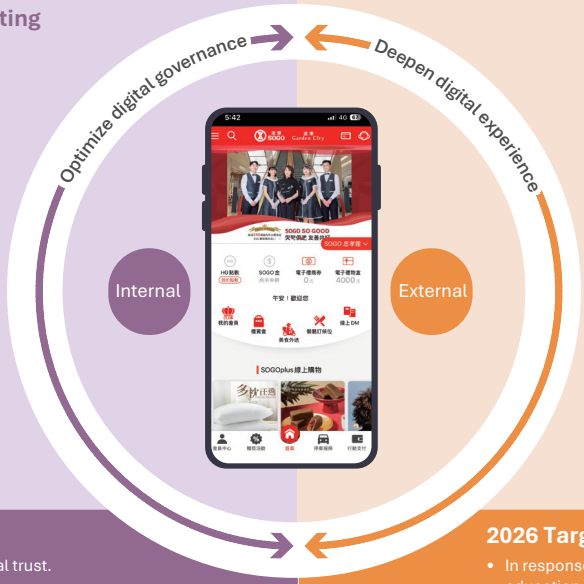
- Aim to establish and build cloud systems, connecting all of the Company's systems, business processes, and customer footprints through data.
- Implement energy conservation measures for our systems to reduce energy consumption and cost.

2025 Results

- In order to enhance information security protection capabilities, we have in 2025 improved the adoption of foreign and domestic information security protection standards, establishing five layers of information security protection for the Company. We have obtained ISO 27001 Information Security Management Systems certification, ISO 27701 Privacy Information Management Systems certification, ISO 27002 Information Security Controls certification, the Mobile Application Security (MAS) label for the SOGO APP, and adopted the Taiwan Personal Information Protection & Administrative System (TPIPAS) established by the Institute for Information Industry.

2026 Targets

- Adopt the ISO 22301 Business Continuity Management Systems standard to enhance digital trust.
- Complete revisions to the Personal Information Protection Management Rules.



Create a pleasant digital experience environment and optimize the customer journey for an era where mobile devices have become ubiquitous.

Upgrading the Shopping Experience

- Optimize the Point-of-Sales (POS) system and connect this system with the cloud to allow for real-time monitoring of business operations. Support diversified payment and mobile POS
- Launched the SOGO app, which integrates ten major features. Real-time notifications can be sent through the app, increasing interactions. APP features continue to be enhanced, increasing the brand conversion and repurchase rate.
- SOGOplus moves towards values-based e-commerce. Improve integration between SOGOplus and existing platforms to increase reach.

2025 Results

- In order to comprehensively improve operational efficiency and the customer experience, we have initiated the largest-scale POS system upgrade project in 14 years, upgrading approximately 3,500 pieces of equipment. This new system incorporates diversified mobile payment methods, allows APP members to earn loyalty points, provides discount vouchers, and includes a smart mobile POS machine which allows for table-side checkout, making the service process significantly smoother and greatly improving the personalized experience. Additionally, AI data analysis allows for data-driven precision marketing, effectively reducing labor costs while also further deepening customer loyalty towards our brand.
- SOGO APP membership reached 1.797 million, representing 13% year-over-year growth and effectively enhancing customer engagement and satisfaction. Customer satisfaction surveys showed that satisfaction with the "SOGO APP's ability to integrate multiple functions" reached 85.1%, exceeding the levels recorded in the previous two years.
- SOGOplus annual revenue grew by 19.75%.

2026 Targets

- In response to the full opening of all sections of the Taipei Dome Store, organize a systematic training and education program for all new employees, familiarizing them with the process of operating the POS machine and optimizing the overall customer consumption experience.
- Increase customer stickiness and strengthen interactions through innovative digital applications, driving overall revenue growth.
- Implement the spirit of ESG and sustainability, and promote full paperless operations for SOGO APP purchases, improving operational efficiency and reducing the environmental burden.
- Complete upgrading information security for credit card equipment, improve transaction protection mechanisms, and comprehensively improve the security of customer purchases.

1.3 Risk Controls

1.3.1 Risk Management

Due to the impact of globalization, economic and trade issues in different regions around the world have become closely linked. Together with other external risks and significant changes, such as the unpredictable geopolitical situation in recent years, the severe challenges brought about by climate change, war and turmoil, and potential information security crises, these issues have posed a massive challenge to the retail industry by changing consumer market behavior.

The Company has measured corporate operational risks, and actively develops countermeasures to these risks by establishing internal control mechanisms and ethical corporate management practices to effectively prevent and address the threats and opportunities from each risk in a timely manner. At the same time, the Company's various functional committees hold regular meetings to ensure that our risk management strategies are effective. The Company assesses our internal control system pursuant to the Regulations Governing Establishment of Internal Control Systems by Public Companies established by the Financial Supervisory Commission. Our 2025 internal audit discovered no major deficiencies in the internal control system, and proposed 91 audit recommendations. After categorizing these recommendations based on their level of impact on internal controls, 81% of these recommendations involved a minor deficiency where documents or processes were improperly handled, or where management rules were not followed.29 moderate deficiencies (32%) were also discovered, mainly involving procurement and payment. The Audit Office has already submitted written suggestions with regard to these deficiencies, requesting the relevant units to make corrections and improve management. As of the first quarter of 2026, 80% of deficiencies have been corrected. We will continue to track the implementation status of improvements.

Risk Management Process

In order to improve the credibility of sustainability information, the Company has for many years already included sustainability information management as a key item in our annual audit, ahead of regulatory requirements. In 2025, we also formally included these operations as part of our internal control system. The purpose of this audit is to ensure that sustainability data has been accurately collected, calculated, and consolidated. We require timely improvements to be made to address deficiencies. Through this internal audit management cycle, we are able to effectively address various sustainability risks and increase the credibility of the report.

Identification and Assessment

The internal control system implementation team conducts a self-assessment each year, with the assessment items including:
1. Control Environment
2. Risk Assessment
3. Control Operations
4. Information and Communication
5. Supervision Operations

Control and Supervision

Written suggestions on improvements to be made to correct deficiencies are submitted, and the relevant unit is requested to make corrections

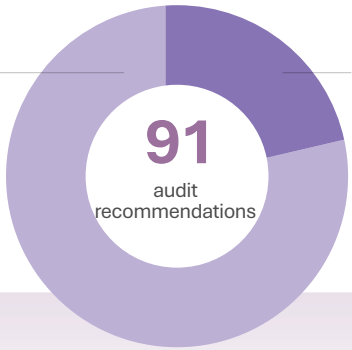
Reporting and Disclosure

Assessment results are regularly submitted to the Board of Directors for approval. The Chairman and President then sign the Statement of Internal Control System.

Performance Management and Improvements

Improvements are required to be made within specified deadlines, and random inspections are conducted to continuously track improvement progress.

2025 Audit Findings



81%
Minor findings
74 items
Improper documentation or processes and noncompliance with management procedures

19%
Moderate findings
29 items
Mainly related to procedures and payments

Continuous Improvement

As of the first quarter of 2026, 80% of the findings had been addressed. Follow-up monitoring will continue.

Summary of internal control deficiencies in 2025

Unit: Number of deficiencies discovered in audits

No.	Internal control cycle	Improper documentation/ procedures	Failure to comply with management rules	Insufficiently secure	Deficiencies in internal control plans	Excess HAPPY GO points awarded	Total
1	Procurement and payment	11	32	7	2	-	52
2	Sales and receipts	18	4	-	2	1	25
3	Information security	1	-	5	-	-	6
4	Salary	5	-	-	-	-	5
5	Fixed assets	3	-	-	-	-	3
6	Investment activities	-	-	-	-	-	-
7	Legal compliance	-	-	-	-	-	-
Total		38	36	12	4	1	91

The Decision-Making and Executive Committee is the highest-level decision-making unit for Pacific SOGO. The Committee's members consist of the heads of the operations, marketing, administration, and finance divisions, and the Committee regularly formulates policies directing the Company's operations, establishes special projects when necessary, and regularly tracks implementation results. The Audit Office assesses the Company's various international and external risks. The internal risks assessed for 2025 include the following:

Risk Type	External Environment and Risks	Response Measures
Sustainability Disclosures	Investors, customers, and the competent authorities have imposed increasingly strict requirements on transparency and performance disclosures for companies on environmental, social, and governance topics. False or insufficient information disclosures may lead to reputation damage or legal penalties.	• Conducted internal preliminary reviews of corporate sustainability reports to reduce the risk of misinformation and meet stakeholder expectations. • Conducted sample checks of greenhouse gas emissions data to ensure the accuracy and traceability of carbon management information.
Department Store Operations	Large public venues may be at risk of unexpected public safety incidents (such as: fire, equipment failure). Mistakes made in marketing activities may lead to customer complaints and negative press, damaging brand image.	• Regularly conducted public safety inspections to ensure the safety of the shopping environment. • Carefully reviewed the points exchange information recorded in the rewards system to ensure that marketing activities are fair and accurate, maintaining customer trust.
Product Safety	As consumer protection awareness rises and related regulations become increasingly stringent, selling products that have expired, are poorly labeled, or have defective packaging may violate the law and damage consumer confidence.	• Established a rigorous inventory system for products under our own brand, which actively checks if products have expired, and whether packaging has been damaged or improperly labeled, in order to protect customers right from the product source.
Legal Compliance	The Company's operations are regulated by multiple laws and regulations. Any negligence when conducting material financial operations, such as when providing loans, guarantees, or disposing of assets, may result in large fines or legal disputes.	• Ensured that all operations involving the provision of loans and guarantees and the acquisition and disposal of assets comply with current laws and regulations.
Human Resources	As laws and regulations are continuously updated, and as salary calculations become increasingly complex, mistakes might be made when issuing salaries, leading to labor-management disputes.	• Verified that salaries have been accurately calculated and issued through both regular and random sample inspections, protecting employee rights and ensuring that the Company complies with labor regulations, preventing potential labor disputes.
Information Security Management	Numerous network security threats such as hacking attacks, ransomware, and information leaks have emerged. If an information security vulnerability occurs or is exploited, it may lead to customer personal information being leaked, business interruptions, or significant financial losses and reputational damage.	• Regularly reviewed and tested the effectiveness of the Company's information security system, and strictly monitored the maintenance and verification and acceptance process for both new and old systems, ensuring that they are able to protect against external threats.
Procurement Verification and Acceptance	There exists uncertainty surrounding the construction quality, progress management, and cost of external contractors when opening new department stores. Mistakes made during any part of this process may lead to investment returns failing to meet expectations.	• Improved management of the construction procurement, verification, and acceptance process for the Taipei Dome Store.

1.3.2 Handling Crisis Incidents

The Company complies with the Far Eastern Group Crisis Handling Management Rules and has established a rotating Crisis Manager position, assigned to an executive of Assistant Vice President rank or above. The assigned Crisis Manager receives daily emergency reports from one to two primary and deputy duty officers and manages the Company's day-to-day crisis incident status. In the event of a natural disaster, energy shortage, occupational safety incident, environmental incident or protest, labor-management dispute, criminal activity, legally-declared pandemic, business interruption, or other major crisis incident, the Crisis Manager shall report the incident to the Group within 30 minutes, record it in the online crisis reporting system, and provide regular updates on subsequent developments.

The emergency response command system shall be activated when a crisis incident occurs, and a command center shall be established under the command of the President. The President shall report to the Chairman and direct operations to mobilize sufficient manpower and resources as quickly as possible to prevent the incident from hurting the Company's business operations and image.

Within **30** minutes	**100%**	**2**	**100%**
Major incidents reported to the Group	Crisis incident reporting completion rate	Special crisis incidents properly handled	Safeguarding customer safety as the top priority

Special Crisis Incidents in 2025

Incident Name/Summary	Handling Method	Incident Results
Unauthorized Photography Incident A woman was secretly photographed by a stalker while shopping with family members at the Zhongxiao Store.	• Front-line employees immediately activated emergency response mechanisms and alerted security. Security quickly arrived on the scene to restrain the male stalker, while also contacting the police. • During the handling of the incident on-site, the operating manager worked to keep customers calm while managing the flow of movement to reduce interference at the scene. They also immediately reviewed surveillance camera footage and provided the police with evidence for later investigation, ensuring that the incident can be properly handled subsequently.	• The police seized the suspect's mobile phone at the scene, and kept the device for investigation. After a police investigation, the suspect was later charged under the law for offense against sexual privacy and synthetic sexual videos. • The Company continues to implement strict high-quality security management mechanisms to ensure customer safety and maintain a safe and stable shopping environment.
Customer Trip-and-Fall Incident on Escalator A customer accidentally trips when riding downstairs on an escalator, possibly due to their shoelace getting caught. The customer accused the department store of ignoring the incident.	• When the incident took place, front-line employees and on-site medical personnel initiated response procedures. Apart from proactively inquiring about the customer's injuries, they also provided basic medical aid by disinfecting and bandaging the injury, before assessing whether the customer should be sent to the hospital for further care. After inquiring with the customer at the scene, the customer declined to be sent to the hospital for personal reasons. • After the incident, the manager proactively called the customer the following day to inquire about their medical arrangements and health, and continued to express concern. When the customer returned to the store to shop, the on-site manager also proactively approached the customer to express concern and offer an apology gift.	• The Media and Public Relations Department also conducted clear and transparent external communications to help the media fully understand the details of the incident. • Media coverage was positive, and most approved of the Company's proactive and responsible attitude, recognizing that the Company's response was not passive or delayed.

1.4 Information Security Protection

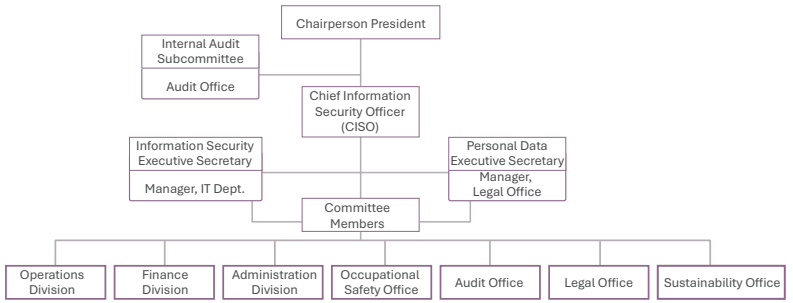
1.4.1 Information Security Management Committee

Since the Company is in the department store industry, which comes into contact with massive amounts of personal information, the Company has strictly complied with laws and regulations to keep the personal information and property of our customers and employees private. Pacific SOGO has established an Information Security Management Committee, with the President serving as the Committee's Chairperson. The Committee's members are composed of the Company units responsible for handling personal information.

The Information Security Management Committee takes inventory of how each department handles personal information from time to time. All personal information is required to be encrypted and strictly managed, and access rights have to be audited. Information systems also have to undergo regular system vulnerability scans and disaster preparation drills. The Committee has made progress on completing personal information inventories, established personal information collection procedures, amended the personal information clauses for department store counters, conducted personal information training for all Taiwanese employees, and amended procedures for handling marketing campaigns. In an exercise of caution, Pacific SOGO has also established an Information Security Incident Reporting System. Units which encounter or discover a personal information issue are required to report the issue to the Information Security Management Committee, where issues are then handled by the Legal Office.

The Company's Information Security Management Committee amended the Management Rules for Protecting Information Security and Personal Information in April 2022, which included three main sections: The Organizational Rules for Protecting Information Security and Personal Information and the Information Security Management Rules, containing 41 Articles in total, and the Personal Information Management Rules, containing 10 operating procedures. The Information Security Committee was restructured in 2023, establishing a new Information Security Group and Personal Information Protection Group, and a Chief Information Security Officer position. This role was assigned to Assistant Vice President Willie Yeh, who also concurrently serves in the Company's IT Department. The Chief Information Security Officer is responsible for establishing information security strategies, assessing information security risks, and responding to information security incidents. The Company also adopted the ISO 27001 Information Security Management System standards in 2023, and in 2024 completed the process of converting to the ISO 27001: 2022 version of the standards, obtaining third-party verification. In 2025, the Company adopted the ISO 27701 Privacy Information Management System and the Taiwan Personal Information Protection & Administrative System (TPIPAS). All employees have completed the required training courses on protecting personal information.

Organizational Structure



2023
Implemented an ISO 27001 Information Security Management System

2024
Completed the transition to ISO 27001:2022 and obtained third-party certification

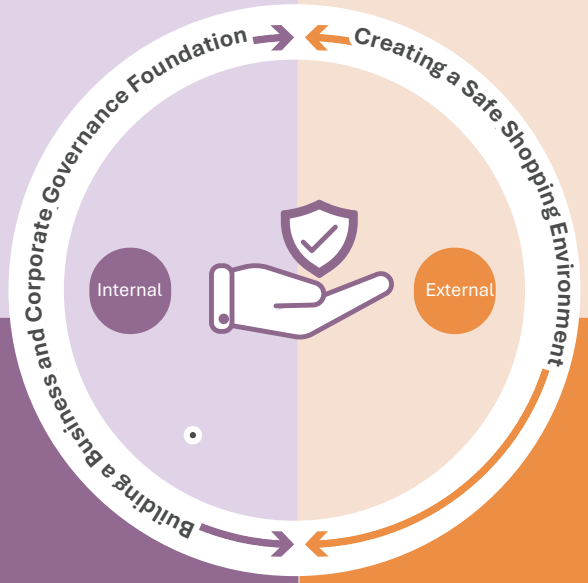
2025
Planned the phased implementation of the Taiwan Personal Information Protection and Administration System (TPIPAS). All employees completed personal data protection training in 2025.

Action Plans

- Adopted ISO standards to strengthen information security resilience.
- Promoted the cloud integration of information systems, improved data and information security, system traffic load, adopted Amazon Web Services (AWS) cloud security protection mechanisms, conducted vulnerability scans and disaster preparation drills for information systems.
- Complied with laws and regulations, conducted regular internal audits. Obtained information security certification, reducing operational risks.

2025 Results

- To enhance information security protection capabilities, the Company has adopted domestic and international information security standards, providing multiple layers of protection. For details, see Section ☞ 1.2.3 Digital Development.
- A social engineering drill was conducted for all employees, with a click-through rate of < 2.5%, indicating that most employees demonstrated basic awareness. Another social engineering drill is planned for 2026, targeting a reduction in the phishing email click-through rate to below 1.8%.



Action Plans

- Established the Personal Information Protection Management Policy. Any personal information concerns or incidents of personal information leaks shall be handled by the responsible department and the Information Security Management Committee
- Assigned personnel to attend the management instructor training course held by the Taiwan Personal Information Protection and Administration System (TPIPAS), passing the course.
- Strengthened information security tests and adopted an information security management system, launched information security courses for all employees starting in 2022.

2025 Results

- Adopted the Institute for Information Industry's TPIPAS system, and all employees completed the Personal Information Protection Training Course.
- Amended the Personal Information Protection Management Rules, expected to be completed in 2026.

1.4.2 Managing Information Security Risks

In order to ensure that the Company's information security management system can be fully implemented, operate effectively, and supervise and manage operations, we have adopted the P.D.C.A. management cycle to make continuous improvements. This has allowed the Company to keep important information systems confidential, integral, and available.



In order to improve employee awareness, avoid personal information leaks, and implement regular maintenance, Pacific SOGO has conducted information security audits to discover potential risks and precisely defined the audit goals that information security audits aim to achieve.



Implemented Actions

Internal Information Security Audit Conducted by the Audit Office Once Every Six Months

- The Audit Office conducted three internal audits in total targeted at the IT procurement process, user account access permissions, and the information security management system (ISMS) respectively in March, June, and July.

Results

- **No** major deficiencies were found, and the relevant units have been requested to research potential improvements that can be implemented during the audit process



Implemented Actions

External Audits

- The Company's accounting firm conducted audits on "understanding the customer computer processing environment," "ordinary computer controls," and "testing of automatic controls for application systems" as part of its audit of our financial statements, assessing the effectiveness of our internal controls for IT operations. Time of audit: First time each year when the operations of the previous fiscal year are audited.

Results

- **No** major deficiencies, audit recommendations have been included in the annual improvement plan

1.4.3 Personal Information Protection

Pacific SOGO has strictly complied with personal information protection laws and regulations, and established an independent and rigorous information security protection framework for the Happy Go and SOGO APP membership systems, ensuring that customer information remains secure and private.

The Company **did not face** any major customer privacy violations or information leaks in 2025, demonstrating our ability to effectively protect customer information.

Protection of Happy Go Member Data

We have adopted a risk quarantine strategy to protect the data of Happy Go members. The personal information of these customers is managed by our partner Ding Ding Integrated Marketing Services. The platform has already obtained ISO 27001 Information Security standards certification and TPIPAS certification, and has also obtained the Data Privacy Protection Mark label, ensuring that the platform encrypts and safeguards data following the highest security standards.

Protection of SOGO APP Member Data

Internally, SOGO only retains member number files which are unable to directly identify an individual member, removing the possibility of member information being directly accessed or identified through this system.

For the Company's own SOGO APP members, we have not only adopted a five-layer information security protection system, but also implemented additionally multi-layered technical and management measures:

- **Anonymized information:** Member information is encoded with a Merchant Unique ID (MUID) to significantly reduce the risk of being directly identified.
- **Full encryption mechanism:** Personal information is strictly encrypted when in storage (at rest) or when being transmitted (in transit).
- **Principle of least authority:** Back-end access permissions are determined based on job duties, and data access is strictly controlled.
- **Life cycle management:** A data retention period is set based on operational needs. After a member terminates their use of the service, or when their membership expires, their information will be deleted or anonymized.



Personal Information Grievance Complaints

Submitter
Customers or the general public

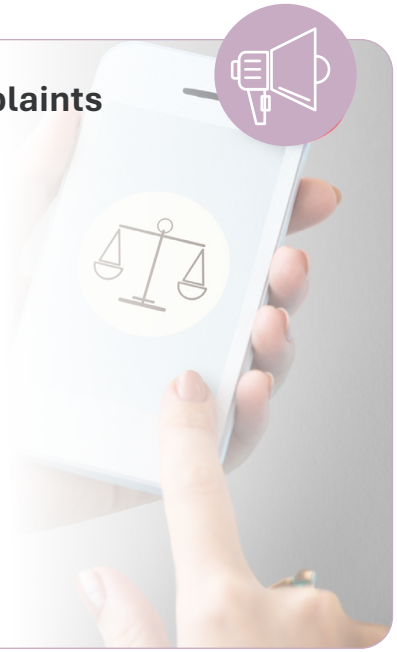
Protected Parties
Customers

Grievance Channels
Physical/store service counters
Phone/toll-free hotlines 0800-212002
Internet/online message boards

Submitter
Employees

Protected Parties
Employees or customers

Grievance Channels
Audit Office Reports Mailbox



1.5 Supply Chain Management

GRI 2-6

As the number of department stores in Taiwan proliferate, Pacific SOGO has used our exceptional capabilities as the first Taiwanese department store with international management experience to attract and work together with renowned brands as our store tenants. Through combined efforts with our suppliers and contractors, as well as our professional store management and supply chain guidance, we have provided customers with a sophisticated shopping experience and trustworthy products, shaping a lifestyle model able to keep up with the times while remaining friendly and beneficial to our community. There were no significant changes to our value chain in 2025.

The Company is in the department store retail industry, an important component of Taiwan's retail market which provides a variety of products and services, including luxury fashion products, lifestyle products, trendy clothing, and dining options able to satisfy the diverse needs of customers while also creating employment opportunities and stimulating the development of local economies. In recent years, the integration of physical retail with online shopping has become an industry trend. The Company has actively promoted an Online merge Offline/Offline merge Online (OMO) model, creating a smooth and customer-centric shopping experience. Our supply chain includes upstream brands and partnered vendors, our midstream business operations team, and downstream consumers and logistics distributors. From 2024 to 2026, Far Eastern Garden City (Taipei Dome Store) opened section-by-section. This tested the ability of the management team to attract store tenants, their management capabilities, and ability to communicate effectively with store counter brands and suppliers, while also challenging our operational resilience. The Company will continue adhering to our ethical corporate management principles and work together with stakeholders towards a sustainable future of mutual prosperity and benefit.

Pacific SOGO Supply Chain

	Upstream	Midstream	Downstream
Participants	Store tenants (store counter brands), engineering contractors, general suppliers, agricultural social enterprises, social innovation enterprises, B corps, central and local government product partners, banks (preferential rates)	Employees, store counter partners	Customers (individual or corporate customers), logistics and distribution companies
Role	Suppliers and Partnered Vendors	Physical department store: Far Eastern SOGO, Far Eastern Garden City Online shopping: SOGOplus	Customer side
Value Contribution	Promote green supply chains, and provide high-quality and trustworthy products and experiences	Create a safe sales environment and happy workplace, and build a low-carbon operating environment. Provide the public with a comprehensive fashion and lifestyle experience through a store management strategy of offering sophisticated services and building trust.	Through physical and online shopping experiences, build a sustainable ecosystem for mutual prosperity and social inclusion across the shopping district

In 2024, Pacific SOGO was the first in the department store retail industry to adopt ISO 20400 Sustainable Procurement - Guidance, obtaining third-party verification in early 2025. All employees within our Procurement Department have obtained the ISO 20400 Internal Auditor certification, and we have incorporated sustainability standards into our procurement process and supply chain management by ensuring that all procurement procedures comply with the Company's sustainable procurement commitment and policy when assessing suppliers, selecting products, and signing procurement agreements. In 2024, we conducted due diligence investigations of all Tier 1 suppliers (27 in total, accounting for 54.69% of the total procurement transaction amount), categorizing suppliers who scored below 80 points as high-risk suppliers. In 2025, we conducted on-site audits of 7 high-risk suppliers. Two suppliers were able to meet our standards. Pacific SOGO has launched a guidance program for suppliers, providing improvement suggestions for suppliers which fail to pass our investigation. We will continue to conduct investigations in 2026 and 2027, and demote suppliers who fail to Tier 2, reducing their total procurement amount or number of purchases.

Pacific SOGO Sets a Department Store Industry First by Adopting ISO 20400 Sustainable Procurement — Guidance

- Obtained third-party verification in early 2025
- All Procurement Department employees obtained ISO 20400 internal auditor qualification certificates
- Incorporated sustainability criteria into procurement processes and supply chain management


bsi.
Certificate of Registration
OCCUPATIONAL HEALTH & SAFETY MANAGEMENT SYSTEM - ISO 45001:2018
...making excellence a habit.

Supply Chain Data

The Company classifies suppliers following the ISO 20400 Sustainable Procurement - Guidance as follows:

Tier	Total Transaction Amount	Engineering			General					Total	Proportion
		Construction	Labor Services	Design	Gifts	IT	General Goods	Arts and Marketing	Labor Services		
Tier 1	More than NT$5 million	30	1	0	4	4	5	6	2	52	12%
Tier 2	NT$3–5 million	9	3	0	1	5	3	7	0	28	6%
Tier 3	NT$1–3 million	11	6	2	7	13	5	15	0	59	13%
Tier 4	NT$500,000–1 million	4	2	0	5	3	10	8	2	34	8%
Tier 5 (Less than 3 transactions a year, no limits on transaction amount)		61	20	1	72	23	34	40	22	273	61%
Number of suppliers		115	32	3	89	48	57	76	26	446	100%

Note

*Explanation of supplier data: The scope of this data includes suppliers contracted for the year with a transaction amount exceeding NT$500,000, and suppliers not contracted for the year but with a transaction amount exceeding NT$500,000 and with 3 or more transactions.

*Explanation of supplier tiers: Suppliers that fall within the data scope described above are divided into tiers based on their transaction amount (listed in table above): Tier 1, Tier 2, Tier 3, Tier 4, and Tier 5 suppliers.

*All suppliers are domestic suppliers

Supply Chain Management Strategy

ESG Aspect	Implement local procurement	Enhance sustainability-based supplier selection methods	Strengthen supplier resilience	Promoting the Circular Economy	Future Goals
Objectives	Encourage development of local industries, and implement carbon reduction supply chain	Provide guidance to store counter tenants on launching sustainability products, helping them to differentiate their products and services	Reduce negative impacts and implement sustainable supplier management	Build a circular resource ecosystem, and extended the resource life cycle.	
2025 Results	100% of general suppliers are local suppliers	• Organized Taiwan's largest small farmer's market for **8** consecutive years (Zhongxiao Store). • Collaborated with Tri-Small Market for **3** consecutive years, deepening social innovation collaborations (Fuxing Store). • All Taiwan stores have launched the SOGO Sustain program, which works together with our store counter tenants to recommend **588** sustainability products to customers. The program reached **2.827 million** shoppers, an annual increase of **42%**. • SOGO Sustain products were made available through the SOGOplus platform, resulting in **93%** more sustainable products sold and a sales revenue growth of **167%** this year.	• Established the Supplier Carbon Reduction Alliance, with its total members growing by **4.5** times this year. The total number of members made up **8.74%** of our total suppliers, and suppliers in the Alliance accounted for **38.84%** of our total procurement transaction amount. • In the first quarter of 2026, we held an annual meeting for the Supplier Carbon Reduction Alliance. All members were required to set electricity conservation goals, or adopt measures in line with the United Nations Sustainable Development Goals (SDGs). • Assisted food and beverage tenants in obtaining the Ministry of Environment's Eco-Friendly Restaurant certification. **95%** of all food and beverage tenants at our Taiwan stores obtained the certification. • Gradually raised procurement specifications and provided additional guidance. Across the past 9 years, we have helped paper bag suppliers from beginning to use Forest Stewardship Council (FSC)-certified paper, to eventually establishing a complete manufacturing process that complies with FSC standards. • Organized the largest lights-off energy conservation initiative in the department store industry for **three consecutive years**, inviting **770** brand partners and suppliers to take part.	• Built a cross-industry circular textile economy, and worked together with industry, government, and academia partners to extend the usable lives of clothing, achieving a "textile to textile" cycle. • Adopted the use of food packaging trays made from recycled PET plastic in our supermarkets, and promoted a "tray to tray" recycling cycle. (Refer to Chapter 2, Supplementary Information Chapter for more details)	• Establishing the Net Zero Alliance • Continue organizing sustainability initiatives to enhance supplier sustainability and resilience. • Continue implementing and expanding sustainability due diligence investigations on our store counter tenants, and provide guidance based on their category. • Promote a circular economy, and expand the scale and types of participating suppliers.

When food safety concerns rocked the public at the start of 2014, Pacific SOGO directed our retail channels to discard all of the problematic oil products which caused these severe public concerns, laying the foundation for the product safety management measures later developed by the domestic department store retail industry. In 2017, we promoted a new era for dining utensils by fully prohibiting all disposable and melamine utensils, kickstarting a sustainability dining wave across the department store industry. We also worked together with our store counter tenants and suppliers to follow up with subsequent initiatives promoting environmental-friendliness and food safety. These included initiatives on zero-waste dining, completely banning the use of plastic straws, and not proactively providing single-use utensils for free, leading the Taiwanese department store retail industry in these efforts. In line with SDG 12: Responsible Consumption and Production, we launched the SOGO sustain program in 2021, a system for identifying sustainable products. We also provided guidance to our store counter tenants to help them adapt to sustainability consumption trends, and obtained ISO 20400 Sustainable Procurement - Guidance verification in the beginning of 2025. We hope to improve our supply chain resilience, and work together with our suppliers to advance towards a sustainable transformation.

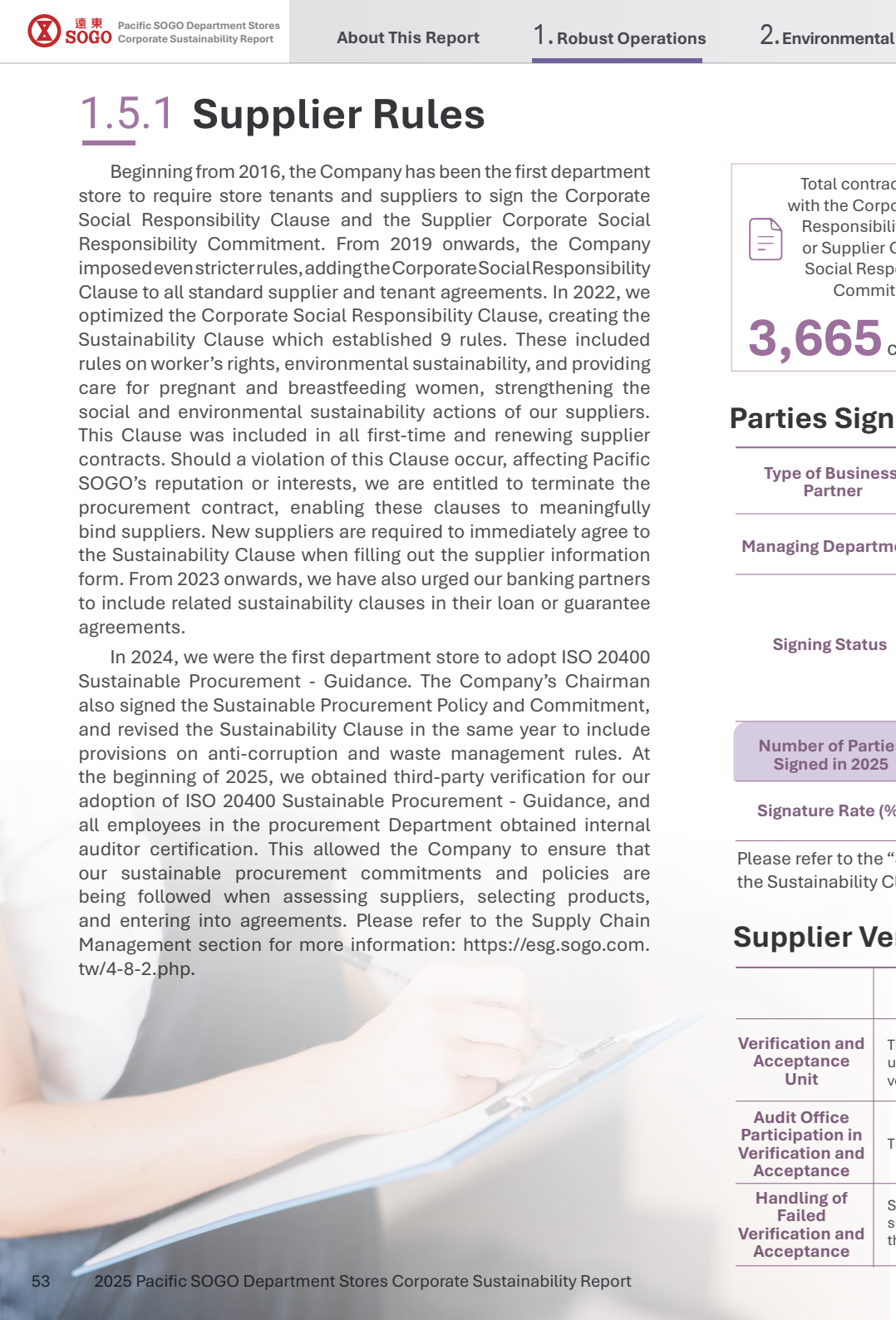
Pacific SOGO Supply Chain Milestones

	2015	2016	2017	2018	2019	2021	2022	2023	2024	2025
Supply chain management		• Established the Supplier Integrity Clause, requiring suppliers to conduct ethical business operations. • Suppliers signed the Corporate Social Responsibility Clause and the Supplier Corporate Social Responsibility Commitment.			Included the Corporate Social Responsibility Clause and Supplier Integrity Clause as part of our supplier agreement, improving supply chain management.		• Established the Sustainability Clause with 9 rules, enhancing supplier awareness of social and environmental sustainability practices. • Conducted supplier sustainability investigations to improve supplier resilience.	Established the Carbon Reduction Alliance and guided suppliers on setting internal carbon reduction targets.	• Adopted ISO 20400 Sustainable Procurement - Guidance. • Included provisions on anti-corruption and waste disposal into the Sustainability Clause. • Supplier Carbon Reduction Alliance annual meeting • Conducted due diligence investigations for Tier 1 general and engineering suppliers. • Conducted first due diligence investigation on skin product brands, such as hair and beauty cosmetics.	• Obtained ISO 20400 Sustainable Procurement - Guidance verification, and all procurement personnel obtained internal audit certification. • Conducted on-site audits of Tier 1 suppliers who failed to pass the due diligence investigation. • Held the second annual meeting of the Carbon Reduction Alliance in the first quarter of 2026, and increased the number of members by 4.5 times.
Selecting sustainable products	Launched the first Corporate Social Responsibility (CSR) year for SOGO, establishing the first department store CSR website and product safety section. No. 1 First Among Department Stores		Initiated a new era of utensil use for SOGO, working with our food and beverage tenants to become Taiwan's first department store to fully ban melamine and single-use utensils. No. 1 First in Taiwan	Began organizing the largest small farmer's market in Taiwan, which continued for multiple consecutive years. The market promoted food and agricultural education and sustainable consumption by providing products directly from the source onto shelves.		• Promoted the SOGO Sustain sustainable goods selection system. • Implemented measures helping food and beverage tenants apply for the Ministry of Environment Eco-Friendly Restaurant certification	Began organizing Taiwan's largest social innovation exhibit, introducing high-end customers to the concept of sustainable fashion. No. 1 Largest in Taiwan	Launched SOGOplus, a green e-commerce platform in the department store industry able to help promote high-quality local products 24 hours a day, a first in the department store industry. No. 1 First Among Department Stores		Launched the first circular economy year, procuring circular economy textile products as gifts and introducing recycled PET food packaging trays in our supermarkets, a first for the department store industry. No. 1 Department Store Industry First

1.5.1 Supplier Rules

Beginning from 2016, the Company has been the first department store to require store tenants and suppliers to sign the Corporate Social Responsibility Clause and the Supplier Corporate Social Responsibility Commitment. From 2019 onwards, the Company imposed even stricter rules, adding the Corporate Social Responsibility Clause to all standard supplier and tenant agreements. In 2022, we optimized the Corporate Social Responsibility Clause, creating the Sustainability Clause which established 9 rules. These included rules on worker's rights, environmental sustainability, and providing care for pregnant and breastfeeding women, strengthening the social and environmental sustainability actions of our suppliers. This Clause was included in all first-time and renewing supplier contracts. Should a violation of this Clause occur, affecting Pacific SOGO's reputation or interests, we are entitled to terminate the procurement contract, enabling these clauses to meaningfully bind suppliers. New suppliers are required to immediately agree to the Sustainability Clause when filling out the supplier information form. From 2023 onwards, we have also urged our banking partners to include related sustainability clauses in their loan or guarantee agreements.

In 2024, we were the first department store to adopt ISO 20400 Sustainable Procurement - Guidance. The Company's Chairman also signed the Sustainable Procurement Policy and Commitment, and revised the Sustainability Clause in the same year to include provisions on anti-corruption and waste management rules. At the beginning of 2025, we obtained third-party verification for our adoption of ISO 20400 Sustainable Procurement - Guidance, and all employees in the procurement Department obtained internal auditor certification. This allowed the Company to ensure that our sustainable procurement commitments and policies are being followed when assessing suppliers, selecting products, and entering into agreements. Please refer to the Supply Chain Management section for more information: https://esg.sogo.com.tw/4-8-2.php.



Total contracts signed with the Corporate Social Responsibility Clause or Supplier Corporate Social Responsibility Commitment	Signing coverage rate among general services and engineering suppliers	General services and engineering suppliers under contract	Coverage rate of newly registered suppliers
3,665 contracts	**100** %	**417** suppliers	**100** %

Parties Signing the Sustainability Clause

Type of Business Partner	Store Tenants (including department store counter tenants, supermarkets, and food and beverage tenants)	General Suppliers	Engineering Suppliers	First-Time Suppliers
Managing Department	Product Department, Operations Division, each operating location	Procurement Department	Procurement Department	Finance Department
Signing Status	Signed as part of the first procurement agreement, or when renewing the procurement agreement.	Required for suppliers with total transactions of NT$500,000 or more with the Company.	Suppliers with total transactions of NT$1 million or more and who have entered into consortium purchasing agreements with the Group must sign the Supplier Social Responsibility Commitment.	First-time suppliers must fill out the supplier information form, and must carefully read and sign the Sustainability Clause.
Number of Parties Signed in 2025	2,752	236	181 (Signature required from suppliers with procurement amounts exceeding NT$500,000)	496
Signature Rate (%)	98.6%	100%	100%	100%

Please refer to the "Stakeholder Section" ☞ "Supplier Sustainability Clause" section on the Far Eastern SOGO ESG website for the Sustainability Clause and Supplier Social Responsibility Commitment.

Supplier Verification and Acceptance

	Engineering and Construction Procurement	General Procurement
Verification and Acceptance Unit	The engineering and construction supervisor for each store, units required to attend will be notified to participate in verification and acceptance	The general affairs supervisor for each store, units required to attend will be notified to participate in verification and acceptance
Audit Office Participation in Verification and Acceptance	The Audit Office will participate in verification and acceptance for suppliers with procurement amounts exceeding NT$500,000.	
Handling of Failed Verification and Acceptance	Should the supplier fail to make delivery or fulfill their contract obligations pursuant to the agreement, the Procurement Department shall convene a Supplier Quality Meeting to request that the supplier make improvements, or to request compensation for violating the agreement terms.	

Established Supplier Carbon Reduction Alliance to Strengthen Supplier Resilience

In 2022, Pacific SOGO initiated a sustainability investigation into our general and engineering suppliers. We conducted a due diligence investigation on 229 suppliers, finding that 60% of suppliers had no CSR or ESG actions in place. This prompted us to develop a three-year guidance plan to improve supplier sustainability resilience. We established the Supplier Carbon Reduction Alliance in 2023 with 7 founding members. By 2025, the number of members in the Alliance had increased by more than 5 times , reaching 39 members in total and with almost all Tier 1 suppliers joining the Alliance. The number of Carbon Reduction Alliance members only accounted for 8.74% of total suppliers, but the total amount that Pacific SOGO procured from Alliance members accounted for 38.84% of our total procurement. The second annual meeting of the Carbon Reduction Alliance was held in March 2026. Suppliers with outstanding sustainability performance in 2025 were commended at the meeting, and all members received a certificate.

SOGO Supplier Guidance Program

2022
Step 1
Survey

Conducted the first supplier sustainability survey, found that 60% have not implemented any sustainability actions.

2023
Step 2
Side-by-Side Efforts

Established a Supplier Carbon Reduction Alliance, prioritizing suppliers with high transaction amounts and who identify with our sustainability philosophy

2024
Step 3
Standardization

- Held annual meeting of the Supplier Carbon Reduction Alliance with 7 total members, commended suppliers with outstanding results
- Adopted ISO 20400 Sustainable Procurement - Guidance

2025
Step 4
Growth

- Conducted due diligence investigations of Tier 1 suppliers
- Number of members in the Carbon Reduction Alliance increased by 4.5 times, reaching 39

Sustainability Results Achieved by Pacific SOGO Suppliers

12 members
Set annual electricity-saving targets; 80% achieved their targets, with average electricity savings of 6%

6%

13 members
Obtained “Green Office” certification from the Ministry of Environment

23 members
Supported the UN Sustainable Development Goals and established action plans; 80% achieved their targets

Individual Supplier Sustainability Performance

Supplier A
(NT$1.075 billion in capital)

- Reduced electricity consumption by **119,000 kwh**
- Representing a **5%** reduction in energy use
- It also obtained **green office certification**
- Set and implemented 28 SDG actions.

Supplier B (small to medium-sized enterprise, dedicated to supplying department store display equipment)

- Reduced electricity use by **38%**
- Replaced all office lights with **LED lights**

Supplier C
(small to medium-sized enterprise, a construction and interior design company)

- Reduced electricity use by **15.83%**
- Reduced water use by **10.48%**



Guidance Program to Strengthen Supplier Sustainability Resilience

01 Tier 1 Supplier Due Diligence Investigation



Pursuant to ISO 20400 Sustainable Procurement - Guidance, Pacific SOGO began conducting annual due diligence investigations (to be carried out every year in the future). The results of these investigations are as follows:

- **Due diligence investigation:** Conducted due diligence investigations of Tier 1 suppliers (7% of all suppliers in 2023, in total accounting for 55% of total transaction amount).
- **Rigorous On-Site Audits:** We conducted on-site ESG audits of the 7 suppliers who failed our initial due diligence investigation. The audit focused on four main aspects: worker rights, occupational health and safety, environmental management, and corporate ethics (passing score: an average of 80 points).
- **Tracking Implemented Improvements:** Suppliers who are audited are issued professional assessment results and proposed specific improvement plans.
- **Empowering Small and Medium-Sized Enterprises:** Pacific SOGO initiated a Side-by-Side Guidance program to help the 5 small and medium-sized enterprises (less than NT$30 million in capital) which ultimately failed to pass our investigation. We set a 2-year improvement schedule, and worked to help these suppliers overcome their resource limitations and move towards sustainable transformation. If these suppliers remain unable to meet our targets, they will be demoted to Tier 2 suppliers.

02 Paper Bag Suppliers Obtained FSC Certification for Full Production Process

Since 2016, the Company's shopping bags (paper bags) have used FSC-certified paper. Over the course of nine years, the Company gradually raised its procurement specifications, working alongside suppliers until they achieved "full FSC-certified production line" certification, enabling the official printing of the FSC logo on shopping bags.

Over these nine years, Far Eastern SOGO did more than simply procure materials — it used "sustainability specifications" as an educational tool, providing collective training to all potential suppliers.

Through sustainable procurement requirements, the Company transformed its procurement standards into a supplier capacity-building mechanism, guiding suppliers to respond proactively to market sustainability trends and enhancing the overall competitiveness of the supply chain.



03 Largest Lights-Off Initiative in Department Store Industry

Since 2023, the Company has launched a nationwide "lights-off" initiative, and starting in 2024, has held the "Summer Solstice Lights-Off" campaign around the summer solstice each year, mobilizing brand partners, suppliers, and stores in surrounding business districts to jointly respond to energy conservation and carbon reduction.



2025

- The number of participating brands and suppliers increased by **20%** compared to the previous year
- A total of 770 brands, suppliers, and business-district stores participated, turning off non-essential lighting at nearly 1,000 stores and offices nationwide for one hour
- All Far Eastern SOGO locations turned off non-essential exterior facade lighting and extended the lights-off period until store closing
- A total of approximately 1,672 kWh of electricity was saved, **reducing emissions by 792 kg CO_2e**

04 Procurement Ratio of Eco-Friendly Gifts

To promote circular resource reuse, the Company has set a target for "eco-friendly and recycled-material gifts" to account for more than 5% of all gifts, and has notified suppliers to give priority to gifts that meet the following principles:

- Recycled and eco-friendly materials
- Reduced carbon footprint
- Sustainability



2025

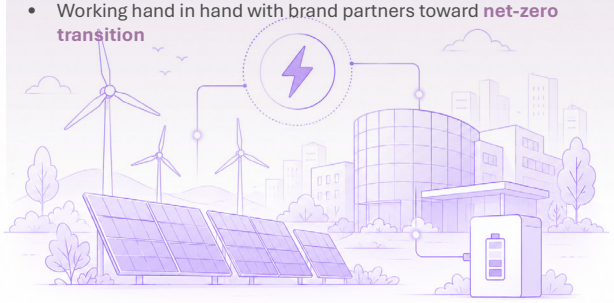
- The target for "eco-friendly and recycled-material gifts" was raised to **7.5%** of total gifts
- The proportion of eco-friendly gifts made from recycled materials reached **9.07%**, exceeding the annual target

05 Green Energy Wheeling, Helping Store Counter Brands Achieve RE100 Requirements

In response to international brands' RE100 commitments and to deepen sustainability partnerships, the Company launched a renewable energy wheeling mechanism in July 2024, helping brand partners such as CHANEL use 100% renewable electricity at the Company's operating locations.

2025

- A cumulative total of **152,900 kWh** of renewable electricity was wheeled
- Working hand in hand with brand partners toward **net-zero transition**



Far Eastern SOGO has already implemented and obtained verification for ISO 20400 Sustainable Procurement - Guidance. We have integrated sustainability rules into our procurement process and supply chain management, and shall continue to strengthen our supply chain management policies, providing guidance and working together with our upstream and downstream value chain to promote a net-zero alliance and move towards a sustainable transformation. We will continue providing our contractors and suppliers with sustainability guidance, ensuring that they comply with the above ESG principles with regard to human rights, environmental protection, workplace safety, and sustainable procurement.



Legal Compliance ▪ Market-Driven ▪ Stakeholder Expectations

Supplier/Contractor Sustainable Management Vision and ESG Principles

Human Rights Protection
- Forced Labor
- Use of Child Labor
- Ban on Discrimination

Environmental Protection
- Water Resources
- Energy Management
- Greenhouse Gas (GHG) Management
- Waste Management

Workplace Safety
- Workplace Safety
- Workplace Health and Hygiene
- Working Hours

Sustainable Procurement
- Green Procurement
- Local Procurement
- Product Traceability

Internal Determination → External Proliferation



1.5.2 Management and Auditing

Far Eastern SOGO has a diverse range of suppliers. The Company designs management mechanisms and conducts on-site management and inspections based on the different characteristics of each supplier, ensuring that the products they provide to customers are safe. We also conduct on-site inspections of high-risk suppliers from time to time. Additionally, Far Eastern SOGO exercises prudence when selecting new suppliers. We select high-quality suppliers through first collecting data and conducting interviews and assessments, only offering collaboration opportunities to potential suppliers who score well on our audits. Potential suppliers must also fill out a supplier evaluation form, which is reviewed as part of the supplier assessment. Companies who pass this assessment will be promoted to a supplier for the following year. Companies who are still unable to pass the assessment after receiving guidance shall not be used as suppliers.

Type	Management and Audit Mechanisms
Department Store and Supermarket	• Setting up and closing process • Procurement management rules for own brand products • Product procurement and payment process • Request-procure-acceptance-payment process • Label management rules • Sales and payment receipt process • Inventory management process • Standard operating procedures for recycling and disposing of finished products • Rules for handling returned cosmetics • Product price label inspection • Product expiry inspection • Cosmetics permit inspection • Store gifts inspection ☞ please refer to the chapter “Trustworthy Services” for more details
Food and Beverage Tenants	**Environment and health inspections:** • Daily self-inspection by tenant • Weekly inspection by SOGO food and beverage section • Monthly evaluation, gives out Excellence Award • Guidance provided to food and beverage tenants when applying for Good Hygiene Practices (GHP) for Food certification. **Inspection items:** • Ice inspection at tenant store • Drinking water inspection • Inspection of take-away containers for New Year dishes
Suppliers (General, Engineering)	• Operations comply with the Request-Procure-Acceptance-Payment Management Rules. • Hold supplier quality improvement meetings when necessary. • For procurement conducted through the Far Eastern Group’s Consortium Procurement Center in order to take advantage of the Group’s synergy, all suppliers are required to sign the procurement agreement. Apart from considering the supplier’s independence and conducting a cost analysis, we will also take into consideration compliance with the Labor Standards Act, other relevant government laws and regulations, and professional ethics. • Increase annual proportion of green product procurement amount, using this target to determine internal supplier procurement decisions.

For more information, please refer to the “Robust Operations” ☞ “Supply Chain Management” section of the Far Eastern SOGO ESG website.

02 Environmental Sustainability

Pacific SOGO closely monitors global sustainability trends to better understand the risks and opportunities brought about by climate change. By adopting energy management systems and innovative energy-saving measures, we continue to develop low-carbon business operations and foster a green corporate culture. At the same time, Pacific SOGO leverages its influence through its sales channels by working with suppliers to promote sustainable procurement and provide employees with green skills training. We have also created a one-stop green shopping platform for consumers, helping drive the retail industry's low-carbon transformation while bringing together partners from different sectors to establish the Retail Net Zero Alliance.

SDGs Addressed in This Chapter



2025 Performance Highlights

Benchmark in the retail industry	• Seven-time recipient of the National Enterprise Environmental Protection Award, including two Gold Awards • All operating locations in Taiwan obtained Carbon Label certification • Helped international luxury brands achieve their RE100 targets through green power wheeling
Science-based climate action	• Reduced annual electricity consumption by 2.76% • Increased the proportion of green electricity used to 1.08%, equivalent to reducing carbon emissions by 487.89 metric tons • Generated NT$507.70 in revenue per kWh of electricity consumed, achieving more than 80% of the EP100 10-year target in just seven years • Completed a Scope 1–3 greenhouse gas emissions inventory in accordance with the GHG Protocol and prepared for the submission of science-based emissions reduction targets (SBTs)
First department store to promote the circular economy	• Created a cross-industry textile recycling ecosystem, amd expanded used clothing recycling initiatives • Reduced waste at the source by adopting 100% rPET fresh food trays and installing recycling machines in supermarkets



2.0 Strategic Achievements and Plans

Policy Commitments

Align with international sustainability frameworks and adopt ISO environmental management standards to strengthen climate governance. Commit to reducing energy and resource consumption, improving energy efficiency, increasing the use of renewable energy, and promoting sustainable consumption, with the goals of achieving carbon neutrality by 2040 and net-zero emissions by 2050.

Organization Vision

By integrating our three core net-zero strategies—energy conservation and carbon reduction, sustainable consumption, and circular business models—we aim not only to reduce our own energy consumption and carbon emissions, but also to leverage our business influence to promote sustainability, encourage net-zero lifestyles, drive the green transformation of our suppliers and store tenants, and inspire customers to adopt more sustainable consumption habits, leading Taiwan's retail industry toward a net-zero future.

Material Topics

• Climate Response Strategies	201 Economic Performance 305 Emissions	-
• 201 Economic Performance; 305 Emissions	302 Energy	Energy Management in Retail & Distribution CG-MR-130a.1
• Low-Carbon Operations	-	-

International Frameworks and Indicators

Management Actions	2025 Performance	Achievement Status	Short-Term Targets (1–3 Years)	Medium- and Long-Term Targets (3 Years or More)
Strengthen climate management resilience	• Expanded disclosures of climate- and nature-related risks	**Target achieved** ► Prepared action plans based on the assessment results of the Taskforce on Nature-related Financial Disclosures (TNFD)	Conduct a survey of biodiversity-related products	Increase the number of biodiversity-related products
	• Strengthened cross-departmental communication mechanisms	**Target achieved** ► Developing an internal carbon pricing mechanism	• Implement internal carbon pricing and establish a carbon emissions accountability mechanism for each business unit • Align with the IFRS S1 and S2 disclosure frameworks in 2026	Incorporate internal carbon costs into the decision-making process for major capital expenditures
Fully implement energy management	• Increased revenue per unit of electricity consumed, remaining on track to achieve the EP100 target	**Target achieved** ► Generated NT$507.70 in revenue per kWh of electricity consumed, representing a 1.91% year-over-year increase and a 42.29% increase compared with 2018	Achieve the EP100 target by 2028 (excluding the Taipei Dome Store), increasing revenue per kWh by 50.52% compared with 2018	Continue improving the energy productivity of each business unit
	• Adopted AI to optimize energy management	**Target achieved** ► Adopted a cloud-based energy management system and an AI-powered control platform for the central air-conditioning system at the Tianmu Store	Adopt AI energy management systems at the Fuxing and Hsinchu Stores in 2026	• Adopt AI energy management systems at all stores in Taiwan • Develop a deeply integrated energy-saving ecosystem in collaboration with technology companies and financial institutions
	• Replaced aging electrical equipment	**Target achieved** ► Invested NT$13.33 million in equipment upgrades, saving 1.3 million kWh of electricity and reducing carbon emissions by approximately 615 metric tons (reduced annual electricity consumption by approximately 2.71 million kWh)	Continue replacing air-conditioning equipment and chillers at our stores, including: Installing inverter controls or inverter motors in air-conditioning systems and replacing 1,200 RT chillers with 500 RT models	Replace refrigeration equipment at store counters
	• Increased the proportion of renewable energy used to 1%	**Target achieved** ► Started purchasing green electricity ► Green electricity accounted for 1.08% of total electricity consumption, doubling the growth rate of our green electricity use and reducing carbon emissions by approximately 488 metric tons	• Generate solar power at the Hsinchu Store for on-site use, with green electricity accounting for 16.11% of the store's total electricity consumption in 2026 • Begin generating electricity under Phase 2 of the solar power project at the Tianmu Store • Receive 1 million kWh of wheeled green electricity from Far Eastern New Century each year	Align with the government's 2050 net-zero policy

Management Actions	2025 Performance	Achievement Status	Short-Term Targets (1–3 Years)	Medium- and Long-Term Targets (3 Years or More)
Conduct comprehensive greenhouse gas inventories and emissions reductions	• Completed a Scope 1–3 greenhouse gas emissions inventory	**Target achieved** ▶ Mobilized all departments to conduct a Scope 1–3 greenhouse gas emissions inventory and obtain GHG Protocol verification of the inventory results ▶ Conducted carbon footprint inventories, and all stores obtained Carbon Label certification	• Apply for the Ministry of Environment's and Administration of Commerce's voluntary greenhouse gas reduction program • Submit science-based targets (SBTs) by 2026 • Achieve carbon neutrality at the Hsinchu Store by 2028	Achieve carbon neutrality at all stores by 2040
Work with stakeholders to establish the Retail Net Zero Alliance	• Strengthened supplier engagement ☞ see Section 1.5.1 Supplier Rules for more details	**Target achieved** ▶ Obtained ISO 20400 Sustainable Procurement – Guidance verification ▶ Exceeded the target for the proportion of eco-friendly gifts purchased ▶ Second Carbon Reduction Alliance	Continue expanding the Carbon Reduction Alliance	Establish the department store industry's first Retail Net Zero Alliance
Promote sustainable consumption and green lifestyles for all	• Created a one-stop green shopping platform	**Target achieved** ▶ The annual SOGO Sustain Selection of sustainable products reached 2.02 million people ▶ 95% of restaurants in our Taiwan stores have been certified as Eco-Friendly Restaurants	• Promote the SOGO Sustain Selection of sustainable products and increase its visibility • Have all restaurants in our stores obtain Green Food certification in line with Ministry of Environment policies	Establish a rewards program for SOGO Sustain members
Waste reduction and enhanced recycling	• Reduced operational waste	**Target achieved** ▶ Reduced the total weight of kitchen waste generated by our four Taipei stores by 28.34%	Install waste weighing equipment and reduce the amount of waste disposed of through contracted waste collection services at the Zhongxiao, Fuxing, Tianmu, and Zhongli Stores by 50%	
	• Promote textile recycling	**Target achieved** ▶ Organized a large-scale used clothing recycling campaign for the second consecutive year, integrating eco-friendly technology into charitable activities to achieve zero waste ▶ Repurposed out-of-season uniforms into materials for gifts and other products	• Organize at least one large-scale used clothing recycling campaign each year, expanding its scale year by year • Continue developing new applications for waste textiles	Expand the cross-industry textile circular economy ecosystem
	• Reduced plastic use and waste in supermarkets	**Target achieved** ▶ Gradually replaced fresh food trays with trays made from recycled PET ▶ Established plastic recycling stations and installed recycling machines	• Increase the use of recycled PET fresh food trays to 60%; increase the recycling rate to 2% • Stop providing free paper bags at the self-operated supermarket in the Zhongxiao Store beginning in March 2026 • Implement the same measures at the Fuxing, Tianmu, and Zhongli Store supermarkets by April 2026	Switch entirely to fresh food trays made from recycled PET

Stakeholder Groups	Suppliers	Tenants (store counters)	Customers	Employees
Engagement Channels	• Signed the Sustainability Clause. • Established the Carbon Reduction Alliance and helped alliance members develop carbon reduction strategies.	• Signed the Sustainability Clause. • Assisted food and beverage tenants in obtaining the Ministry of Environment's Eco-Friendly Restaurant certification.	• Customer satisfaction surveys (annual) • SOGO Sustain promotional periods (every six months) • Social media sustainability campaigns (monthly) • SOGO ESG website and Facebook page	• Engineering and maintenance meetings across our Taiwan stores(monthly) • eWork APP, announcement board, and LINE groups (as needed)
2025 Results	• All **417** suppliers (**100%**) signed the Sustainability Clause. • **32** new members joined in the second year, increasing total membership by **3.57** times.	• **2,752** tenants signed the Sustainability Clause, achieving a **98.6%** participation rate. • **95%** of restaurants obtained Eco-Friendly Restaurant certification.	• **1,068** customers completed the survey, with **80.9%** expressing satisfaction with the Company's environmental policy. • Reached **2.02 million** people. • 41 sustainability-related articles reached **180,000** people. • Reached **60,000** people.	• Reviewed the energy and resource consumption of each store and proposed improvement measures. • Published sustainability news and updates.



Pacific SOGO x Smart Energy Coalition

(formerly EP 100)

Significance as an Industry Benchmark

First department store and retailer in the Asia-Pacific region to join EP100.

Organization Purpose

This initiative to improve energy productivity was launched by the Climate Group and the Alliance to Save Energy. Members commit to improving productivity by increasing energy efficiency, thereby reducing greenhouse gas emissions and promoting a clean economic development model.

In 2025, the EP100 initiative was upgraded to the Smart Energy Coalition, placing greater emphasis on supporting the net-zero transition, expanding the scope of collaboration, and leveraging artificial intelligence (AI) and innovative technologies to improve energy efficiency, reduce costs, and strengthen energy security.

Member Composition

106	209	23	16
Total members	Markets represented	Countries/regions of headquarters	Industries represented

Pacfic SOGO's Target

Using 2018 as the base year, cumulative electricity savings rate by **40.30 %**

Increase revenue per kWh of electricity consumed by **50.52 %**

Pacfic SOGO's Actions

1. Reviewed the current status of the existing Automated Logic Corporation (ALC) energy management systems. Beginning with the Tianmu Store in 2024, we introduced AI energy management systems and implemented energy-saving measures for motor equipment. System information is available in real time through a mobile app, enabling monitoring, control, and report generation.

2. Began conducting greenhouse gas inventories at all stores in 2023 to provide supporting evidence for our electricity consumption data.

3. Engaged with upstream, midstream, and downstream stakeholders to advance toward net-zero emissions.

Progress

- In the seventh year of our 10-year plan, we had already increased energy productivity by **42.29%** compared with the base year, achieving 80% of our final target.
- Submitted annual progress reports to demonstrate continued progress and shared our experience in promoting net-zero and carbon reduction initiatives in Taiwan's retail industry with the international community.



Pacific SOGO x SBTi

SCIENCE BASED TARGETS

Significance as an Industry Benchmark

Taiwan's first large-scale department store chain to sign the SBTi commitment.

Organization Purpose

The Science Based Targets initiative (SBTi), established by the Carbon Disclosure Project (CDP), the United Nations Global Compact (UNGC), the World Resources Institute (WRI), and the World Wide Fund for Nature (WWF), encourages companies to set science-based targets (SBTs) to reduce carbon emissions and help limit global warming to well below 2°C, while pursuing efforts to limit it to 1.5°C, in line with the Paris Agreement and the reports of the Intergovernmental Panel on Climate Change (IPCC). It is the first global framework to provide companies with a standardized approach for setting science-based carbon reduction targets.

Progress

The first phase, committing to the initiative, was completed in 2024. We will submit our science-based targets in 2026, which will be announced after they have been reviewed and approved.

2024	2026
Commitment completed ✓	Target submission planned

In 2025, the Company was recognized for its outstanding energy efficiency performance and was featured as a best-practice case in the official 2025 annual report of the Smart Energy Coalition.

It was one of only three cases selected globally, the only retail representative, and the only representative from Taiwan.

Pacific SOGO Low-Carbon Operations Milestones

*Unless a specific store is indicated, the figures represent overall (company-wide) performance.

2015

- **Tianmu Store** First department store in Taiwan
  First department store in Taiwan to obtain the Carbon Label and help develop the Product Category Rules (PCRs) for carbon footprints in the department store and retail service industry
- **Tianmu Store** First department store in Taiwan
  First department store to install solar power generation equipment
- First department store in Taiwan
  First department store in Taiwan to issue electronic gift vouchers

2016

- Launched large-scale green procurement, beginning with paper products

2017

- **Dunhua Store** First department store in Taiwan
  First department store in Taiwan to obtain ISO 50001 certification
- First department store in Taiwan
  First department store in Taiwan to completely eliminate single-use and melamine tableware, two years ahead of government regulations

2018

- **Tianmu Store** First department store in Taiwan
  First department store in Taiwan to obtain the Carbon Reduction Label
- **Fuxing Store** First department store in Taiwan
  First department store in Taiwan to conduct an ISO 14064-1 greenhouse gas inventory
- Applied for the Energy Administration's Energy Service Company (ESCO) energy conservation subsidy program, achieving significant carbon reductions through the replacement of chiller units

2019

- **Zhongxiao Store** **Zhongli Store** **Kaohsiung Store**
  Applied for the Energy Administration's ESCO program, achieving significant energy savings through the replacement of chiller units

2020

- **Dunhua Store**
  Renewed ISO 50001 certification
- **Hsinchu Store**
  Began generating power from the Company's second solar power generation installation

2021

- Adopted the Task Force on Climate-related Financial Disclosures (TCFD) framework for the first time and disclosed climate-related information through the Sustainability Report
- First department store in Taiwan
  The only department store in Taiwan to receive the National Enterprise Environmental Protection Award at the Silver level or above for three consecutive years, earning the Honorary Environmental Enterprise Trophy
- First department store in Taiwan
  First department store in Taiwan to establish a sustainable product identification system, the SOGO Sustain platform
- First department store in Taiwan
  First department store in Taiwan to help food and beverage store tenants apply for the Eco-Friendly Restaurant Label (formerly the Green Restaurant Label)
- **Tianmu Store** First department store in Taiwan
  First department store in Taiwan to obtain the Carbon Reduction Label for a second time

2022

- First department store in Taiwan
  First department store retailer in the Asia-Pacific region to join EP100
- First department store in Taiwan
  First department store in Taiwan to establish a Climate Change Committee and complete climate risk and climate-related financial impact assessments in accordance with the TCFD framework
- **Tianmu Store** First department store in Taiwan
  First department store in Taiwan to received the Excellence Award in the Environmental Protection Administration's (now the Ministry of Environment) Low-Carbon Product Awards and the Excellent Water Conservation Unit Award from the Water Resources Agency, Ministry of Economic Affairs
- **Tianmu Store** First department store in Taiwan
  First department store in Taiwan to obtain the Carbon Reduction Label for a second time
- **Zhongxiao Store** **Fuxing Store** **Tianmu Store**
  Completed greenhouse gas inventories two years ahead of the Financial Supervisory Commission's regulatory requirements
- **Tianmu Store** First department store in Taiwan
  First department store in Taiwan to be recognized as a green procurement supplier under the Environmental Protection Administration's (now the Ministry of Environment) Services Carbon Label program

2023

- First department store in Taiwan
  The only department store in Taiwan to become a TCFD Supporter
- First department store in Taiwan
  First department store in Taiwan to establish a dedicated ESG department, the Sustainable Development Office
- First department store in Taiwan
  First department store in Taiwan to combine credit card signature slips with sales receipts, saving enough paper each year to span the length of two highways
- **Hsinchu Store**
  Began generating electricity under Phase 2 of the solar power project
- **Tianmu Store**
  Completed greenhouse gas inventories for all stores

2024

- First department store in Taiwan
  Taiwan's only large-scale department store chain to sign the SBTi commitment.
- Completed greenhouse gas and carbon footprint inventories for all stores
- **Fuxing Store**
  Began supplying international luxury brand boutiques with wheeled green electricity

2025

- First department store in Taiwan
  The only department store in Taiwan to receive the National Enterprise Environmental Protection Award at the Silver level or above for seven consecutive years
- All six Far Eastern SOGO stores in Taiwan obtained the Carbon Label
- Entered a new era of the circular economy by creating "textile-to-textile" and "tray-to-tray" circular economy ecosystems
- Completed a comprehensive Scope 1–3 greenhouse gas emissions inventory across our value chain

2.1 Climate Resilience and Response Strategies GRI 201-2

2.1.1 Climate Change Management Strategy

By building on our core competencies, Pacific SOGO has developed three major net zero strategies: energy conservation and carbon reduction, sustainable consumption, and circular business models, creating a low-carbon retail sales channel. We have adopted the Task Force on Climate-related Financial Disclosures (TCFD) standards from 2021 onwards, ahead of the FSC's requirements to do so. In 2022, we established our Climate Change Committee, creating climate governance mechanisms and joining the EP100 international energy productivity initiative, becoming the initiative's first member from the Asia-Pacific department store retail industry. Through these efforts, we have helped drive our suppliers/contractors towards sustainable transformation, and encouraged consumers to adopt green lifestyles. With 2018 as the base year, we have committed to reducing electricity consumption by 40.3% and increasing energy productivity (revenue generated per kWh of electricity consumption) by 50.52% by 2028.

In 2023, Pacific SOGO was the first Taiwanese department store to become a TCFD supporter, establishing the Sustainable Development Office directly managed by the Chairman. In 2024, we further signed a commitment to set science-based targets (SBTs), and mobilized all departments to conduct carbon inventories of Scope 1 to Scope 3 emissions in 2025. We plan to submit our carbon reduction pathway to limit global warming to within 1.5°C by July 2026.

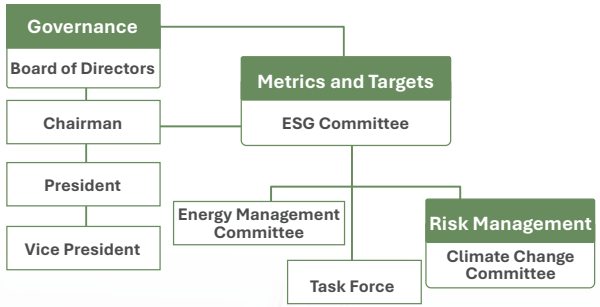
Task Force on Climate-related Financial Disclosures (TCFD) Framework

	Governance	Strategy	Risk Management	Metrics and Targets
Management Strategies and Action Plans	**Responsible Unit** The organization's climate change vision, strategies, and long-term targets are regularly reviewed under the supervision of the Board of Directors, and led by the ESG Committee. **Organizational Operations** The Climate Change Committee directly reports to the ESG Committee, and is managed by the Finance Division and integrated with each relevant department to implement specific climate actions. The Energy Management Committee is led by the Engineering and Maintenance Department, and is responsible for managing energy resources and conducting greenhouse gas inventories. Material climate risks and opportunities are directly managed by senior executives, led by the Chairman. The committee reports to the Board of Directors and executives at vice president level or above every six months.	With a focus on environmental sustainability and energy conservation and carbon reduction as our core strategy, implement sustainability actions following our three major policies and advance the Green Department Store 2.0 project. ✓ Low-Carbon Operations ✓ Green Marketing ✓ Green Actions	• Incorporate climate risks into the corporate management process. • Review climate-related risks and opportunities in the value chain through collaborative cross-department efforts. • Continue to assess the link between climate risks and the Company's finances, and establish countermeasures.	**Assessment indicators** ✓ Greenhouse gas emissions intensity ✓ Revenue generated per kWh of electricity ✓ Water consumption per unit of floor area • Regularly track progress of action plans. • Each store completes greenhouse gas and carbon footprint inventories. • Disclose Scope 1 to 3 greenhouse gas emissions in the Sustainability Report each year.
Implementation Status	Report on implementation progress in March and September each year to the ESG senior executive strategic meeting.	• Identified short, medium, and long-term physical and transition risks. • Relevant departments have established individual strategic action plans. • Organized the first annual meeting of the Supplier Carbon Reduction Alliance. • Obtained ISO 20400 verification, and strictly required suppliers to comply with these guidance standards.	• Estimate potential cost of action plans. • Identify level of financial impact that climate risks pose.	• Include as one of the items regularly tracked in ESG Committee meetings. • Six stores obtained the Carbon Label in 2025. • Achieve carbon neutrality at the Hsinchu Store by 2028, and carbon neutrality at all Taiwan stores by 2040. • Align with the government's 2050 net-zero policy.
Related Chapters	2.0 Strategic Achievements and Plans 2.1 Climate Resilience and Response Strategies	1.5 Supply Chain Management 2.2 Energy and Resource Management 2.3 Circular Recycling and Waste Management 2.4 Green Department Store	2.1 Climate Resilience and Response Strategies	2.2 Energy and Resource Management

2.1.2 Identifying Climate Change Risks and Opportunities

Pacific SOGO has managed climate change risks following the TCFD framework, conducting a full inventory of our climate risks and opportunities through in-depth interviews, questionnaire surveys, collecting data, and cross-tabulation analysis. We have also established a Climate Change Committee directly underneath the ESG Committee which regularly reports to the Board of Directors each year.

1. Management Organizational Structure





2. Analysis Process

STEP 1 Defining Analysis Items and Scope

- The analysis scope includes the Far Eastern SOGO Office Building and our 7 operating locations (including: the Zhongxiao Store, Fuxing Store, Dunhua Store, Tianmu Store, Zhongli Store, Hsinchu Store, and Kaohsiung Store)
- Analysis Items: Climate change risks that may affect the operations of Far Eastern SOGO.

STEP 2 Collecting Data and Identifying Risks

- Collect data on the transition and physical risks facing Far Eastern SOGO based on market conditions, Taiwan's policy direction, and international sustainability trends. Through interviews with senior management, understand to what extent Far Eastern SOGO is aware of climate risks while also identifying risk issues.

STEP 3 Assessment and Ranking of Risks and Corresponding Opportunities

- A questionnaire was administered to 8 senior executives, including the Chairman to assess the "likelihood of occurrence" and "level of impact" for each climate risk. Based on the consensus formed by senior executives through a meeting, material risks and opportunities were identified and made into a risk matrix.

STEP 4 Management Measures

- Incorporate financial impact assessments, select key risks and opportunities, and propose management measures in response.
- Adaptation: Conduct a scenario analysis of material risks to fully understand Far Eastern SOGO's carbon management measures and establish long-term strategies.
- Mitigation: Propose management and action plans to address material risks, and have the ESG Committee report on the implementation progress of these plans to the Board of Directors.

3. Collecting Data and Identifying Issues

Starting with a review of our operating status, the Company collects data on the current market development situation and the direction of international sustainability trends in order to analyze the potential climate issues we may face between now and 2030. In order to assess risks and opportunities, we have constructed physical risk scenarios modeled on the Representative Concentration Pathways (RCPs) and Shared Socioeconomic Pathways (SSPs). For our transition scenario, we have considered the "impact on energy supply and the economy of different policies and corresponding technological adoptions aimed at limiting temperature increases." Following the TCFD framework, we have focused on assessing material climate topics based on the likelihood of occurrence and level of impact for the transition and physical risks related to each topic.

Physical Scenarios

Constructed based on simulations defined by Representative Concentration Pathways (RCP) and Shared Socioeconomic Pathways (SSPs).

Transition Scenarios

The impact on energy supply and demand and the economy resulting from technology deployment undertaken to limit a specific temperature increase or to respond to different policy outcomes.

4. Analysis Results

Taking into account both the likelihood of occurrence and level of impact, we have identified 6 material climate risks: regulatory uncertainty from new climate-related laws, rising demand for low-carbon services, rising demand for renewable energy, changes in customer behavior, sudden torrential rainfall and other isolated climate events, and rising management costs. We also identified 3 material climate opportunities from our interviews with senior executives: energy efficiency, company brand image, and climate resilience.

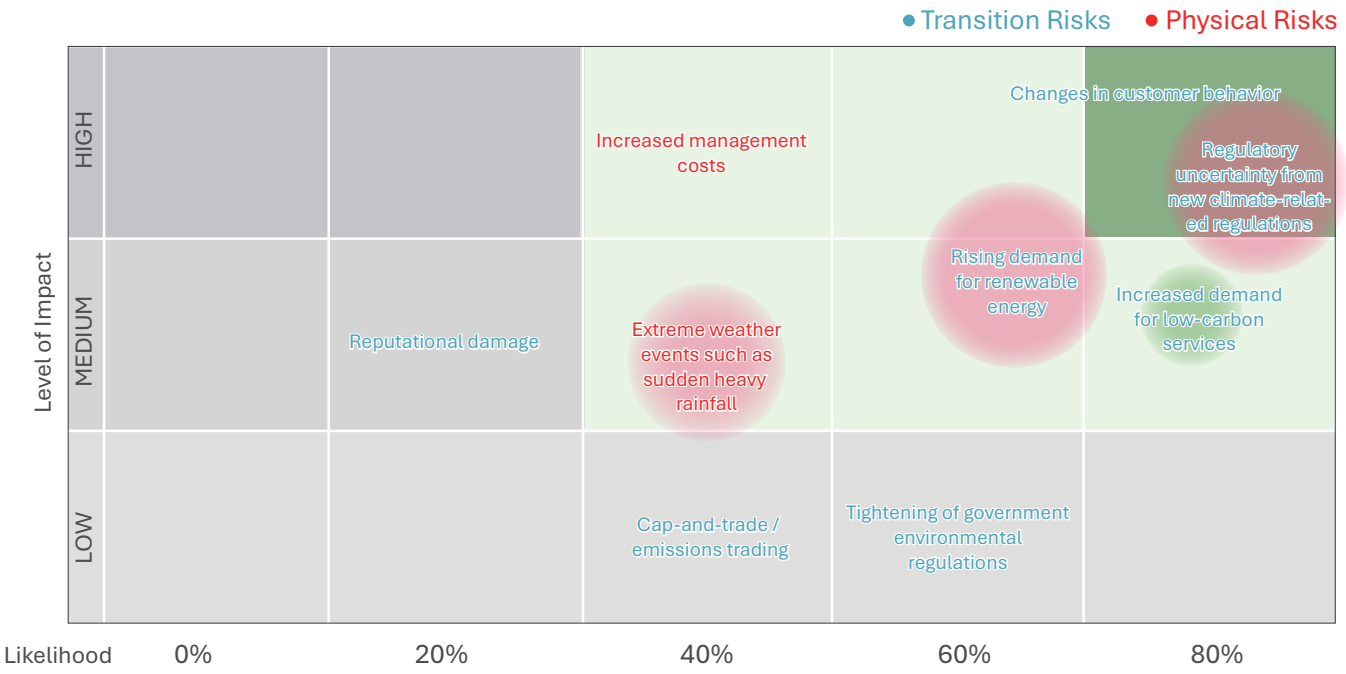
Material Climate Risks (6)

- Regulatory uncertainty from new climate-related regulations Transition
- Increased demand for low-carbon services Transition
- Rising demand for renewable energy Transition
- Changes in customer behavior Transition
- Extreme weather events such as sudden heavy rainfall Physical
- Increased management costs Physical

Material Climate Opportunities (3)

- Energy efficiency
- Corporate image
- Enhanced climate resilience





Issue Management Approach

High-Impact Issues	Medium-Impact Issues	Low-Impact Issues
Led by the Sustainability Committee and overseen by the Chairman and senior executive team.	Managed by the Energy Management Committee, which implements relevant actions and reports progress to the Board quarterly.	Ongoing monitoring of the impacts of risks on Pacific SOGO.

Financial Impact Level LOW MEDIUM HIGH

Note

1. The likelihood of occurrence is assessed based on three main factors: the past frequency of the risk event, strictness of future regulations, and our current corporate response and resilience.
2. The level of impact is assessed to be "high," "medium," or "low" based on three main factors: the scale of impact on the Company's operations, the scale of impact on the value chain, and the type of impact it has.
3. The level of financial impact is assessed to be "high," "medium," or "low" based on which of the three impact categories the risk falls into: reduces daily average revenue by less than 20%, reduces daily average revenue by 20–60%, and reduces daily average revenue by more than 60%.

2.1.3 Management of Climate Change Risks and Opportunities

GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-4 GRI 305-5

Measures for Managing Climate Risks and Opportunities

40%

Topic	Issue	Analysis of Issue							
		Description of Issue	Area of Impact on Value Chain			Time of Impact	Potential Financial Impact	Management Response
			Upstream	Operations	Downstream			
Transition Risks	Regulatory uncertainty from new climate-related laws	**Basis for discussing risk scenario:** • Taiwan Government announces the Pathway to Net-Zero Emissions in 2050 • Climate Change Response Act **Changes to transition risk scenario:** • Electric vehicles reach 100% of market share. • Ministry of Environment begins a phased implementation of its carbon fee program, starting with collecting carbon fees from large carbon emitters in a "from big to small" approach.	●	●		Short-, medium-, and long-term	• Greenhouse gas inventory and verification fees • Expenses for purchasing green electricity • Carbon fees	**Conduct comprehensive greenhouse gas inventories and emissions reductions** • Take inventory of Scope 1 to 3 greenhouse gas emissions. • In 2025, six Far Eastern SOGO stores in Taiwan obtained the Ministry of Environment's Carbon Label (except for the Dunhua Store, which closed at the end of that year). • Establish an internal carbon price and set aside a fund for conducting carbon inventories. • Supplied the solar power previously sold by the Hsinchu Store to Taipower to the Hsinchu Store itself for self-use. • Assess and expand the scale of generating solar power for self-use. • Sign the science-based targets (SBT) commitment letter and submit set targets, creating a planned carbon reduction pathway through scientific methods. • Achieve carbon neutrality by 2040. • Align with the government's 2050 net-zero policy.
	Rising demand for low-carbon services	**Basis for discussing risk scenario:** • Taiwan Government announces planned Pathway to Net-Zero Emissions in 2050 **Changes to transition risk scenario:** • Business locations switch to only using LED lights; 60% of air-conditioning operations are optimized. • City buses and company vehicles become fully electric. • Increased sales of electric vehicles and scooters.	●	●		Short-, medium-, and long-term	• Cost of replacing company vehicles with electric vehicles. • Cost of installing and maintaining electric vehicle charging facilities. • Cost of replacing energy-conserving lights or equipment.	**Promote transformation towards low-carbon operations** • Acquire 100% of company vehicles through leasing, instead of purchasing. • Establish an internal carbon price and set aside funds for replacing aging equipment.
	Rising demand for renewable energy	**Basis for discussing risk scenario:** • Taiwan Government announces the Pathway to Net-Zero Emissions in 2050 **Changes to transition risk scenario:** • The total installed capacity of renewable power generation sources in Taiwan will grow from 17.1 GW in 2023 to 45.46–46.12 GW by 2030.	●	●		Short-, medium-, and long-term	• Cost of installing and maintaining solar power plants. • Increase in electricity bills	**Fully implement energy management** • Achieve EP100 target in 2028, increasing revenue per kWh by 50.52% compared to 2018 • Submit report on EP100 energy productivity each year. • Implement smart energy management system. • Establish electric vehicle charging facilities at all operating locations in Taiwan. • Increase the proportion of renewable energy used, improving energy conservation and developing power generation capabilities **Work with stakeholders to establish the Retail Net Zero Alliance** • Continue conducting supplier and contractor engagement. • Launch supplier guidance program.

Topic	Issue	Analysis of Issue						
		Description of Issue	Area of Impact on Value Chain			Time of Impact	Potential Financial Impact	Management Response
			Upstream	Operations	Downstream			
Physical Risks	Immediate - Isolated climate events, such as sudden torrential rainfall.	**Basis for discussing risk scenario:** • Intergovernmental Panel on Climate Change (IPCC), Representative Concentration Pathways (RCPs) • IPCC, Shared Socioeconomic Pathways (SSPs) **Changes to physical risk scenario:** • Under the SSP5-8.5 scenario, the total annual rainfall that Taiwan receives is expected to increase by 15%. • Under the SSP5-8.5 scenario, the proportion of strong typhoons will increase by 5.5%. • Under the SSP5-8.5 scenario, the proportion of rainfall brought by strong typhoons will increase by 20%.		●		Short-term	• Loss of revenue from operating locations being forced to suspend business operations due to isolated climate events.	**Strengthen climate management resilience** • Enhance the TCFD assessment and management framework, and increase the number of disclosure items. • Establish cross-department communication mechanisms, and review and optimize the Company's climate management approach each year. • Install flood barriers at entrances and exits. • Establish standard operating procedures (SOP) for responding to typhoons. • Monitor advance warnings for disasters and prepare emergency kits.
Opportunities	Energy efficiency	• The plans announced by the Taiwanese government for the Pathway to Net-Zero Emissions in 2050 requires carbon neutrality targets to be achieved by 2050. The proportion of renewable energy used must therefore grow to 60–70%.		●		Short-, medium-, and long-term	• Cost of installing and maintaining solar power plants. • Cost of implementing energy efficiency improvement projects • Costs of purchasing green electricity. • Cost of conducting stakeholder engagement. • Expenses for managing EP100 projects.	**Work with stakeholders to establish the Retail Net Zero Alliance** • Implement smart energy management systems to improve energy productivity. Revenue per kWh of electricity is expected to increase by 50.52% by 2028. • Increase the proportion of renewable energy sources used, and obtain carbon credits through the government's voluntary greenhouse gas reduction program, opening up new retail business opportunities.

Note The time of impact includes the short-term (1 to 2 years), medium-term (3 to 5 years), and long-term (5 years or more).

Climate Governance Strategy Blueprint

After identifying climate risks and opportunities, the Company has created a specific climate governance strategy blueprint, and established targets and response measures to effectively manage material climate issues.

Material Climate Risks	Low-Carbon Operating Plans and Strategy	Metrics and Targets	Material Climate Opportunities
Rising demand for renewable energy	**Fully implement energy management** • Submit report on EP100 energy productivity each year. • Implement smart energy management system. • Establish electric vehicle charging facilities at all operating locations in Taiwan. • Increase the proportion of renewable energy used, improving energy conservation and developing power generation capabilities	• Submitted application letter to the Science-Based Targets initiative (SBTi) in 2024 • Increase revenue generated per kWh of electricity by 50.52% by 2028, compared to 2018. • Achieve carbon neutrality at the Hsinchu Store by 2028, and carbon neutrality at all stores in Taiwan by 2040.	**Energy Efficiency** Improve energy efficiency and reduce operating costs.
	Work with stakeholders to establish the Retail Net Zero Alliance • Continue conducting supplier and contractor engagement. • Launch supplier guidance program.	• Continue to expand the Supplier Carbon Reduction Alliance. • Establish the first retail net-zero alliance for department stores by 2040.	
Uncertainty in new regulations	**Conduct comprehensive greenhouse gas inventories and emissions reductions** • Take inventory of Scope 1 to 3 greenhouse gas emissions.	• All stores in Taiwan have completed greenhouse gas and carbon footprint inventory. • Six stores obtained the Carbon Label in 2025. • Achieve carbon neutrality by 2040. • Align with the government's 2050 net-zero policy.	**Company Image** Shape our image as a "green department store" into a unique impression of Far Eastern SOGO, increasing consumer trust and utilizing our own experiences to drive the sustainable transformation of the department store retail industry.
Requirements for low-carbon services	**Promote sustainable consumption and green lifestyles for all** • Establish a sustainable consumption model free of pain points • Create a one-stop green shopping platform • Promote green procurement declarations	• Provide sustainable product selection training for our SOGO Sustain platform to sales and logistics units	
Isolated climate events, such as sudden torrential rainfall	**Strengthen climate management resilience** • Enhance the TCFD assessment and management framework, and increase the number of disclosure items. • Establish cross-departmental communication mechanisms and adopt annual climate management policies. • Relevant departments have established individual strategic actions plans.	• Enhance the sustainability knowledge of relevant departments. • Include the Climate Change Committee as part of the Finance and Accounting Department. • Align with the IFRS S1 and S2 disclosure frameworks in 2026	**Strengthen Climate Resilience** Actively manage and monitor future climate changes to continue playing our role as an industry leader.

Greenhouse Gas Emissions and Reduction

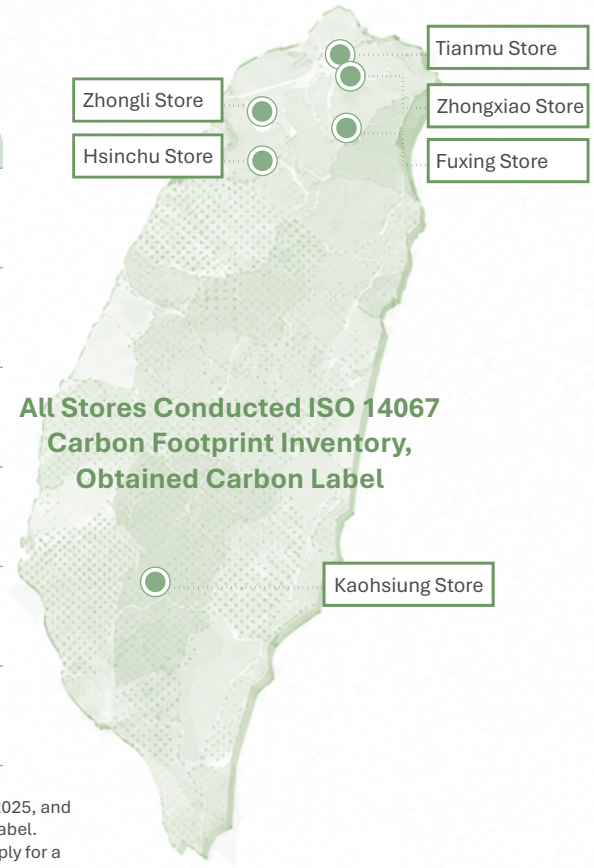
In response to carbon reduction trends, the Company has conducted a full review of our greenhouse gas emissions. Beginning in 2022, and starting with the Zhongxiao, Fuxing, and Tianmu Stores, we conducted greenhouse gas inventories for emissions released in the previous year. In 2023, we conducted carbon inventories for all of our Taiwan operating locations, and in 2024 we also began conducting carbon footprint inventories. In 2025, all six Far Eastern SOGO stores in Taiwan obtained the Ministry of Environment Carbon Label.

Most of the carbon emissions released by a department store are Scope 2 emissions. In 2025, Far Eastern SOGO's total Scope 2 emissions in Taiwan amounted to 38,003.77 metric tons CO_2e, decreasing by 3.7% compared to 2024. Taking annual revenue into account, Scope 1 and 2 emissions intensity was 0.87 metric tons CO_2e/NT$ million in 2025, a decrease of 1.4% from 2024.

Scope 2 emissions across Taiwan in 2025: 38,003.77 metric tons of CO_2e, down from 2024 by

3.7 %

	Valid Period
Tianmu Store	2026/9/10
Zhongxiao Store	2027/8/11
Fuxing Store	2027/8/11
Zhongli Store	2027/6/12
Hsinchu Store	2027/8/14
Kaohsiung Store	2027/8/14



Note
1. The Dunhua Store closed at the end of 2025, and therefore did not apply for the Carbon Label.
2. The Tianmu Store has made plans to apply for a certificate renewal.

Summary of Greenhouse Gas Emissions[1]

Year of Inventory	2023	2024	2025
Inventory boundary	All 7 Taiwan stores	All 7 stores and headquarters building in Taiwan	All 7 Taiwan stores, including the dormitories in Zhongli and Kaohsiung, and the headquarters building[8]
Inventory and verification status	Completed ISO 14064-1 certification at all locations except the Dunhua Store, which is expected to close in 2025.		Inventories 100% completed, and completed GHG Protocol certification
Scope 1 (metric tons CO_2e)[2]	4,042.21	3,521.33	3,576.73
Scope 2 (metric tons CO_2e)[3]	42,676.35	39,461.11	38,003.77
Scope 3 (metric tons CO_2e)[4]	28,467.28	31,726.53	62,854.37
Total Scope 1 + Scope 2 emissions (metric tons CO_2e)	46,718.56	42,982.44	41,580.51
Annual revenue (NT$ thousand)[5]	49,661,966	48,963,879	48,051,712
Emissions intensity (tons of CO_2e/ NT$ million)[6]	0.94	0.88	0.87
Ozone-depleting substances (ODS)	0	0	0
Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	0	0	0

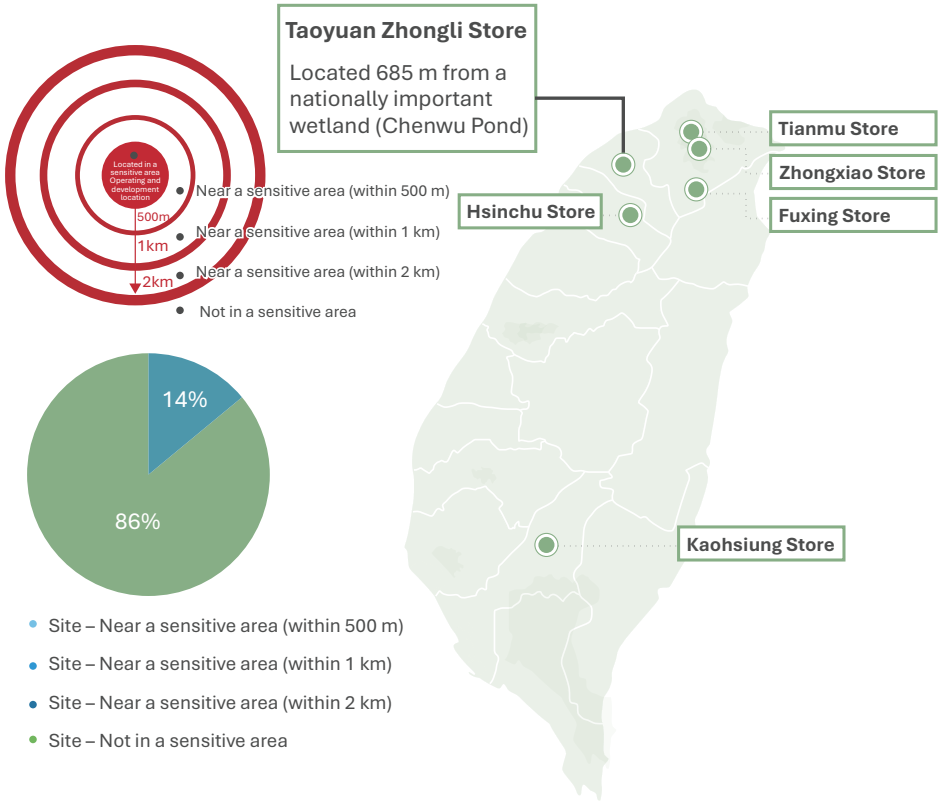
Note
1. The greenhouse gas inventory boundary is determined by the operational control boundary, and includes our 7 major operating locations in Taiwan. The headquarters building was also included starting from 2024.
2. Scope 1 emissions refer to direct greenhouse gas emissions. Pacific SOGO has relatively low Scope 1 emissions, since we are not a manufacturer.
3. Scope 2 emissions refer to indirect emissions from consuming electricity or steam. The main source of Scope 2 emissions released by Far Eastern SOGO is from electricity consumed at each operating location.
4. Scope 3 emissions from 2023 to 2024 correspond to the ISO 14064-1 Category 3-6 emissions. Scope 3 emissions for 2025 correspond to the GHG Protocol's Category 1-15 emissions, and refer to all indirect emissions generated by the value chain. This includes emissions from the activities of upstream suppliers and downstream consumers, excluding Category 11 Use of Sold Products, Category 10 Processing of Sold Products, and Category 14 Franchises.
5. Revenue-related data was restructured in 2024, and excludes data for Far Eastern Garden City (Taipei Dome). Verified greenhouse gas data is separately categorized.
6. Emissions intensity = Scope 1 + Scope 2 emissions (metric tons CO2e)/annual revenue (NT$ million)
7. Data for 2025 increased significantly due to an increase in the number of Scope 3 inventory items.
8. All sections of Far Eastern Garden City (Taipei Dome) will be opened in 2026. Complete data will be disclosed in the report published in 2027.

2.1.4 Identifying Nature-related Impacts and Dependencies

Biodiversity Risk Assessment

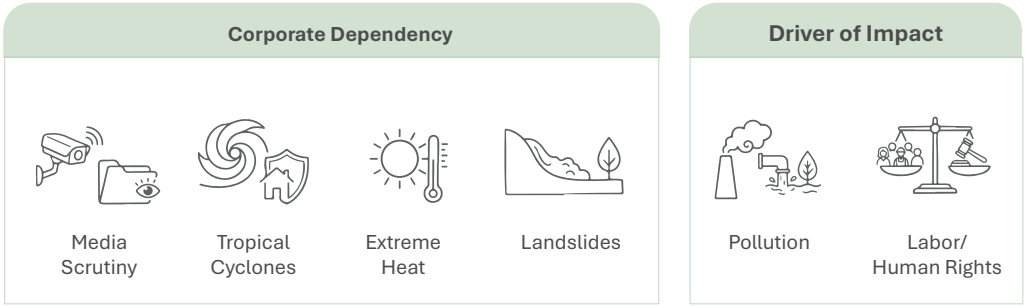
In order to gain an in-depth understanding of the relationship between the organization's overall operating activities and biodiversity-sensitive areas, Far Eastern SOGO began in 2024 to conduct risk assessment and research based on the Taskforce on Nature-related Financial Disclosures (TNFD) framework and following the LEAP (Location, Evaluation, Assess, Preparation) approach. We selected 7 of our major operating locations, including our stores in Taipei (Fuxing Store, Dunhua Store, Zhongxiao Store), Tianmu Store, Taoyuan Zhongli Store, Hsinchu Store, and Kaohsiung Store. In order to obtain investigation and analysis results more relevant to our local operating situation, Far Eastern SOGO has incorporated both international and Taiwan biodiversity databases, including the International Union for Conservation of Nature (IUCN) World Database on Protected Areas and the "Biodiversity Database" of the Forestry and Nature Conservation Agency, Ministry of Agriculture (Taiwan), to conduct an overlay analysis of our operating locations in Taiwan and biodiversity-sensitive areas.

Analysis results showed that for Far Eastern SOGO's 7 operating locations in Taiwan, only the Zhongli Store is located near a national-level wetland (the Chen Family Public Pond in Taoyuan, or Chenwu Pond, located 685m away from the store). According to international databases and analysis, this determined the Zhongli Store to be neighboring a biodiversity-sensitive area. However, to ensure that analysis results are accurate and reasonable, and also considering that international biodiversity databases may potentially differ from the actual local environment, we conducted an on-site survey and confirmed that the Zhongli Store is not located near a biodiversity-sensitive area.



Identifying Material Dependencies and Impact on Ecosystem Services

Far Eastern SOGO has further used the World Wide Fund for Nature's (WWF) Biodiversity Risk Filter, which includes 33 indicators across 8 categories including provisioning services, supporting services, regulating services, cultural services, pressures on biodiversity, environmental factors, socioeconomic factors, and additional reputational factors, to take inventory of our 7 operating locations in Taiwan. At the same time, we have assessed the material dependencies and impacts that the department store retail industry has on ecosystem services. Our analysis results showed that Far Eastern SOGO faces 6 material issues with regard to ecosystem services, including media scrutiny, tropical cyclones, extreme heat, and landslides for our corporate dependencies, and pollution and labor/human rights for drivers of impact. Below is an explanation of our action plans and management policy for addressing these issues.



Corporate Dependency				Analysis of the Importance of Natural Capital to our Corporate Value Chain	Driver of Impact	
Additional Reputation Factors	Regulating Services				Pressures on Biodiversity	Socioeconomic Factors
8.1	3.6	3.5	3.1		5.4	7.3
Media Scrutiny	Tropical Cyclones	Landslides	Extreme Heat		Pollution	Labor/Human Rights
4	4	2.5	4	Taipei Zhongxiao Store	3.75	3.5
4	4	2.5	4	Taipei Fuxing Store	3.75	3.5
4	4	2.5	4	Taipei Dunhua Store	3.75	3.5
4	4	2.5	4	Tianmu Store	3.75	3.5
4	4	2.5	4	Zhongli Store	3.75	3.5
4	4	2.5	4	Hsinchu Store	3.75	3.5
4	4	3.5	3.5	Kaohsiung Store	3.75	3.5
4	4	2.64	3.93	WWF (average)	3.75	3.5
-	3	1.4	3	ENCORE	1.4	-

Dependency Factors	Impact on Far Eastern SOGO	Action Plans
 Media Scrutiny	• **Increases public awareness, facilitating the promotion of sustainable business models** A negative brand image, once formed, may lead to consumers avoiding a brand, affecting revenue.	• Establish media relations strategies and proactively announce nature-related transparency actions. • Establish a crisis management team capable of monitoring and responding in real-time to negative media attention. → The heads of relevant Company departments have established a common LINE group spanning multiple stores in order to receive real-time notifications.
 Tropical Cyclones	• **Decrease in customer numbers** • **Reduce business hours or suspend operations** • **Damage to products and buildings** • **Obstruct traffic, disrupting supply chain**	• **Install flood barriers at entrances and exits.** • **Establish standard operating procedures (SOP) for responding to typhoons.** • **Monitor advance warnings for disasters and prepare emergency kits.**

Dependency Factors	Impact on Far Eastern SOGO	Action Plans
 Extreme Heat	• **Changes in consumer behavior:** More customers want to avoid the summer heat, reducing their shopping times and leading to a rise in online shopping. • **Increase in operating costs:** Increase in energy consumption and maintenance expenses.	• Improve efficiency of air conditioning equipment. • Recommend sustainable products suited for high temperatures through the SOGO Sustain platform.
 Landslides	• **Reduce business hours or suspend operations** • **Damage to products and buildings** • **Disrupts supply chain**	• Assess the actual impact of landslides → Low likelihood of occurrence • Strengthen supply chain flexibility and support local disaster recovery plans.

Driver of Impact	Impact on Far Eastern SOGO	Action Plans
 Pollution	• **Pollution of water sources:** May lead to restrictions on water use for department stores, affecting day-to-day operations and potentially even causing food safety issues. • **Air pollution:** May lead to poor indoor and outdoor air quality at department stores, affecting consumer and employee health and reducing customer willingness to shop, impacting revenue.	• Implement supply chain environmental management measures, and prioritize conducting on-site audits of suppliers with potential for high pollution. • Improve monitoring of indoor air quality, and establish a reporting and response process.
 Labor/Human Rights	• **Extreme weather events:** May lead to department stores shutting down, flooding, or building damage, directly affecting the occupational safety and living conditions of employees. • **Degradation of workplace environment:** High temperatures can lead to excessively high indoor temperatures within the department store, affecting employee work efficiency and potentially causing health problems.	• Improve employee training on labor, human rights, and sustainability issues. • Create rules for working during extreme weather events, and workplace environmental guidelines. • Optimize temperature management and ventilation equipment systems at the workplace, reducing the risk of occupational injury from heat stress. • Establish emergency response and compensation mechanisms, create plans in advance for communicating with and compensating employees during store shut-downs or disasters.

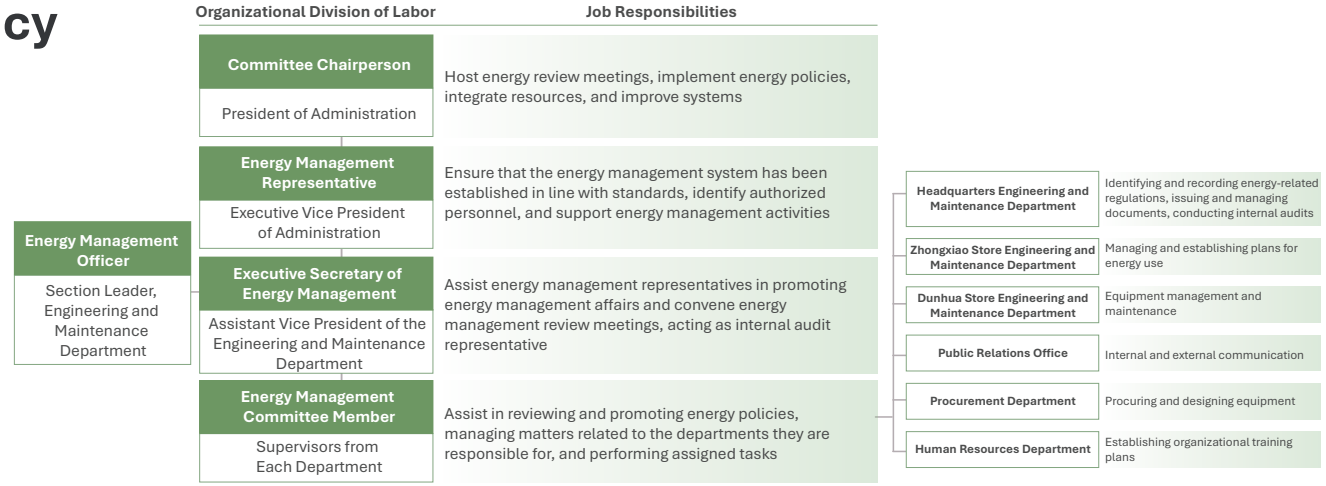
2.2 Energy and Resource Management

2.2.1 Energy Management Policy and Framework

Energy Management Committee

An Energy Management Committee chaired by the President of Administration has been established beneath the ESG Committee, responsible for signing energy policies and promoting and coordinating energy resource management systems in order to lead the Company in working together with our stakeholders towards reducing energy and resource consumption.

Note Please refer to ☞ "Sustainability Commitments and Policies" on the SOGO ESG website for the Company's full energy policy.



Energy Conservation Policies

I. Comply with regulatory and self-imposed requirements, support energy-efficient products

II. Enhance employee awareness of energy conservation through promoting awareness across diverse channels

III. Implement energy conservation and carbon reduction targets, and continue to improve energy performance

IV. Fulfill corporate social responsibility and operate a green department store sustainably.

Target



Overview of 2025 Results

The Company's buildings consumed 95,675,567 kWh of electricity (including green electricity), equivalent to 344,264 GJ and representing a **2.76%** annual decrease.

Each kWh of electricity generated NT$507.70 in revenue, an annual increase of 1.91% and an increase of **42.29%** compared to 2018.

Total water consumption was 1,210,082 cubic meters of water, equivalent to 1,210.08 million liters and representing a **1.08%** annual decrease.

Water consumed per unit of floor area was 8.44 liters/m^2, representing an annual decrease of **1.08%**.

Note The data above does not include the Far Eastern Garden City (Taipei Dome) department store.

2.2.2 Energy Conservation Measures and Results

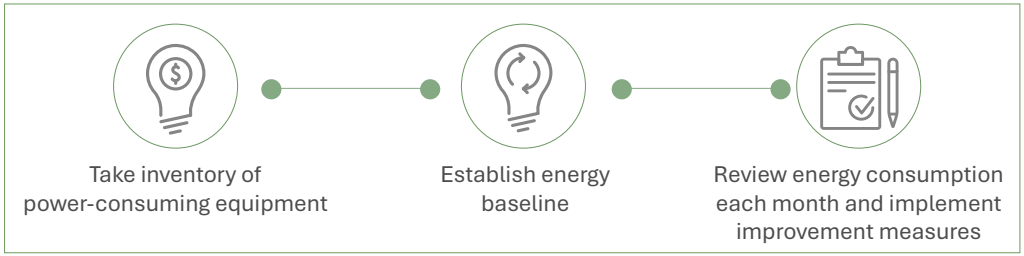
GRI 302-1 GRI 302-3 GRI 302-4

Assessment and Management of Energy Performance

The Company adopted and obtained certification for the ISO 50001 Energy Management Systems standards in 2017 at the Taipei Dunhua Store, becoming the first department store chain in Taiwan to do so. At the moment, all of our stores have implemented similar energy management measures guided by these same principles. Engineering and maintenance affairs meetings are held each month where the energy consumption at each store is reviewed and managed through a color labels system. Through measuring and monitoring consumption, we have identified areas of improvement which can be addressed at the current stage, while also managing risks related to future energy supply. This has enabled us to improve energy efficiency, reduce operating costs, and decrease greenhouse gas emissions.

In order to assess energy management performance, the Company has actively participated in the Energy Efficiency Competition held by the Far Eastern Group each quarter, and requested the heads of each department to participate in the monthly meetings of the ESG Committee Task Force in order to understand the Company's most recent ESG policies and plans. This enables each department to work together to achieve sustainability targets.

Methodology for Assessing and Managing Energy Performance



Electricity Consumption in Recent Years

The electricity consumed at each of our operating locations in Taiwan is mostly purchased from external sources, in addition to the solar power generated at our Tianmu and Hsinchu Stores for self-use. The Company does not use another energy sources, and will continue implementing various energy conservation measures to increase energy efficiency. In 2025, the number of customers visiting Far Eastern SOGO increased by 0.77% compared to 2024. The Company consumed 95,675,567 kWh of electricity in total (including electricity purchased from external sources and renewable energy electricity), equivalent to approximately 344,264 GJ when converted into energy consumption. This represented a 2.76% annual reduction. With regard to electricity intensity (energy efficiency), Far Eastern SOGO generated revenues of NT$507.70 per kWh of electricity consumed, an increase of 1.91% compared to 2024, and an increase of 42.29% compared to the baseline year 2018.

SOGO Energy Consumption Summary Table[1]

Year		2023		2024		2025	
Type		Electricity Consumption (kWh)	Energy Consumption (GJ)[4]	Electricity Consumption (kWh)	Energy Consumption (GJ)	Electricity Consumption (kWh)	Energy Consumption (GJ)
Electricity consumption	Renewable energy[2]	372,522	1340.42	531,202	1,911.39	1,029,313	3,703.72
	Non-renewable energy	99,547,496	358,195.78	97,861,065	352,127.60	94,646,254	340,559.94
	Total	99,920,018	359,536.21	98,392,267	354,038.99	95,675,567	344,263.65
Renewable energy usage rate (%)[3]		0.373%		0.54%		1.08%	
Annual revenue (NT$ thousand)		49,661,966		48,963,879		48,051,712	
Energy intensity (Unit: GJ/NT$ million)[5]		7.24		7.23		7.16	
Revenue generated per kWh of electricity consumed (Unit: NT$/kWh)		497.02		498.20		507.70	
Percentage growth in revenue generated per kWh of electricity consumed (Unit: %)[6]		10.94%		0.24%		1.91%	
Percentage growth in revenue generated per kWh of electricity consumed compared to baseline year 2018 (Unit: %)[7]		39.29%		39.62%		42.29%	

Note

1. Electricity consumption data is based on data for the electricity consumed at Far Eastern SOGO'S 7 operating location buildings in Taiwan and our headquarters building, and does not include Far Eastern Garden City (Taipei Dome).
2. Renewable energy includes the self-generated electricity generated by solar panels installed at the Tianmu and Hsinchu Stores.
3. Renewable energy usage rate (%) = Renewable energy (GJ)/Total electricity consumption (GJ) *100%.
4. GJ = kWh*860*4.184/1,000,000
5. Most of the energy consumed for the Company's business operations is electricity. Energy intensity = electricity consumed internally within the organization/annual revenue, excluding Far Eastern Garden City (Taipei Dome).
6. Percentage growth in revenue generated per kWh of electricity consumed = (revenue generated per kWh of electricity consumed this year - revenue generated per kWh of electricity consumed the previous year)/revenue generated per kWh of electricity consumed the previous year*100%.
7. In 2018, revenue generated per kWh of electricity was NT$356.81.
8. Revenue-related data for 2024 has been restructured to exclude the Taipei Dome Store. Data on Far Eastern Garden City (Taipei Dome) will be disclosed in the report published in 2027.

Energy Conservation Measures

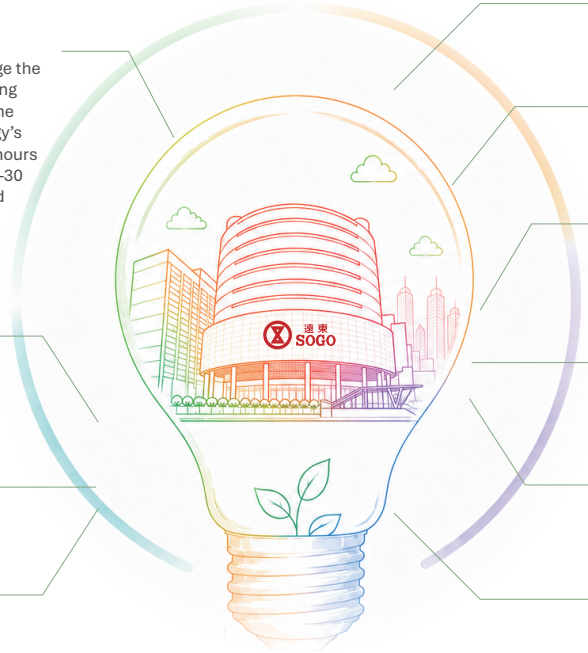
Far Eastern SOGO has adopted eco-friendly practices in day-to-day operations, such as strictly managing the use of equipment such as air conditioning, lighting, and elevators, promoting energy conservation measures to improve energy use efficiency.

Automated Logic Corporation (ALC) Automated Environmental Control System
Each store uses an automated environmental control system manufactured by the Automated Logic Corporation (ALC) to manage the turning on and off of lights, socket power supply, and air conditioning systems, as well as to monitor temperatures within the store and the efficiency of chiller machines. We comply with the Bureau of Energy's regulations on setting air conditioning to 23 degrees during dining hours and 26°C during non-dining hours. Air conditioning is turned on 20–30 minutes before a store opens to cool temperatures in advance, and turned off 20–30 minutes before the store closes. These operating procedures are reviewed every month to maximize environmental benefits.

Adoption of AI Control Platform
In order to precisely control electricity consumption, the Tianmu Store began adopting AI systems in 2025, achieving 15.24% energy efficiency savings through precise controls. The Company will begin adopting this system at more stores in the future, at a pace of 2 stores a year.

Improved Air Conditioning System
Replace chiller machines when necessary to reduce energy consumption.

External Ventilation
Use external ventilation when necessary to reduce the load on the chiller, conserving energy while also improving air quality within the department store.



High-Efficiency Lighting
Switch to using high-efficiency LED lighting to reduce energy consumption.

Elevator Energy Regeneration System
To reduce elevator electricity consumption and prevent additional heat generation, the elevators at the Fuxing Store used an elevator energy regeneration system which generates electricity as the elevator operates.

Separate Elevators for Different Floors
Both the customer and employee elevators are divided into groups which stop on different floors, and some elevators are shut down during low traffic hours. This encourages people to take the stairs when moving between just a few floors, or when traveling short distances.

Air Curtain/ Wind Barrier
Air curtains or wind barriers are installed at entrances to reduce the amount of hot air entering the department store, which causes temperatures to rise or cool air-conditioned air to escape.

Sunshade Curtains
Sunshade curtains have been installed to cover our glass curtain walls, reducing the amount of direct sunlight and maintaining temperatures within the department store.

Planting Green Lawns
A large green lawn has been planted on the rooftop of the Tianmu Store, reducing heat from direct sunlight.

Management Measures

Air conditioning energy conservation:

- Replaced aging chillers.
- Automatically adjusted temperature of cooling water.
- Continued to replace fins on water-cooling towers to improve rate of temperature exchange.
- Regularly cleaned cooling fins on the air handling unit to improve heat dissipation efficiency.
- Adopted AI systems to improve energy management efficiency.

Energy-saving lighting:

- Continued switching to more energy-saving lights.

Overview of 2025 Results[Note]

Invested NT$13.33 million in 2025, spending a total of **NT$275 million** to optimize equipment across all previous years.

Reduced electricity consumption by **9,775.34**GJ in 2025 compared to 2024.

Saved almost **130 million** kWh in electricity consumption from 2018 to 2025.

Saved approximately **NT$214 million** in electricity fees from 2018 to 2025.

Note Results are estimated through the following methods: Equipment power consumption (kW) × number of units × total operating hours (hours) × equipment load or utilization rate (%) × number of months operated for the year (%) = total energy consumed (kWh). After calculating the total energy consumed, we then calculate: total energy consumed before improvement (kWh) - total energy consumed after improvement (kWh) = total energy saved (kWh).

Renewable Energy Management

Far Eastern SOGO is committed to creating Asia's first green department store. We have actively responded to the government's renewable energy policies and adopted a wide range of measures to develop power generation capabilities and improve the proportion of renewable energy consumed, moving towards the target of net zero emissions. We have completed installing concentrated solar power generation systems on the rooftops of our Tianmu and Hsinchu Stores. In 2025, we generated 500,000 kWh of electricity for self-use, and procured an additional 520,000 kWh of green electricity from external sources. Together, renewable energy made up 1.08% of our total electricity consumption, equivalent to reducing carbon emissions by 485.3 metric tons.

Starting from July 1, 2024, the Fuxing Store began supplying renewable electricity to Chanel through a renewable electricity wheeling mechanism in fulfilling its RE100 commitment. In 2025, we supplied 89,514 kWh of renewable electricity through this program.

In 2025, we generated

500,000 kWh

Electricity supplied in 2025

89,514 kWh

Solar Power at the Hsinchu Store

Year	2023		2024		2025	
Unit	kWh	GJ	kWh	GJ	kWh	GJ
Total electricity generated	837,136	3,012.25	974,524	3,506.57	947,703	3,410.06
Electricity consumed on-site	362,201	1,303.29	521,768	1,877.45	493,028	1,774.03

Solar Power at the Tianmu Store

Year	2023		2024		2025	
Unit	kWh	GJ	kWh	GJ	kWh	GJ
Electricity consumed on-site	10,331	37.17	9,434	33.95	9,953	35.81

Note GJ = kWh*860*4.184/1,000,000

2.2.3 Water Stewardship Policy

All 7 Far Eastern SOGO operating locations in Taiwan are located in metropolitan areas. Their main water source is tap water, and most water is consumed for domestic use purposes. Far Eastern SOGO has advocated for water conservation, water conservation, and water recycling measures to address a potential water shortage crisis due to climate change. We review our water consumption each month, and have adopted water-conservation technologies to improve our equipment water use efficiency. In 2025, we consumed a total of 1,210,082 cubic meters of water across our Taiwan locations, reducing water consumption by 1.08%.

Total water consumption across Taiwan in 2025
1,210,082 m^3

Water savings in 2025
1.08 %

Water Withdrawal and Discharge Routes

Operating Locations	Water Withdrawal			Discharge Areas
	River Basin	Water Withdrawal Source	Type of Water Withdrawal	
3 Taipei Stores	Beishi River, Nanshi River	Feitsui Reservoir	Tap water	Public sewage system
Tianmu Store			Tap water Recycled rainwater	
Zhongli Store	Dahan River	Shihmen Reservoir	Tap water	
Hsinchu Store	Shangping River, which flows into the Touqian River	Baoshan Reservoir		
Kaohsiung Store	Gaoping River, Donggang River	Chengcing Reservoir, Fengshan Reservoir		

Water Stewardship Summary Table[1]

Year		2023	2024	2025
Water Source 1: Third-party water[2]	Tap water (million liters)	1,229.96	1,222.28	1,209.90
Water Source 2: Surface water	Recycled water (million liters)	0.41	0.97	0.18
Total volume of water withdrawn (million liters)[3]		1,230.36	1,223.25	1,210.08
Total volume of water discharged (million liters)		1230.36	1,223.25	1,210.08
Total volume of water consumed (million liters)		0	0	0
Total annual revenue (NT$ thousand)[4]		49,661,966	48,963,879	48,051,712
Water consumption per unit of revenue (liter/NT$ thousand)[5]		24.77	24.98	25.18
Water consumption per unit of floor area (daily: liter/m2 per day)		8.58	8.53	8.44
Water consumption per visitor and employee (daily: liter/person)		29.82	24.43	23.98

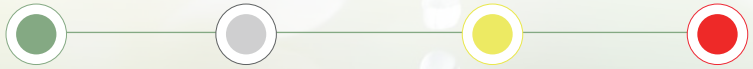
Note

1. This data includes Far Eastern SOGO'S 7 operating location buildings in Taiwan and our headquarters office building, and does not include Far Eastern Garden City (Taipei Dome).
2. The water withdrawn by Far Eastern SOGO's operating locations are sourced from third-party water (tap water) and surface water (recycled water) sources. Water is ultimately discharged through the public sewage system, considered third-party water.
3. Total volume of water withdrawn (million liters) = water withdrawn from source 1 + water withdrawn from source 2
4. Water consumption per unit of revenue (liter/NT$ thousand) = total volume of water withdrawn /annual revenue
5. Data for 2024 was restructured to exclude data for Far Eastern Garden City (Taipei Dome).
6. Water consumption per unit of floor area (daily: liter/square meter) = total volume of water withdrawn / (floor area * 365)

2.2.4 Management Measures and Results

The Company's industry does not consume large amounts of water resources. Nevertheless, we still monitor each stage of our water use cycle, and review the water consumption of each of our stores in Taiwan during monthly engineering and maintenance affairs meetings, compare the actual water fees incurred for each period to the budgeted estimate, compare these figures to the same periods in the previous year, and also conduct the same comparisons for total accumulated water fees. After reviewing these four indicators, we assign a label of green, gray, yellow, or red based on the results, allowing these results to be easily understood at a glance. We have also adopted water conserving technologies, improved equipment water use efficiency, and promoted various water conserving measures. For example, we have installed a rainwater recycling system at the Tianmu Store, which mainly supplies water to water flower displays, handwashing sinks, and toilets. The Hsinchu store has established pipelines to help the Big City department store recycle rainwater, which is supplied to the building.

Traffic-Light Management System



Green	Gray	Yellow	Red
Good performance	Continued monitoring	Improvement requires attention	Active improvement required

Water Conservation Examples

Tianmu Store Rainwater Harvesting System

Primarily used for watering planters and supplying water to washbasins and toilets

Hsinchu Store Recycling Pipelines

Help Big City department store collect rainwater for general building use

Water Consumption Beats Recommended Values from the Water Resources Agency, MOEA!

Unit	Recommended Water Consumption Values for Department Store Industry	Water Consumed by Far Eastern SOGO	Percentage Beat
Water consumption per unit of floor area (daily: liter/m^2 per day)	9.84	8.44	14.23%
Water consumption per visitor and employee (daily: liter/person)	36	23.98	33.39%

Water Conservation Measures and Implementation Methods

Replacing Water-Saving Equipment	Water-saving toilet facilities	• Installed water-conserving faucets and water-saving toilets at our Taiwan locations.
	Rainwater recycling system	• A rainwater recycling system has been installed at the Tianmu Store, supplying water for toilet cleaning and watering plants. The Fuxing Store is currently evaluating whether to install a similar system. Store toilets have also been installed with water-saving equipment.
Water Management Standard Operating Procedures (SOP)	Standardized management practices (daily)	• Assigned personnel conduct regular inspections of each store, with a 100% inspection pass rate.
	Adopting digital tools (daily)	• Water meters are monitored electronically, and meter readings recorded.
	Water consumption review (monthly)	• During engineering and maintenance affairs meetings, an inventory is conducted on water performance, and proposals to adopt water-conserving measures or replace water-saving equipment are made to reduce public water fees. Guidance is provided to store counters with high or increasing water consumption. In the future, we will establish a mechanism to incentivize conserving water.
	Regular promotion (monthly)	• Promote water conservation through internal websites and meetings.
Improvements to Air Conditioning Equipment	Optimizing equipment and settings	• Improve discharge frequency, reducing water evaporation.
Promote Water Conservation Concepts	Customer communication	• Put up teaching placards at handwashing sinks, promote initiatives through social media.
	Establish a special products section	• Guide customers towards purchasing water-conserving home appliances through both eco-friendly labels and SOGO Sustain labels.

2.3 Circular Recycling and Waste Management

2.3.1 Waste Management Policy

The Company promotes measures to reduce waste at the source, and also offers various recycling incentives which encourage customers to reuse and recycle, reducing resource consumption and environmental pollution. The final waste disposed of by a department store is mainly categorized as: trash, kitchen waste, waste oil, wastewater, and waste cooking fumes. Environmental regulations classify all of these waste products as general industrial waste, and we do not produce any waste with hazardous characteristics. Each operating location disposes of waste through a professional waste disposal company registered and approved by the environmental protection competent authority, which transports this waste to a public incineration plant. No waste is disposed of on-site.

	Management Measures	Overview of 2025 Results
Reducing Waste at the Source	• Self-operated supermarkets gradually switching to using recycled PET fresh food packaging trays. • Self-operated supermarket gives out reward points encouraging shoppers to bring their own shopping bags and use carriers to receive cloud invoices. • Self-operated supermarket promotes measures to reduce packaging used for vegetables, fruits, and eggs. • No single-use or melamine cutlery provided for dining-in or takeout. • Assisted food and beverage tenants in joining the Eco-Friendly Restaurants or Green Food certification programs launched by the Ministry of Environment.	• **48%** of fresh food items at self-operated supermarkets are packaged in trays made from recycled PET materials, accounting for **17%** of all items sold. • **41,694 people** participated in program giving out reward points for bringing their own shopping bags to self-operated supermarkets, giving away more than **410,000 points**. • Reduced plastic use by **1.1 metric tons** through reducing packaging for vegetables, fruits, and eggs at self-operated supermarkets. • **95%** of our food and beverage tenants across all Taiwan stores (including the Taipei Dome Store) have obtained the Eco-Friendly Restaurant certification, and all food and beverage tenants at our Zhongli and Kaohsiung Stores have also converted to the Green Food certification.
Circular Recycling	• Organized the largest cosmetics recycling event across all Taiwan department stores for many years, the Love Beauty and Love the Earth, Empty Cosmetics Bottle Recycling event. • Implement textile circular recycling program • Installed recycling machine for recycled plastic packaging trays at our self-operated supermarkets. • Encouraged battery recycling at our Tianmu, Zhongli, and Hsinchu stores by giving out reward points.	• **235** cosmetics and perfume store counters participated, recycling **163,000** empty bottles and giving out **489,000 reward points**. • Held 4 clothing recycling events across Taiwan, attracting **3,655 participants**, and recycling approximately **21,000 pieces** of clothing weighing **6.5 metric tons** in total. • Recycled **911** plastic packaging trays from recycling machines placed at our self-operated supermarkets. • Recycled **34,000** batteries, giving out **67,000** reward points.
Final Disposal	• Each of our stores have gradually adopted kitchen waste disposal machines, and recorded the amount of waste reduced. • Other general waste is handed over to a qualified third-party organization for disposal.	• Reduced annual weight of kitchen waste by **28.33%**. • Reduced total waste by **23%** per year.



Procedures for Disposing of Each Waste Category

Far Eastern SOGO has implemented proper disposal procedures for each waste category. Trash, kitchen waste, and oil waste need to be transported to an external location for disposal, and each operating location has contracted these operations to a qualified professional disposal vendor based on each location's individual needs.

Waste Category	Centralized/ Decentralized Treatment	Sorting Method	Disposal Method
Trash	Centralized for sorting	Ordinary trash	Transported away and incinerated by qualified vendor
		Recyclables: Paper, aluminum cans, metal cans, PET bottles	Recycled by qualified vendors
Kitchen waste	Centralized disposal	-	Disposed of by qualified vendors → landfill, compost, and swill feeding
Waste oil	Centralized storage	-	Qualified vendors collect waste oil from each store counter tenant → food and beverage tenant sign and retain disposal receipt → submit report to Ministry of Environment website
Waste (sewage) water	Centralized disposal	Generated by food and beverage tenants	Preliminary filtering equipment → final grease interceptor → discharged into sewage system for domestic use water
		Self-discharged	Preliminary filtering equipment → final oil disposal tank → wastewater treatment tanks → Add grease remover → legally discharged after meeting values required by regulations
Waste gas (cooking fumes)	Decentralized treatment → centralized discharge	-	Electrostatic precipitator → centralized storage within store building's exhaust vent pipelines → rooftop water-washed exhaust purifier→ discharged into the atmosphere

2.3.2 Waste Output Structure

In 2025, Far Eastern SOGO's Taiwan stores generated a total of 7,010 metric tons of waste, including 447 metric tons of recyclable waste, 5,591 metric tons of incinerated waste, and 971 metric tons of kitchen waste. The department store retail industry's waste output structure is closely tied to the number of store visitors. In 2025, Far Eastern SOGO received 0.77% more visitors compared to 2024, but we were able to significantly reduce our total waste output by 23%, and reduce our non-hazardous waste output per unit of revenue (kg/NT$ million in revenue) by 21.53%.

The Company has implemented waste reduction plans focused on two major directions: reducing kitchen waste, and increasing the recycling rate. Starting in 2022, the Far Eastern SOGO Tianmu Store, Zhongxiao Store, and Fuxing Store began adopting kitchen waste disposal machines able to remove oil and water from kitchen waste, before compacting waste to reduce its weight. This also increased the recycling value of kitchen waste. In 2025, the Zhongxiao Store reduced the amount of waste transported away for disposal from 30 metric tons a month to 20 tons, while the Fuxing Store reduced their amount from 45 tons to 22 tons. In total, our four Taipei stores only sent out 971 metric tons of kitchen waste for disposal during the year, a decrease of 28.34%.

This increased recycling rate not only reduces the amount of waste generated, but also decreases waste disposal costs, and helps to extend the service lives of landfills and incineration plants. In 2025, Far Eastern SOGO increased recycling rates to 7.41%, higher than the 5.94% in 2024.



Resource recycling rate in 2025

7.41%



Higher than the 2024 rate of

5.94%

Summary of Far Eastern SOGO Waste Output Structure

Unit: Metric ton

Type	Disposal Method	2023	2024	2025
Recycling and Reuse	Off-Site Disposal	447.5	460	447
Incineration	Off-Site Disposal	7,254.4	7,288	5,591
Kitchen Waste	Off-Site Disposal	2,264.9	1,355	971
Total		9,966.8	9,103	7,010
Non-Hazardous Waste Generated per Unit of Revenue (kg/NT$ million in revenue)		200.69	185.91	145.88
Non-Hazardous Waste Generated per Unit of Revenue Change from Previous Year (%)		-1.91%	-7.36%	-21.53%

Note

1. Waste recycling and reuse: Handed over to a qualified third-party recycling company for disposal. The Hsinchu Store is not included in this data, as waste from the Store is handed over to the Far Eastern Big City department store for centralized treatment and disposal.
2. Incinerated waste: Handed over to a qualified third-party organization for disposal, and reported pursuant to the Ministry of Environment's regulations on industrial waste. The Hsinchu Store is not included in this data, as waste from the Store is handed over to the Far Eastern Big City department store for centralized treatment and disposal.
3. Kitchen waste: Each store has established different measures for collecting and recycling kitchen waste due to the different conditions faced at different county and city locations. At the moment, out of Far Eastern SOGO's seven operating locations, only the Zhongxiao, Fuxing, Dunhua, and Tianmu Stores are subject to the mandatory reporting requirements imposed by the Taipei City Government Department of Environmental Protection. The remaining three stores (Zhongli, Hsinchu, and Kaohsiung Stores) only keep internal records of this data. This table only presents data for the Zhongxiao, Fuxing, Dunhua, and Tianmu Stores.
4. Data on the amount of non-hazardous waste generated per unit of revenue, and the decrease in this metric compared to the previous year, was restructured in 2024 to exclude Far Eastern Garden City (Taipei Dome).

2.4 Green Department Store

2.4.1 Green Marketing

The Company was the first in the department store retail and services industry to obtain the Carbon Label in 2015, and has since continued to establish a green corporate culture. We have implemented green marketing and green action programs to work together with our stakeholders to advance towards net zero targets, and have also included climate change mitigation and adaptation as well as energy and resources management as important environmental sustainability issues.

Online Social Media Interactions

The Company has promoted digitalization measures, and committed to developing an online social media presence for providing real-time information. Each of our operating locations in Taiwan has has gradually digitized its in-store promotional displays, reducing the amount of paper and consumable materials used and reducing environmental impact while effectively communicating information.

Year	Facebook Page Followers (persons)	Instagram Followers (persons)	LINE Friends (persons)
2023	281,071	24,956	149,325
2024	285,757	26,858	215,697
2025	289,174	29,178	221,235

Note: The above is total data for all Taipei stores (Zhongxiao, Fuxing, and Dunhua).

Paperless Brochures

The Company is committed to promoting digital marketing. In 2025, we issued 47.15 million electronic newsletters across Taiwan, accounting for 90.36% of all brochures issued and a slight increase compared to the previous year, equivalent to saving 68,000 trees worth of paper. We aim to increase the proportion of electronic newsletters issued by each individual store to above 90%, and move towards fully paperless operations.



Paper savings equivalent to avoiding the felling of

68,000 trees

Note: One brochure is composed of 12 sheets of A4 paper, and one box of 5,000 sheets of A4 paper weighs approximately 25kg, requiring 0.6 trees to produce. The data referenced has been provided by the Environmental Quality Protection Foundation and the Construction and Planning Agency, Ministry of the Interior.

Store	Ratio of Electronic Newsletters
Zhongxiao Store	88.52%
Fuxing Store	82.32%
Dunhua Store	78.87%
Tianmu Store	91.99%
Zhongli Store	95.02%
Hsinchu Store	95.75%
Kaohsiung Store	89.99%
Taipei Dome	69.97%
Total	**90.36%**

Digitally Integrating Services through Our App

Our app plays a key role in Pacific SOGO's green marketing activities, integrating ten different functions for customers including online brochures, online shopping, accumulating reward points, exchanging points for shopping credits, mobile payments, gifts for visiting stores, reward programs, restaurant reservations, food delivery, and parking services. This allows us to reduce paper use, printing, and labor costs in the spirit of mobile sustainability, while reducing transaction times by 75%.

- online brochures
- online shopping
- accumulating reward points
- exchanging points for shopping credits
- mobile payments
- gifts for visiting stores
- reward programs
- restaurant reservations
- food delivery
- parking services

Replaces Physical Gifts with Electronic HAPPY GO Points

Pacific SOGO allows customers to gift electronic HAPPY GO points, reducing carbon emissions from packaging and delivering physical gift items. Consumers can use these points simply by presenting their app, encouraging customers to form a habit of choosing electronic points as an option over physical items. 604 million points has been issued in 2025, the same level as in 2024.



1 point is earned for every NT$100 spent on a single purchase; 35 points can be exchanged for NT$10 in shopping credit.

Electronic HAPPY GO Points Issued
2023
P 614 million points

Electronic HAPPY GO Points Issued
2024
P 606 million points

Electronic HAPPY GO Points Issued
2025
P 604 million points

Pacific SOGO is the first department store in Taiwan to issue electronic vouchers. We have since continued to promote greater use of electronic vouchers, and in 2025 issued electronic vouchers with a total face value of nearly NT$2.56 billion, accounting for 43% of the total voucher amount issued, up from 39%. Across 11 years, we have saved an amount of paper 13.92 times the height of Yushan (Jade Mountain), or equivalent to saving 13,000 trees. From October 2023 onwards, we also switched to using paper made from Forest Stewardship Council (FSC)-certified production processes for all of our paper vouchers, becoming the first department store in Taiwan to do so.

Evolution of Reducing Paper Consumption for Gift Vouchers

1986~
Launched paper gift vouchers when stores initially opened, in units of "booklets."

2015~
Launched electronic vouchers.

2021/7~2023/9
All types of paper gift vouchers provided as single sheets.

2023/10~to date
All paper gift vouchers are printed on FSC-certified paper.

Three Types of Electronic Vouchers

Immediate-Use Vouchers
The Company was the first department store to work together with Edenred to jointly launch electronic gift vouchers, allowing consumers to use these vouchers simply through a QR Code or SMS code.

Electronic Gift Vouchers
Issued by the Company. Apart from issuing these vouchers to employees, they are also sold through the Company's reward program and the PAY EASY, iSharing-Gift website.

Electronic Credit Vouchers
Issued during "NT$100 voucher for spending NT$1000" promotional events. These vouchers can be redeemed and used by a member through presenting their app QR Code and filling in purchase information.

Category/Year	2023	2024	2025
Immediate-Use Vouchers	487,210,000	519,190,000	564,160,000
Electronic Gift Vouchers	331,014,980	377,780,000	488,300,000
Electronic Credit Vouchers	1,467,110,175	1,593,490,270	1,502,968,465
Total	2,285,335,155	2,490,460,270	2,555,428,465

Note: System classification methods changed, figures for electronic credit voucher amounts and total voucher amounts were recalculated in 2024.

Promoting Electronic Gift Vouchers

Paper savings over 11 years reached a height equivalent to
13.92 Yushan mountains

Avoided felling
13,000 trees

Note: Converted electronic voucher amounts into traditional gift voucher booklets. Each booklet contains 7 NT$500 vouchers with a thickness of 0.2 cm (format has since changed). Yushan is 3,952 meters high.



Digital Sustainability Innovation Project– Promoting Textile Circularity

The app featured minigames during SOGO Sustain promotional periods. Consumers who sign in for 5 days are able to redeem a free sustainability concepts gift. In April 2025, we collaborated with the Taiwan Textile Research Institute on the New Future for Fabrics project, giving out renewable cup sleeves made from fabrics produced using recycled denim and plastic bottles. In October 2025, we collaborated with the second-hand clothing sales platform addLEss to hold the "Forest-Friendly Clothing" event, during which we recycled out-of-season employee uniforms from our department stores and the old clothing that customers recycled in April, turning them into clothes hangers made from Eco-Friendly (EF) Wood.





2025
Sustainable clothing reuse engagement

Participant engagements
55,366

Textile circularity gifts distributed
9,985

2.4.2 Green Actions

Pacific SOGO has integrated creative marketing with the special characteristics of our sales channels, incorporating concepts such as sustainable consumption and low-carbon lifestyles into our organization's business operations and service process. We have designed a sustainable consumer journey by focusing on five main sustainability concepts: sustainable procurement, sustainable dining, choosing sustainable products, mobile sustainability, and waste-free sustainability.



Sustainable Procurement

1. Exerting Influence through Procurement

The Company has promoted the green department store concept from the inside out. Not only are 100% of our general suppliers local suppliers, we have also followed three major principles when conducting business operations, holding events, and in our general affairs and energy management: green procurement, social innovation procurement, and leasing instead of buying. These efforts have enabled us to increase our sustainable procurement proportion year after year. For example, we replaced the lights at each of our operating locations with LED lighting, installed certified energy conservation equipment, and switched to fully using FSC-certified paper in order to reduce energy and resource consumption. In 2025, our green procurement amount reached NT$119 million, accounting for 12.53% of our total general procurement. We have also prioritized procuring products and services from social innovation enterprises for our gifts and for training and education purposes, and have rented instead of purchased hardware and equipment such as multi-function printers, cash deposit machines, and company vehicles. The total sustainable procurement amount was NT$141 million, a significant increase of 61.07%.

Total sustainable procurement amount

NT$ **1.41** million

Significant increase

61.07%

Year	Green procurement Amount/Percentage	Social innovation procurement Amount	Leasing instead of buying Amount	Local procurement Percentage	Awards
2023	NT$34,949,45 4.99 %	NT$10,069,46	NT$7,972,425	100%	• Taipei City Government Green Procurement Commendation • Buying Power – Social Innovation Products and Services Procurement Awards Mechanism
2024	NT$69,492,45 7.31%	NT$7,957,771	NT$4,358,267	100%	• Taipei City Government Green Procurement Commendation • Buying Power – Social Innovation Products and Services Procurement Awards Mechanism, Diverse Procurement Award
2025	NT$119,575,492 12.53%	NT$6,837,678	NT$13,439,84	100%	• Taipei City Government Green Procurement Commendation **Received award for nine consecutive years since 2017**

Note
1. The green procurement amount is based on data submitted to the Taipei City Government Department of Environmental Protection, the green procurement percentage = green procurement amount (NT$)/total general procurement amount (NT$). The total general procurement amount is calculated based on the total amounts stated in the report published by the Procurement Department on December 20 each year.
2. The social innovation procurement amount is based on the social innovation organization procurement data submitted to the Small and Medium Enterprise and Startup Administration, Ministry of Economic Affairs.
3. Local procurement is defined as procurement from a supplier registered as a business in Taiwan.
4. Amounts presented are before tax.

2. Eco-Friendly Uniforms

The Company's uniforms are manufactured pursuant to the European Union's OEKO-TEX 100 textile label standard, and are made from fabrics tested to be free of substances hazardous to human health. In 2024–2025, we switched to a new uniform for female employees. The new uniform is made from 100% recycled yarn, with each uniform being made from approximately 60 recycled PET bottles. Our old winter uniform was made from 100% polyester, allowing it to be recycled and reused due to being made from a single material. In line with our circular economy philosophy, these uniforms were recycled by headquarters and used to make trays for the Taipei Dome Store's food court, making it the first eco-friendly tray used at a department store in Taiwan to be made from recycled clothing. Our old summer uniforms contained a high proportion of polyester, and were recycled to make EF Wood clothes hangers. These hangers were given out as gifts during promotional periods for sustainable products, sharing our sustainability achievements with consumers.

3. Sustainability Concept Gifts

The Company promotes green consumption from the inside out, prioritizing giving out reusable items such as eco-friendly cups and food storage containers as gifts during promotional periods. In 2025, we further required our suppliers to prioritize proposing gifts with eco-friendly labels or made from renewable materials. Our annual procurement amount for eco-friendly gifts was NT$19.37 million, accounting for 9.07% and achieving our set target (7%).



▲ Plushies made from recycled denim materials produced by the Taiwan Fund for Children and Families were given out as VIP membership gifts.



▲ SOGO Sustain ran a promotional period in April where users received cup sleeves made from recycled denim as gifts for checking in on the app.

Sustainable Dining

1. Top Department Store Brand in Taiwan for Small Farmers' Markets.

The Company places an emphasis on food miles, and strives to promote eating and drinking local products for sustainability. We have linked our sales channels, brands, social innovation enterprises, small farmers, and customers by not only building a shopping platform, but also introducing the stories of local producers and spreading food and agricultural education and culture through workshops and courses. From 2018 onwards, we have organized small farmers' markets for multiple consecutive years, establishing our image as the top department store brand in Taiwan for small farmers' markets through cultural and creative efforts, promoting high-quality local specialty agricultural products, and spreading sustainable food and agricultural education.

Apart from cultivating an ever-growing customer base for sustainable products, the Company has also designed the market venue based on sustainable action principles, conveying our sustainability values through small details such as using corrugated fiberboards in place of plastic boards. After being recycled, these fiberboards are then used as packaging boxes for agricultural products, reducing single-use trash. We do not provide single-use cutlery, and encourage customers to bring their own cutlery or rent reusable cutlery on-site.

Based on our experience at the Zhongxiao Store, each store plans their small farmers' markets to feature their unique local characteristics. In 2025, we invested more than NT$2.21 million in total resources to hold 7 farmers' market events, attracting more than 167,000 people and helping small farmers to deliver their products across that last mile, from source to shelf. These events also helped convert consumers from those interested in agricultural products and green lifestyles to being long-term supporters and promoters of sustainability efforts through interacting with producers.

Note See Chapter 5 Social Impact for more details

From Source to Shelf –
SOGO Small Farmers' Exhibition Promotes Local Ingredients

2025

NT$2.21 million	7 events	167,000
Value of resources invested	Related activities	Total reach

Total Events Held across Taiwan
113 events

Total Achievements across Taiwan
1.94 million people

2. New Era 6.0 for Dining Utensils: Jointly Supported Eco-Friendly Restaurants Initiative with Food and Beverage Tenants

In response to the Ministry of Environment's Green Lifestyle project, the Company has provided guidance to our food and beverage tenants on applying for an eco-friendly restaurant certification. From our food and beverage tenants to implementing a sustainable transformation at our employee cafeterias, we have focused on implementing three major strategies: reducing waste at the source, using local ingredients, and cherishing the food we are provided. As of the end of 2025, 98 restaurants at Far Eastern SOGO stores across Taiwan and the Far Eastern Garden City have obtained the certification, accounting for 95.1% of all restaurants at our stores. Combined, these restaurants serve approximately 15.59 million customers each year. Out of the remaining restaurants, 3 are in the process of applying for the certification, and 2 have no application plans due to Group policy considerations, and have no plans to do so.



◀ The majority of restaurants within the Company's stores have obtained the Eco-Friendly Restaurant certification, which will be converted to a Green Food certification in line with the Ministry of Environment's policies.

Milestones for the New Dining Utensils Era

1.0	2.0	3.0	4.0	5.0	6.0
2017.04	2018	2019.05	2019.09	2020-2024	2025~
All stores prohibited the use of melamine cutlery, marking the start of the new dining utensils era.	Promoted "zero-waste dining," advocated for reduced plastic use and zero-burden sustainable lifestyles.	Fully prohibited the use of plastic straws ahead of the Environmental Protection Administration's (now the Ministry of Environment) regulations.	Leading the Taiwanese department store retail industry, we do not proactively provide disposable tableware, nor do we offer it free of charge.	Helped guide restaurants within our stores in obtaining the Eco-Friendly Restaurants certification.	Helped guide restaurants within our stores comply with government policy and converting to the Green Food certification.

Choosing Sustainable Products

1. SOGO Sustain

Far Eastern SOGO launched the SOGO Sustain platform in November 2021, providing a system for selecting sustainable products which strictly comply with environmental protection standards and seek to address the issues faced by society. This helps customers to more easily make better choices when shopping. In 2025, we focused on the theme of sustainable fashion and net zero green lifestyles, promoting 588 sustainable products through the platform which reached 2.02 million people.

Our stores have focused on promoting sustainable products. Apart from including the SOGO Sustain selected products label to help customers choose between products, we have also intensified efforts to promote products with eco-friendly labels. In 2025, we sold 36,725 energy conserving/water conserving/green label products, an increase of 3.88%.



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	**Eco-Friendly Packaging**	**Sustainability Certification**
Reducing carbon footprint through plant-based and seasonal local ingredients.	Products offering refill options or reusable and recyclable packaging.	Water- and energy-efficient products certified with eco-labels or energy-saving certifications.
Sustainable Materials	**Safe Ingredients**	**Innovative Technology**	**Biodiversity**
Made from recycled or eco-friendly materials to promote circularity.	Environmentally and biodiversity-friendly ingredients that reduce environmental impact.	Applying innovative technologies to conserve resources.	Sourcing toxin-free ingredients and products that protect ecosystems.

2025 SOGO Sustain Promotional Period Marketing Results

- Social media posts: **41 articles, reaching 178,487 people**
- Paper brochures: **45,480 brochures**
- Digital brochures: **Read by 25,204 people**
- Electronic newsletter: **1,715,652 newsletters**
- Environmental protection activities: **18,153 participants**
- APP games: **55,366 participants**
- Recycling of second-hand clothing: **Organized 2 events, collecting 7,350 pieces of clothing** (Organized 4 events across the year, attracting 3,655 participants and recycling 21,498 pieces of clothing)

2. SOGOplus – Taiwan's Online ESG Concept Store

SOGO plus: https://www.sogo.com.tw/

The Company is the first department store in Taiwan to establish a green e-commerce platform, SOGOplus. With a focus on ESG as our core philosophy, we have extends the sustainable product selection principles of our physical department stores to the online platform to support local Taiwanese brands, B corporations, youth and female entrepreneurship, social innovation, and community welfare. We have worked actively to establish values-driven e-commerce, overall sales increased by 19.75% in 2025. In particular, products promoting self-reliance and empowerment for disabled groups, such as products created in collaboration with the Children Are Us Foundation, Down Syndrome Foundation R.O.C., and Bjorgaas Foundation, have achieved total annual sales of NT$573,000, representing an increase of 29%. 2,582 SOGO Sustain products were sold through the SOGOplus platform in 2025, an annual increase of 93%. These products accounted for 26.14% of all products sold through the platform, an increase of 10% for the year. Total sales revenue grew by 167%, accounting for 19.59% of all sales revenue earned by the platform, and representing an annual increase of approximately 11%. Additionally, the delivery packaging materials fully complied with the Ministry of Environment's Online Packaging Reduction Regulations. In order to reduce the resources consumed, 75% of products were shipped in their original packaging, and customers were encouraged to pick up their orders in-store.

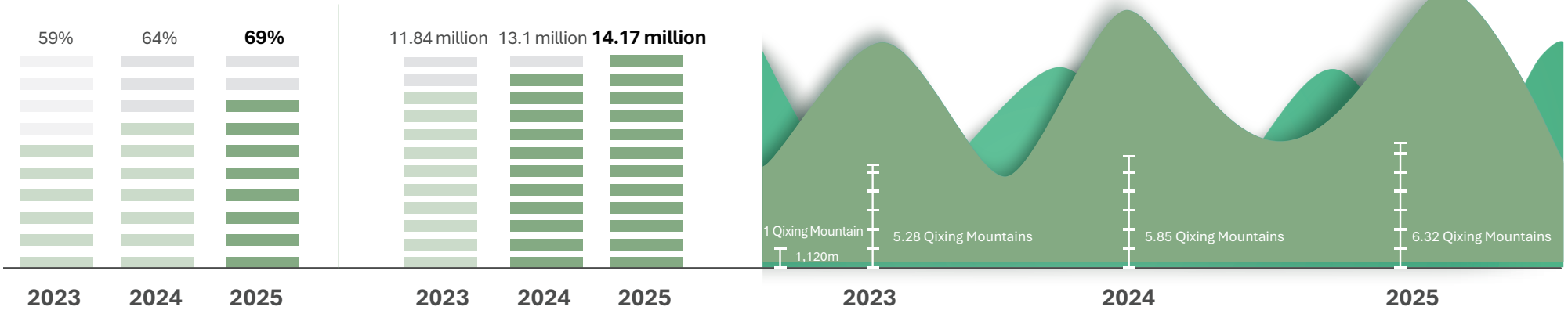
2025

SOGO Sustain products sold	Share of total units sold across the platform	Annual sales revenue growth	Share of total platform sales
2,582	**26.14%**	**167%**	**19.59%**
Annual increase **93%**	Annual growth **10%**		Annual growth **11%**

Mobile Sustainability

1. Cloud Invoices

Pacific SOGO has adopted the use of e-invoices and encouraged consumers to store e-invoices through their carriers. In 2025, cloud invoices were issued for 69.48% of purchases, and from 2021–2025 the total amount of paper saved reached the height of 25.09 Qixing Mountains.



Note Each paper invoice is 0.05 cm thick, amount of paper saved is converted based on the 1,120m height of Qixing Mountain, Taipei's highest mountain.

2. Volunteer Beach Cleanup

The Company's Volunteers Group has adopted an exclusive beach cleanup zone, allowing employees to invite their family members and suppliers to participate. Through recording the types of marine litter cleaned up, including the quantity and weight of litter, and quantifying our cleanup results, we aim to promote reducing waste at the source.

2025

In 2025, the Company's headquarters and Zhongli Store held three beach cleanups in total, attracting **112 participants**. **48 participants** were from our suppliers.

We held **20 beach cleanups** from 2017–2025, investing **2,092 hours** to remove approximately **3.2 metric tons** of litter.



3. Green Office

In response to the Ministry of Environment's Green Office program, part of its green lifestyle initiative, we implemented measures focused on 5 major green indicators at our headquarters building: energy and resource conservation, reducing waste at the source, sustainable procurement, environmental greening and beautification, and advocacy initiatives.

1. Energy and Resource Conservation

Action Plans

- Lights off for one hour during lunch break
- Reuse of second-hand paper bags
- Duplex printing, computer power-saving mode settings
- Organized summer electricity-conservation competitions

2025 Results

- **120 headquarters** employees participated in office energy-conservation actions.
- **132 employees** and store counter tenants participated in the electricity-conservation competition, saving a total of **26,576** kWh of electricity.

2. Reducing Waste at the Source

Action Plans

- Headquarters organizes periodically sustainable catering events, ordering meals packaged in containers made from recycled materials and inviting social innovation and community welfare groups to share sustainability concepts.
- Avoiding the use of bottled water and single-use cutlery and containers during meetings.

2025 Results

- **78 people** participated in sustainable catering events

3. Sustainable Procurement

Action Plans

- Implemented sustainable procurement measures to promote green procurement, procurement from social innovation enterprises, and leasing instead of buying.

2025 Results

- **100%** of general suppliers are local suppliers.
- Green procurement accounted for **12.53%** of total procurement amount.
- Total sustainable procurement amount reached **NT$141 million**, growing by **61.07%**.

4. Environmental Greening and Beautification

Action Plans

- Encouraged growing more plants and ecological conservation.

2025 Results

- Headquarters organized a Sustainability Week in conjunction with the summer lights-off event, which included events such as the Second-Hand Goods Exchange Market, Ecological Movie Day, and Stairs-Climbing Competition, which attracted **65 participants**.

5. Advocacy Initiatives

Action Plans

- Organized the Best ESG Contribution Award and Innovative Proposal Award.
- Organized sustainability quiz with rewards for all employees.

2025 Results

- **99 people** signed up for the Best ESG Contribution Award and Innovative Proposal Award.
- **1,095 people** participated in the rewards quiz, drawing a participation rate of 80.75%. The average score was 95 points.



4. Green Transportation

The Company has adopted green transportation measures, including installing smart parking systems across all of our Taiwan stores to reduce time spent on collecting parking slips and parking. We have also installed 18 electric vehicle charging stations that customers can use and pay for through scanning a QR Code, integrating convenient payment options with customer hotline, monitoring, and problem reporting services. We have worked together with the first logistics provider in Taiwan to obtain the Product Carbon Reduction Label to provide delivery services, reducing the carbon footprint generated through the delivery process. Our company vehicles are also leased instead of purchased. All 14 company vehicles are less than ten years old, and are used as vehicles for senior executives or for transporting goods. 9 of these vehicles are eco-friendly vehicles (Euro 6 gasoline and diesel vehicles, hybrid electric vehicles), helping to reduce air pollution while improving energy efficiency. When the lease on company vehicles expires, they will be gradually replaced with low-carbon vehicles.

Green Transportation at Each Store (Each Store Has Adopted Smart Parking)

Zhongxiao Store Fuxing Store	• Located near the Zhongxiao Fuxing MRT Station, encouraging the use of public transportation. • Charging stations have been installed in the parking lot, 2 at the Zhongxiao Store and 4 at the Fuxing Store.
Dunhua Store	• Located near the Zhongxiao Fuxing and Zhongxiao Dunhua MRT Stations, encouraging the use of public transportation.
Tianmu Store	• Located near the Zhishan MRT Station, encouraging the use of public transportation. • 4 charging stations are installed in the parking lot.
Zhongli Store	• 4 charging stations are installed in the parking lot.
Hsinchu Store	• Provides a shuttle bus service carrying customers between the train station (North Hsinchu Station) and the Hsinchu Store. • Parking facilities are managed by the Big City department store.
Kaohsiung Store	• Located near the Sanduo Shopping District MRT Station, encouraging the use of public transportation • 4 charging stations are installed in the parking lot.
Taipei Dome	• Located near MRT stations serving the Taipei Dome, encouraging the use of public transportation. • Parking facilities are managed by Farglory.

Most of the Company's operating locations are located in areas with convenient transportation options, encouraging the use of public transportation. While the Hsinchu Store is located away from public transportation options, it provides a free shuttle bus service to and from the train station. This has helped us reduce emissions by 134.1 metric tons in 2025, an increase of 5.4%.

Shuttle Bus Passengers and Carbon Reduction in Previous Years

Year	2023	2024	2025
Hsinchu Store (ten thousand persons)	106.1	107.5	113.4
Estimated carbon reduction (metric ton CO_2e)	125.5	127.2	134.1

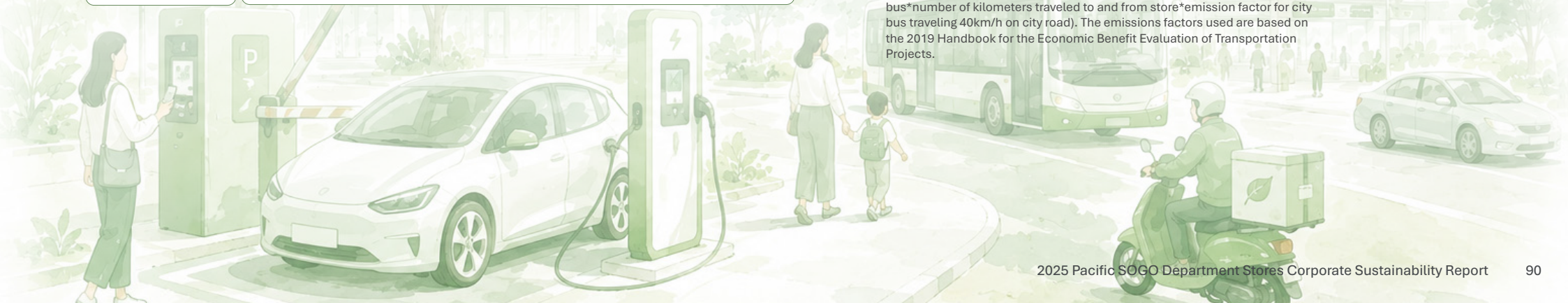
Carbon reduction in 2025

134.1 metric tons

Increase

5.4%

Note: Carbon reduction = (total passengers/4 passengers per private car*number of kilometers traveled to and from store*emission factor for private car traveling at 40km/h) - (total passengers/40 passengers per shuttle bus*number of kilometers traveled to and from store*emission factor for city bus traveling 40km/h on city road). The emissions factors used are based on the 2019 Handbook for the Economic Benefit Evaluation of Transportation Projects.



Waste-Free Sustainability

1. Circular Economy Era

The Company officially declared 2025 to be the start of our new Circular Economy Era, transforming sustainability strategies from a previous focus on passive recycling towards actively building a circular ecosystem.

Project One: Fully Recyclable Circular Textiles – Building a Sustainable Fashion Corridor in the Eastern District

In order to extend the life-cycle of clothing, the Company has led the retail industry in creating a joint Cross-Industry Textiles Circularity Alliance by bringing together the shopping district, suppliers, social innovation enterprises, and community welfare organizations, creating high value from waste clothing.

1 Mend & Repair

We partnered with 19 lesser-known local clothing alteration shops in Taipei's Eastern District to promote the "Clothing Renewal Map," encouraging the public to mend rather than discard garments, extend their lifespan through care and creativity, and help reverse pollution caused by fast fashion.

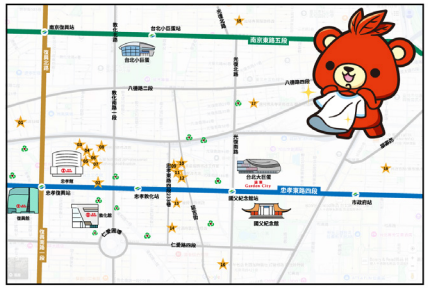
2 Upcycle & Resell

We partnered with the second-hand clothing resale platform addLess and the Taiwan Fund for Children and Families to organize online and offline charity sales and design and remake old clothing (such as using durable denim to make bags). This not only breathes new life into old clothing, but also helps promote charitable causes by empowering disadvantaged women through teaching sewing skills.

3 Downcycle & Remake

For clothing which cannot be reused, we have partnered with Pade Technology and The Carpenter's House organization to adopt AI smart sorting systems able to help downcycle waste textiles into materials for producing "EF Wood" sustainable clothes hangers, creating a closed resource recycling cycle.

2025 東區衣物再生地圖





Project Two: Supermarket Fresh Food Packaging Innovation – Adopting 100% Recycled PET Trays

In order to reduce single-use plastics at the source, the supermarket at the Taipei Zhongxiao Store has from the second half of 2025 onwards switched to only using fresh food packaging trays made from 100% recycled PET materials produced by Far Eastern New Century. Compared to using virgin plastics, each ton of materials used can help reduce carbon emissions by 51%. These measures are also supported by the in-store smart recycling machine, establishing a complete closed-loop circular recycling system.



Each metric ton can reduce carbon emissions by **51%**

▲ Consumers can receive reward points for recycling fresh food packaging trays.



▲ The Zhongxiao Store has gradually replaced all fresh food packaging with packaging made from recycled PET materials, reducing the use of virgin plastic and polylactic acid (PLA) materials.

2. Reducing Packaging Used by Supermarkets, Dining, and Delivery

The self-operated supermarket at the Zhongxiao Store has actively promoted reduced packaging for fresh food products, and reducing or replacing plastic packaging materials with other materials. Our delivery packaging is in line with regulations on reduced packaging for online purchases, and we also prioritize using reused paper boxes for packaging. We announced that we will no longer provide free paper bags at the end of 2025, and will implement the measure starting in March 2026, estimated to save 840,000 paper bags throughout the year.

2025 Results

Reducing Waste at the Source

Shopping bags at self-operated supermarkets

- Fresh Club members are awarded reward points based on their purchase amount if they bring their own shopping bags and receive e-invoices through a carrier. **42,000 people** participated in this promotion across the year, representing an increase of **51%**, and we gave out **417,000 reward points**, an annual increase of **27.79%**.
- Reduced annual paper bag use by **1.76%**.

Fresh food packaging at self-operated supermarket

First department store to promote a "tray-to-tray" circular economy:

- Adopted packaging trays made from recycled PET materials in the fourth quarter. Over **48%** of items have switched to this packaging, accounting for 17% of packaging used. This proportion is expected to reach **53%** by 2026.
- Installed recycling machines for recycled PET trays, recycling 911 trays in total and achieving a recycling rate of **1.6%**.

Drink cups

- 44 of our food and beverage tenants across Taiwan have offered their own discounts for customers bringing their own eco-friendly cups, saving **97,824** cups, an increase of **8.7%**.

Circular Recycling

Delivery

- **87.68%** of all products delivered by our self-operated supermarkets are packaged using reused paper. This proportion is **68.12%** for products delivered by our department stores.

Supermarket Paper Bag Reduction Journey

1.0 2022-2025

2025 Results of the Supermarket Bring-Your-Own-Bag Rewards Program

Supermarket packaging reduction

Encouraged customers to bring their own shopping bags

- 41,700 participations, **+51% YoY**
- Paper bags provided by supermarkets, **-3.76% YoY**
- Estimated **annual reduction of 840,000 paper bags**

2.0 From March 2026

First among department stores

Supermarkets stopped providing free paper bags



3.0 From June 2026

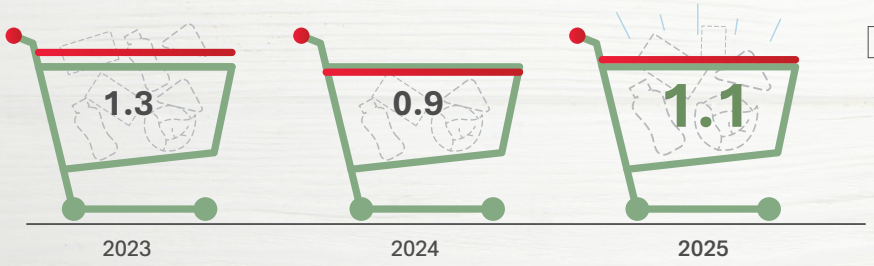
Supported the Ministry of Environment's "Pass the Bag On" initiative

Established used paper bag collection areas



Reduced Use of Plastic Packaging at Self-Operated Supermarkets

Metric ton



Note

1. The reduction amount is calculated based on the Ministry of Environment's requirements by first multiplying the number and weight for products with packaging containers replaced, then for products without packaging containers.
2. Materials saved from items which already use reduced packaging are not included in the new calculations for each year, leading to a decrease in plastic reduced year after year.

3. Sustainable Paper Use

Paper is the product that consumers most frequently interact with at department stores. Each of our stores prioritizes procuring products with environmental protection labels and certifications, protecting the Earth alongside our customers. Due to demand for gift vouchers as physical gifts, we are not able to fully digitalize our vouchers. In order to build a positive consumer and operational cycle, Pacific SOGO has from October 2023 onwards fully converted to using FSC-certified paper for our paper gift vouchers. In 2025, we printed over NT$3.4 billion worth of paper vouchers, accounting for 57% of all voucher amounts. The remaining 43% were issued as electronic gift vouchers.

Paper gift vouchers in 2025

57%

Electronic gift vouchers

43%



Shopping bags



Toilet paper

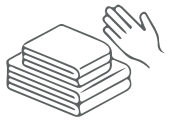


Paper gift vouchers



Advertising brochures

Reduced the number of paper brochures printed, adopting digital marketing methods. When a paper brochure is required, they are printed using eco-friendly soy ink.



Toilet paper towels

Made from recycled eco-friendly pulp, allowing paper materials to be recycled and reused.

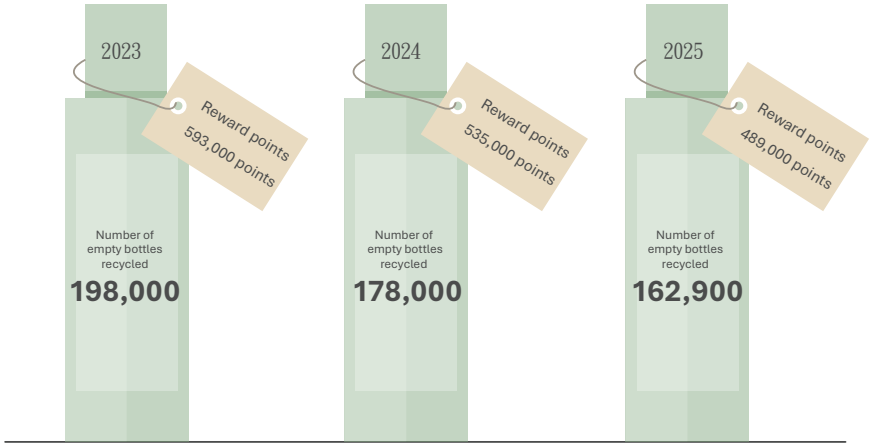
Uses paper materials certified by the Forest Stewardship Council (FSC).

The Company's shopping bags are made from materials produced through a fully FSC-certified process. Please refer to section 1.5.1 Supplier Rules

4. Encouraging Recycling

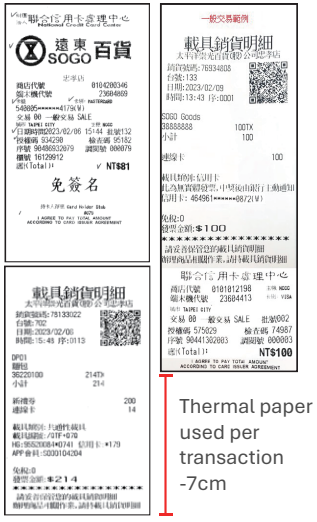
Far Eastern SOGO's revenue from cosmetics is second only to revenue from luxury boutique products. This leads to a massive amount of empty cosmetics bottles being produced. In response, we have regularly implemented the Love Beauty and Love the Earth, Empty Cosmetics Bottle Recycling event across our different stores in Taiwan. Customers who return branded cosmetics and perfume empty bottles to the brand's store counter for recycling can receive 3 HAPPY GO points. Additionally, our Tianmu, Zhongli, and Hsinchu Stores also encourage the recycling of used batteries. In 2025, we recycled 34,000 batteries in total, an annual increase of 27%.

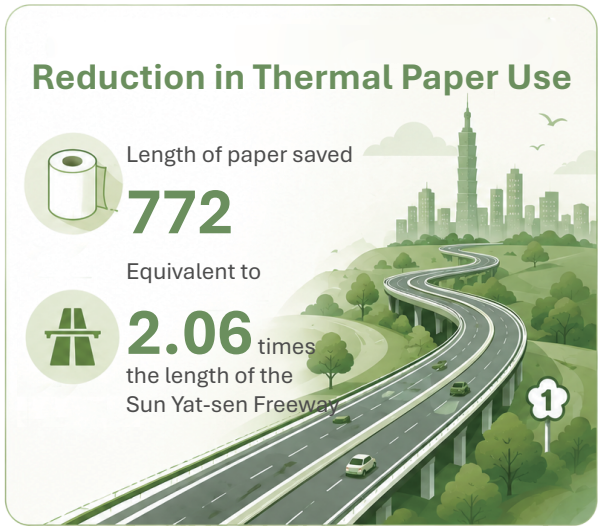




5. Merge Sales Receipts with Credit Card Signature Slips

One sales receipt and one credit card signature slip have to be printed out for each credit card transaction, and the thermal paper used cannot be recycled or reused. In order to reduce environmental impact, Pacific SOGO has collaborated with the National Credit Card Center of R.O.C. to merge both sales receipts and signature slips onto the same piece of paper from August 2023 onwards, helping us save 7 cm of thermal paper for each transaction. By 2025, we have saved a total of 772 km of paper across 11 million transactions at our Taiwan stores (including the Taipei Dome Store), equivalent to the length of 2.06 Sun Yat-sen Freeways.





Sustainability Education

With the mission of building Asia's first green department store, the Company has fully incorporated environmental protection concepts into our day-to-day operations and events, building a low-carbon educational venue able to guide stakeholders towards internalizing environmental protection awareness. In 2025, we invested more than NT$10.5 million to organize 162 sustainability co-creation events, attended by 229,000 participants and benefiting 966,000 people.

Invested in 2025
Over NT$ **10.5** million

Sustainability co-creation events held
162 events

Number of participants
229,000

1. Promoting Circular Recycling of Textiles through Sustainable Fashion

At the invitation of the Ministry of Environment Resource Circulation Administration, Far Eastern SOGO became a founding member of the Sustainable Fashion Alliance. We later also joined the cross-industry Textile Circularity Alliance, Resource Circulation Alliance, and Green Lifestyle Partnership, using our influence as part of the department store retail industry to change consumer market trends and shopping habits.

In 2025, Far Eastern SOGO combined environmental protection with public charity to implement the Textiles Recycling project. We launched version 2.0 of our second-hand clothing recycling event in April, which focused on the charity sale, donation, and upcycling. Denim fabrics collected during the event were handed over to the Taiwan Fund for Children and Families (TFCF) Xingfu Shop to be made into plushies or bags, while high-quality or branded clothing were prioritized to be handed over to second-hand resale platform addLEss and the Dunhua Store to be sold through charity sales. The proceeds and unsold clothing from these sales are donated to the Taiwan Fund for Children and Families, while clothing with no reusable value were gathered together with our out-of-season employee uniforms and remade into eco-friendly gifts. As a continuation of the two large-scale clothing recycling events we held in 2024–2025, Far Eastern SOGO helped Pade Technology conduct on-site verification of their clothes sorting technology in October 2025, required for Pade Technology to apply for a government subsidy under the Ministry of Environment Innovative R&D Project program. We installed the world's first smart clothes sorting machine at the store, turning our shopping space into an environmental education center.



▲ The Dunhua Store collected 4,312 pieces of second-hand clothing in 2 days, weighing 1,127 kg, equivalent to reducing carbon emissions by 18 metric tons.



▲ The charity sale raised NT$26,848, which was donated alongside three boxes of clothing to the TCFC to help disadvantaged families and help empower women through training sewing skills.



▲ The Zhongxiao Store installed a smart clothing recycling machine, recycling 12,306 pieces of clothing across 14 days and reducing carbon emissions by more than 51 metric tons.

2. Family Sustainability Education Activities

The Company firmly believes that sustainable education should be rooted from a young age, and has organized a diverse range of parent-child activities which aim to naturally integrate ecological and environmental protection concepts into everyday life. When each store holds their monthly ThanQ Club birthday party, we not only provide innovative new experiences, but also incorporate environmental sustainability concepts into the activities, allowing children to learn while playing games and transforming sustainability knowledge into daily lifestyle habits.



▲ The Tianmu Store has continued to participate in the international Open House Taipei event, allowing access to our rooftop for guided tours. Through allowing customers to see our solar panels and rainwater recycling systems up close, we teach them about how these systems help support the department store's operations, enabling customers to understand the importance of sustainable management.



▲ The Hsinchu Store collaborated with Zizizi Music to hold three children's storytime events, combining picture books with music and games to help 3–12-year-olds learn about environmental protection and ecological sustainability, turning them into little guardians of the Earth.

03 Trustworthy Services

Pacific SOGO aims to provide the industry's best customer service experience by combining the attention to detail of a Japanese department store, the global perspective of an international department store, and the friendliness of a local department store to deliver thoughtful, high-quality service. We have established 7 membership clubs for different customer segments to meet the diverse needs of our customers. We have also rigorously vetted our products to build customer trust, creating a benchmark for food safety management in the department store industry.

SDGs Addressed in This Chapter



2025 Performance Highlights

Creating a Safe Shopping Environment

- 84.2% of customers were satisfied with the Company's overall product safety
- 91.4% of restaurants obtained Good Hygiene Practice for Food certification, of which 96.8% received an "Excellent" rating (excluding restaurants at Far Eastern Garden City)
- 97.8% of food and beverage tenants passed the Drinking Water Quality and Edible Ice Inspection

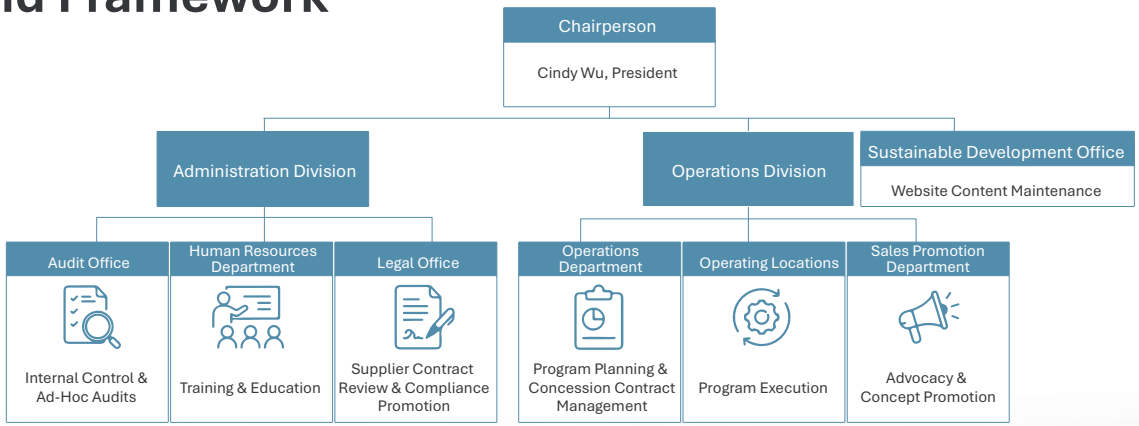
Providing High-Quality Service

- Overall customer satisfaction reached 90.1%, the highest level in the past eight years
- Obtained ISO 10002 certification, improving customer satisfaction and resolving customer complaints more efficiently
- Received the Gold Award in the Service Survey in Taiwan for two consecutive years
- Received the Gold Award in the Taiwan Best Customer Center Awards for two consecutive years

3.1 Product Safety Management

3.1.1 Product Safety Management and Framework

The Company established the Product Safety Promotion Committee in 2015 to ensure product safety for customers and reduce operational risks. This Committee reports to the Corporate Sustainability Committee, and is positioned above the administrative and operational departments in the governance structure. The Committee Chairperson is President Cindy Wu, and its members include the store general managers for each operating location, and executives from the Operations Division, Sales Promotion Department, Human Resources Department, Legal Office, Audit Office, and Sustainable Development Office. The Committee is responsible for implementing various tasks and arranging for education and training related to the Company's product safety management plans, integrating stakeholders from the Company's business operations, and continuing to implement product safety and food hygiene management measures. It also requires suppliers to comply with the Sustainability Clause stipulated in supplier contracts, in line with SDG 12 Responsible Consumption and Production.



3.1.2 Product Management Mechanisms and Action Plans

Product safety and service quality lie at the core of the department store retail industry's sustainable operations. The Company strictly manages product and service quality by conducting health and safety impact assessments for all of our products, ensuring that they pose no significant negative impacts on consumers. Suppliers are also required to provide a third-party inspection report for gift products given out during promotional periods. These assessment results and information on the product's ingredient or material sources are published in the "Product Safety" section of our ESG website. Our supplier contracts explicitly stipulate a Sustainability Clause, and we implement regular inspections focused on product labeling and food hygiene in order to make further improvements to these areas.

Mandatory Insurance Requirements for Food and Beverage Tenants

Pacific SOGO has also established strict Rules on Mandatory Insurance Requirements for Food and Beverage Tenants to ensure a safe dining experience for customers. When signing or renewing a store counter lease, all food and beverage tenants at our Taiwan operating locations are required to provide evidence proving that they are covered by three major types of insurance: product liability insurance, public liability insurance, and additional riders covering food poisoning liability, ensuring that all stores comply with (or exceed) the insurance coverage required by local food hygiene laws and regulations. This robust line of defense enables customers to dine at our stores with peace of mind.

- **Product liability insurance**
- **Public accident liability insurance**
- **Food poisoning liability endorsement**

Item	Product Label Inspections		Maintaining Food Hygiene
	Management of Cosmetic Products	Management of General Products	
Measures	Establish procedures for regularly conducting product inspections to monitor the safety of products on our shelves.	Self-operated supermarkets strictly manage product labels, and inspect 100% of products each batch to confirm that labels provide accurate information on the product's origin, price, and expiration date. This information is compared to the information recorded on the product order form to ensure that labels are correct.	Pursuant to the Self-Inspection and Management of Food Hygiene regulations published by the Department of Health, Taipei City Government, self-inspections of 72 different inspection items across 5 major inspection categories are conducted each day. Inspection results are comprehensively assessed each week in order to implement effective hygiene management. Store counters which perform well in the assessment receive commendations for their exceptional performance.
Implementation Method	Re-emphasize the Company's product management principles and regular inspection procedures for on-shelf cosmetic products, guarantee that cosmetics being sold have expiration dates at least one year away, and ensure that trial products are within their expiration date.	• Daily inspection of supermarket product labels: When restocking items, conduct multiple label inspections of the products in each aisle, and pay special attention to whether the place of origin, price, and expiration date displayed is accurate. Also conduct supplementary random inspections. • Establish rules for labeling batch dates for incoming product deliveries and conducting regular inspections of trial products. • Provide transparent information on the traceability records and origin of fruits and vegetables. • Collaborate with the Agency of Rural Development and Soil and Water Conservation, Ministry of Agriculture to offer products designated as Rural Good Products.	• Provide guidance helping food and beverage tenants to apply for the Good Hygiene Practices (GHP) for food certification. • 100% of food and beverage tenants regularly inspect their drinking water quality and edible ice cubes, and have successfully passed random inspections from local government health agencies. Inspection items include: Coliform bacteria, total bacteria count, turbidity, color, nitrate nitrogen, nitrite nitrogen, pH value, and viable bacteria count, etc.
Key Projects	Safety inspection of cosmetic products	Origin traceability	Food and beverage safety inspections and maintenance
2025 Results	Monthly cosmetics product inspection items for all Taiwan stores: Complete Chinese labeling and ingredient listing. Complete SOGO labels. Expiration date: Trial products are within their expiration date, and sold products must be at least one year away from their expiration date. **0.36%** inspection failure rate across all operating locations, store counters which fail the inspection are given a deadline for making corrections.	• Fresh produce sold at our self-operated supermarket is clearly labeled with their place of origin and traceability information, available for consumers to check. This ensures that **100%** of our food products are safe. • The Ministry of Agriculture's Agency of Rural Development and Soil and Water Conservation began designating selected goods as Rural Good Products in 2014. Selected products must be made from local ingredients sourced in Taiwan, produced at a legal production site, comply with hygiene safety laws and regulations, and have complete packaging labels. Pacific SOGO has collaborated with the Agency of Rural Development and Soil and Water Conservation since 2022 to promote these products, which are sold at the B2 level of the Zhongxiao Store. • All of our operating locations across Taiwan have engaged in collaborations with the government, rural social enterprises, and social innovation enterprises. We have held **7** small farmers' markets which allow small farmers to directly connect with consumers while also encouraging consumers to support local agriculture. Refer to Chapter 5 Social Impact for more details	• **91.4%** of all restaurants at Far Eastern SOGO's Taiwan stores have obtained GHP certification (Far Eastern Garden City applied for certification in April 2026, so no data is available yet). Restaurants which have not yet obtained the certification are still in the process of being certified, or are new store tenants who have just moved in. • Inspection of drinking water quality and edible ice cubes: Of the 181 food and beverage counters, 177 passed the inspection, resulting in a **97.8%** pass rate. The remaining four counters were not inspected due to renovation or new tenancy and will be inspected in 2026. • Regularly review if food and beverage tenants are covered by liability insurance. Vendors must provide their most recent policy document when signing/renewing their lease. Pursuant to Taipei City regulations, all five of our Taipei Stores have purchased product liability insurance and public liability insurance. Tenants of store counters with a floor area of 40 ping (132.23 square meters) or above must also purchase additional food poisoning insurance.

Cosmetics Management Rules

Batch Date Labels for Incoming Products

① Mark each batch of incoming products with an A-Z label, depending on the date received.
② Each batch consists of products received in the same six-month period.
③ Clearly identify the batch delivery date on site.

First In, First Out Sales Inventory Management

① Take inventory every six months.
② Conduct inventories of products categorized by batch delivery date and section.
③ Do not place products from different batches together.

Rules on Regular Expiration Date Inspections

① Inspect trial products on Monday and Thursday each week.
② Immediately stop using trial products upon reaching the expiration date.
③ Review the expiration periods for each product being sold when taking inventory at the start of the month.
④ Products which expire in less than one year shall be provided to customers for free.
⑤ Inspection Officer: Section managers belonging to the operations division at each operating location.

Please visit the ☞ Trustworthy Services section of the official SOGO ESG website for more information.

Create Product Safety Action Plans to Address Stakeholder Concerns

Stakeholders	Suppliers	Customers	Employees	Society (Community and Media)
Content of Product Safety Action Plan	• Establish a dedicated product safety section. • Provide guidance helping food and beverage tenants apply for GHP certification. • Self-imposed hygiene management measures ☞ See 3.1.3. Food Safety and Hygiene Management for more details. • Provide guidance helping food and beverage counters conduct regular inspections of drinking water quality and edible ice cubes, and pass random inspections from local government health agencies. • Provide guidance helping food and beverage tenants obtain the Eco-Friendly Restaurant certification. • Establish procedures for regular product inspections. • Improve product traceability and offer products from eco-friendly brands. • Implement supplier evaluation mechanisms.	• Promote product safety knowledge and sustainable consumption concepts through social media. • Promote high-quality local products and sustainable consumption concepts through our in-store sustainable product selection system SOGO Sustain, green department store e-commerce platform SOGOplus, and the brochures issued for each special promotional period. • Set up a product safety section on our ESG website, disclosing information on our anniversary celebration gifts.	• Organize an ESG Contribution Award and Innovative Proposal Award to encourage employees to implement sustainability and optimize existing measures. • Lectures and management courses. • Require product audit mechanisms to be implemented.	• Promote new knowledge on product safety and sustainable consumption, and international initiatives. • Organize sustainable cooking competitions to promote healthy and low-carbon diets. • Focusing on the themes of Caring, Sustainability, and Reliability (CSR), we have held charity events at our operating locations across Taiwan to promote social engagement ☞ see Chapter 5 Social Impact for more details.
Customer Feedback	• 84.2% expressed satisfaction with overall product safety. Satisfaction rates for “creating a safe shopping environment” (85.9%) and “prohibiting the use of melamine and single-use cutlery in restaurants/at the food court” (87.3%) both exceeded 80%. Customers already familiar with each of our measures expressed an approximately 90% satisfaction rate for each item, with the highest being a **95%** satisfaction rate for “creating a safe shopping environment.” • Fresh Club supermarket membership reached **72,000**, an increase of **8.3%** from the previous year Overall satisfaction with “product safety” **84.2%** Satisfaction with “creating a safe shopping environment” **85.9%** Satisfaction with “prohibiting the use of melamine and single-use cutlery in restaurants and food courts” **87.3%** Satisfaction with each measure among consumers aware of Far Eastern SOGO’s product safety initiatives **Over 90%**	• **71.7%** of customers indicated that they would prioritize shopping at Far Eastern SOGO department stores. • **65.9%** of customers expressed that they were aware of “Far Eastern SOGO promoting sustainable consumption and recommending sustainable products (such as: small farmers’ markets and events featuring products from social innovation enterprises, the launch of the SOGO Sustain sustainable product selection system).” Customers who would prioritize shopping at Far Eastern SOGO department stores **71.7%** Customers aware of Far Eastern SOGO’s promotion of sustainable consumption **65.9%**	• **90.3%** of customers agreed that “Far Eastern SOGO is a trustworthy department store.” Customers who agree that Far Eastern SOGO is a trustworthy department store **90.3%**	• **80.1%** of customers expressed satisfaction with “Far Eastern SOGO’s advocacy for green diets.” • **83.7%** of customers expressed satisfaction with “Far Eastern SOGO promoting green consumption awareness.” Customer satisfaction with “Far Eastern SOGO’s advocacy for green diets” **80.1%** Customer satisfaction with “Far Eastern SOGO’s promotion of green consumption awareness” **83.7%**

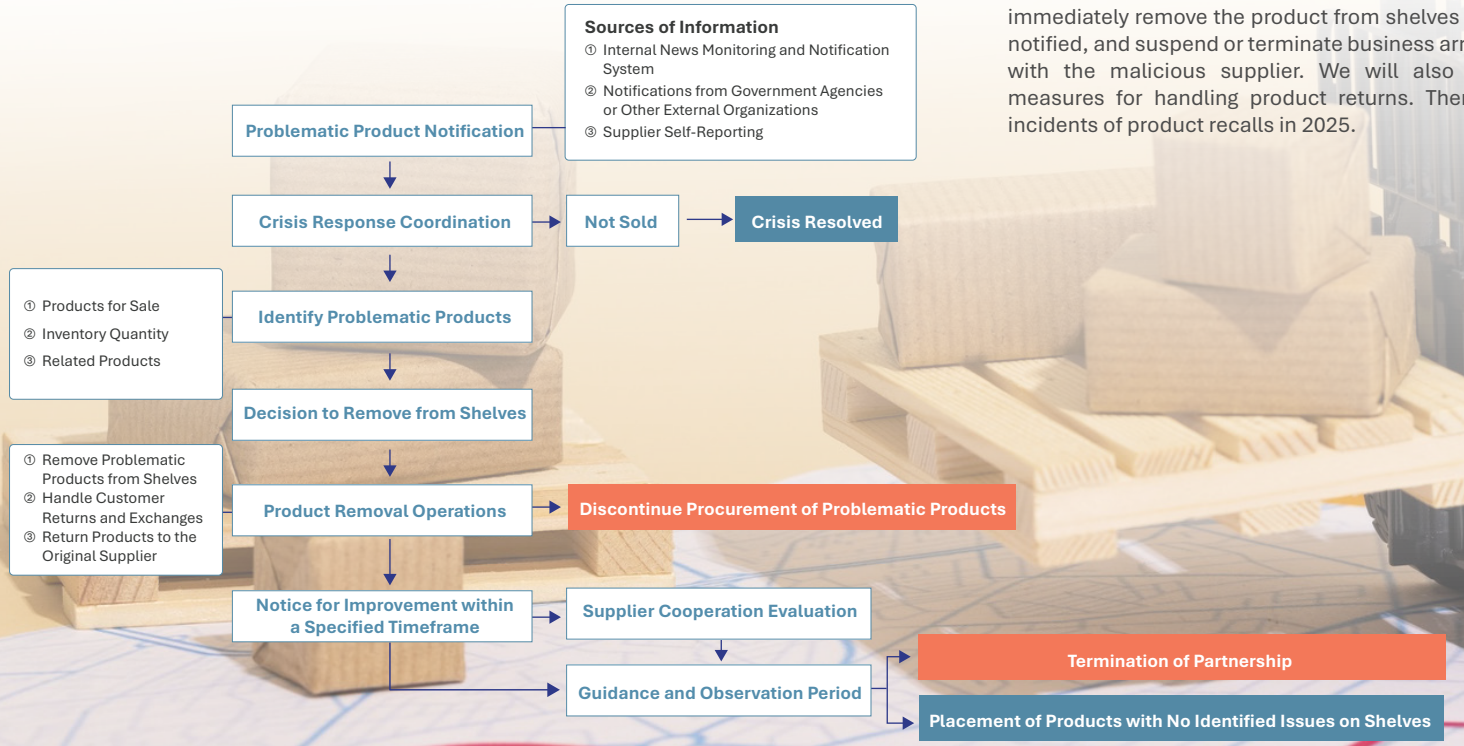
Removal of Problematic Products

In 2016, Pacific SOGO established a Product Safety Monitoring Network, which uses software to connect different Company units. When the competent authority requests to carry out a random inspection, or when a product issue is discovered during our daily monitoring of news and government announcements, we immediately activate our Procedures for Monitoring Problematic Product Risks. Our Problematic Product Risk Management Team then tracks how the issue is handled. If a product is controversial but does not violate any laws or regulations, Pacific SOGO may require the supplier to remove it from shelves as a preventive measure pursuant to contract terms. We will also provide channels for customers to return defective products, upholding our customer first and business integrity principles. There was one mandatory product removal incident in 2025.

Product Removals in 2025

Operating Location	Regulation/Reason for Removal	Improvement Measures
Zhongxiao Store	Act Governing Food Safety and Sanitation • Sample testing results announced by the Department of Health found that the snow peas sold by the Zhongxiao Store's supermarket contained pesticides exceeding regulatory levels.	• The supermarket immediately removed the product from its shelves, while also cooperating with the competent authority to conduct traceability tests. We strictly informed the supplier to provide evidence of product testing and requested that their product testing process be improved, otherwise we will cease further procurement from the supplier. We also confirmed that the other products sold posed no hygiene and safety risks.

Product Safety Monitoring Network



Recall Incidents

In the event of a product recall, the Company shall immediately remove the product from shelves upon being notified, and suspend or terminate business arrangements with the malicious supplier. We will also implement measures for handling product returns. There were no incidents of product recalls in 2025.

0 incidents

There were no incidents of product recalls in 2025

3.1.3 Food Safety and Hygiene Management

Pacific SOGO places a heavy emphasis on food safety. We established the Far Eastern SOGO Food Safety and Hygiene Management Rules in 2020, clearly stipulating the responsibilities of each Company unit. Pursuant to Good Hygiene Practices (GHP) regulations, we have defined 5 major management categories, split into 18 smaller sub-categories and 72 individual management items. We have also set guidance for food and beverage tenants to obtain GHP certification as an annual target.

Food and beverage tenants are required to conduct a daily food safety and hygiene self-inspection, and an inspection tour is conducted each day. The Company has also designated units responsible for conducting regular supervision, and a monthly joint inspection is conducted by the Food and Beverage Department, Engineering and Maintenance Department, Security Department, and other relevant departments. Tenants that fail an inspection are subject to follow-up inspections until all identified deficiencies have been rectified.

Food Safety and Hygiene Inspection Items and Frequency

Inspection Items	Food hygiene self-inspection	Supervision on handling of water, electricity, gas, and fire safety equipment.	Joint inspection of water and electrical systems	Food hygiene management audits
				
Responsible Unit	Self-Inspection conducted by food and beverage tenant. Inspection tour conducted by food and beverage supervisor.	Engineering and Maintenance Department Security Department	Food and Beverage Department Engineering and Maintenance Department Security Department	Audit Office
Frequency	Daily	Every 2 weeks	Monthly	Irregularly
Inspection Description	• Inspection of 21 items, as provided in the GHP Guidelines.	• Inspection of fire extinguishing equipment and emergency exits, manual operation tests.	• Includes the 72 inspection items in the 5 categories and 18 sub-categories stipulated in the GHP regulations, including personnel dress codes and hygiene, cleaning, maintenance, and disease prevention measures at the store, cleaning and management of equipment and appliances, acceptance procedures and storage of procured ingredients, preparation processes, and quality control. • Inspection of water, electricity, and gas systems.	• Audit of whether the responsible unit has conducted business operations pursuant to rules.

3.2 Customer Relations and Services

3.2.1 Customer Relationship Management and Communication

Thoughtful Service Experience

Pacific SOGO strives to provide warm and high-quality services with the goal of offering the best customer service experience in our industry.

Greeting Customers When Opening and Closing the Store

Daily greetings

Welcome, thank you for your patronage

Sincere greetings

The supervisor on duty and customer service employees bow 45 degrees to sincerely greet customers.

Elevator Attendant Services

Male and female elevator attendants

Elevator attendant greetings

Welcomes customers with considerate and polite language.

Our Zhongxiao Store still retains elevator attendants as a unique service feature, in a nod to its traditions.

Service Counter

Respond to customer inquiries and handle customer complaints

Thoughtful services

Exchanging foreign currency, lending wheelchairs/strollers, lending mobile power supplies/USB chargers, selling postage stamps, handling lost items/items turned in.

Response to infectious disease outbreaks

Providing face masks and disinfecting alcohol to the public.

Diverse Communication

Pacific SOGO has conducted stakeholder engagement through a diverse set of communications channels, using goodwill to generate positive momentum for society.

Official ESG Website	ESG Facebook Fan Page	Individual Social Media Accounts for Each Operating Location
35,000+ page views	25,000+ people reached	18,000+ people reached

Proactive External Engagement

Official ESG Website

The website features sustainability news, our corporate sustainability report, a product safety section (making us the first department store to establish a product safety section on an ESG website), information on charity events, and the accolades and recognitions we have received. In 2025, the website received over 35,000 views.

ESG Facebook Fan Page

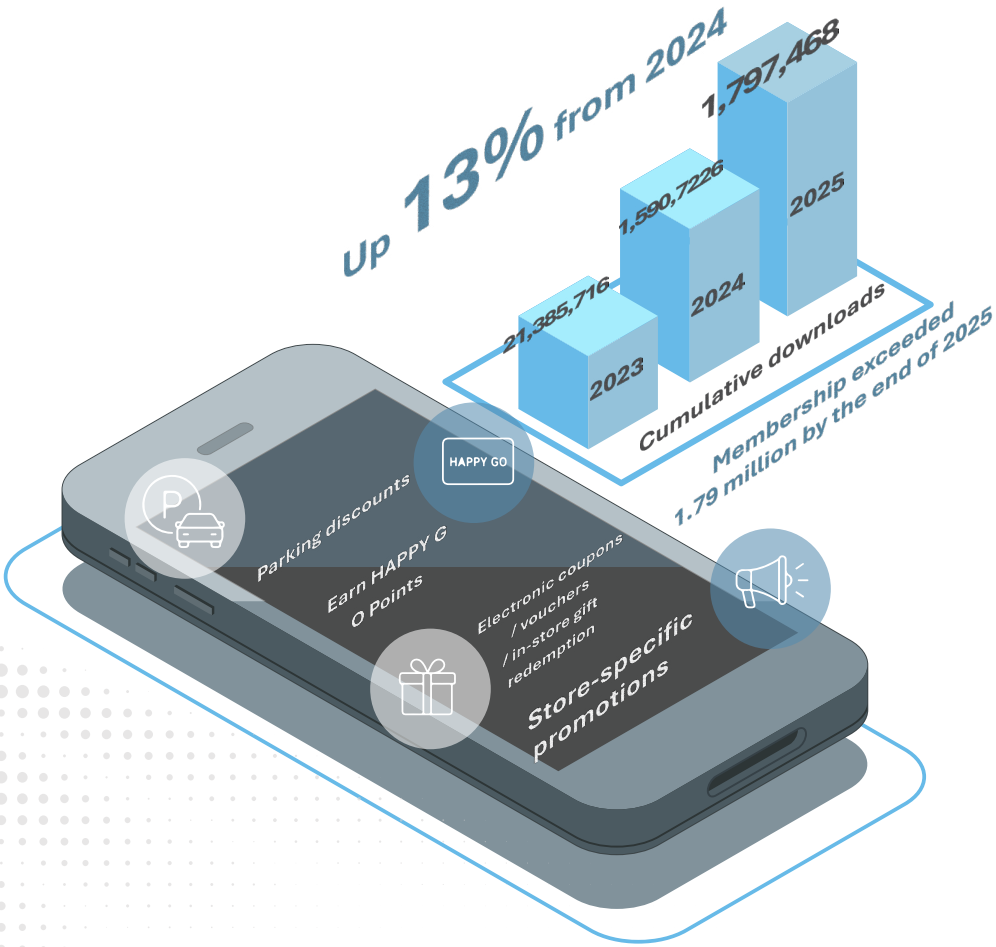
Social media's unique features allow us to easily interact with our followers in real-time through sharing and reposting content, creating high customer engagement. We have used our Facebook page to share current information on our charity events and new sustainability knowledge. Published 73 posts in 2025, reaching 25,000 people.

Individual Social Media Accounts for Each Operating Location

In conjunction with international sustainability days and the SOGO Sustain promotional period, we have published promotional graphics advocating for sustainable consumption, reaching a total of 180,000 people through the social media pages for each store.

Linking Digital Innovation with the Customer Shopping Journey

The SOGO/Garden City App integrates several different digital services, including HAPPY GO membership points, parking vouchers, electronic discount/credit vouchers and in-store gift-exchange tickets, and news on discounts offered by each store. Through promoting these green actions, we are able to reduce the amount of paper used for printing. The App's total members increased to more than 1.79 million by the end of 2025, growing by 13% compared to 2024.



Feedback Management

Pacific SOGO is the first department store in Taiwan to adopt a Japanese-style service management system. We established a customer service center in Kaohsiung City in 2010, responsible for handling calls to each store branch. We adopted the ISO 10002 Customer Complaints Handling Management System Guidelines in 2025, and obtained third-party certification, helping to further improve customer satisfaction and resolve customer complaints more efficiently. We currently have 146 customer service staff nationwide, including 9 at the Kaohsiung Customer Service Center, alongside front-line staff in the Customer Service and VIP Service Sections at each store. We have maintained the customer service principle of always striving to resolve customer issues or propose alternative solutions, proactively considering what we can do next to help customers. Newly hired employees undergo a 40-day training period before they start independent operations, with an annual two-day external training program.

In 2025, the Customer Service Center received 130,000 calls, which were handled by dedicated customer service employees. These calls were followed up on and processed within 48 hours of being received. Pacific SOGO has established a set of Customer Feedback Handling Procedures and established an electronic management system allowing the Customer Service Center to create case files, track complaints, and improve service quality. There were 612 customer service cases in 2025, of which 224 were commendations (36.6%) and 388 were complaints (63.4%). Most of these complaints were related to improper procedures taken by customer service employees, or issues with poor service attitudes or poor phrasing when communicating with customers. The Company reviews these cases every month, and continues to improve education and training.

Customer Service Center in 2025	Handled by dedicated personnel	Cases created in 2025
130,000+ calls received	Within **48** hours Follow-up tracking and service	**612** cases 224 commendations (36.6% 388 complaints (63.4%)

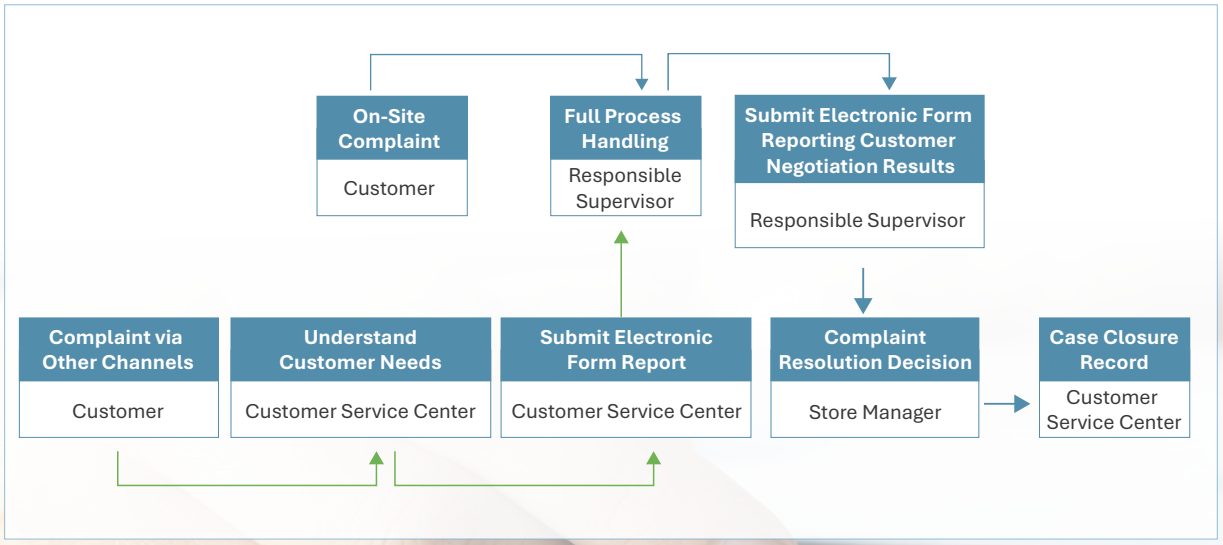
Front-line service employees who directly interact with customers maintain real-time communications with the Customer Service Center. Through the Customer Service Center's ability to oversee all customer service cases across Taiwan, the Company is able to understand the circumstances at each store and implement cross-regional service actions when necessary. Our official website also provides a Smart Customer Service feature that can be used to quickly look up information on a store's business hours, brand information, exchanging reward points, and e-commerce shopping.

The comprehensive customer experience offered by Far Eastern SOGO has been recognized in the Fourth Taiwan Best Customer Center Awards, where we received the Gold Award in the Department Store and Shopping Center Category. Our performance in three key areas: consistent response across different sales channels, effective information lookup and guidance on our official website, and timely and high-quality responses to complaints was highly commended.

Customer Feedback in Previous Years

Category/Year	2023	2024	2025
Commendation Percentage	71.5 %	64.3%	36.6%
Customer Complaint Percentage	28.5 %	35.7%	63.4%

Procedures for Handling Customer Feedback



Customer Feedback Channels

Customer service counter or VIP lounge at each store

Filling out the customer feedback form

Free hotline

0800-212002

Main switchboard of each branch

Taipei Area	02-2776-5555
Zhongli Store	03-422-7000
Hsinchu	03-620-0000
Kaohsiung Store	07-338-1000

Online message boards

Facebook pages for each store

ESG Customer Satisfaction and Influence Survey

Pacific SOGO commissioned a market research company to better understand customer opinions. With HAPPY GO members as the survey population, it surveyed a sample of 1,068 members who made at least one purchase or earned points at one of the Company's operating locations between January 1 and December 31, 2025. At a 95% confidence level, the survey had a margin of error of ±3.0%. It examined ESG customer satisfaction and issue impact across three main dimensions: brand consumption influence, public engagement, and innovation management.

1,068
Valid sample size

95 %
Confidence level

2025/01/01-2025/12/31
Survey period

Brand Consumption Influence

Overall satisfaction

90.1% Highest in 8 years

Willingness to recommend

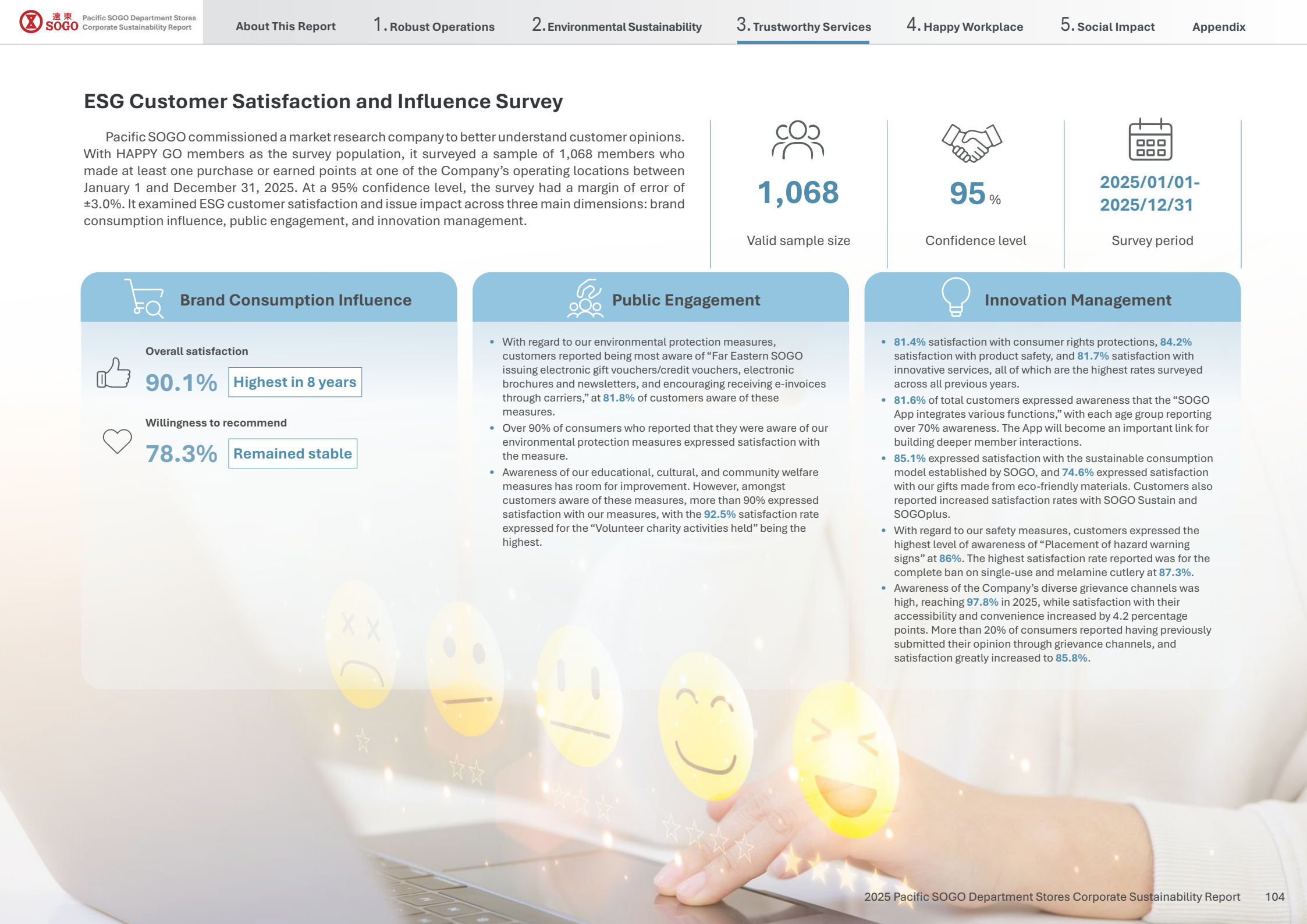
78.3% Remained stable

Public Engagement

- With regard to our environmental protection measures, customers reported being most aware of "Far Eastern SOGO issuing electronic gift vouchers/credit vouchers, electronic brochures and newsletters, and encouraging receiving e-invoices through carriers," at **81.8%** of customers aware of these measures.
- Over 90% of consumers who reported that they were aware of our environmental protection measures expressed satisfaction with the measure.
- Awareness of our educational, cultural, and community welfare measures has room for improvement. However, amongst customers aware of these measures, more than 90% expressed satisfaction with our measures, with the **92.5%** satisfaction rate expressed for the "Volunteer charity activities held" being the highest.

Innovation Management

- **81.4%** satisfaction with consumer rights protections, **84.2%** satisfaction with product safety, and **81.7%** satisfaction with innovative services, all of which are the highest rates surveyed across all previous years.
- **81.6%** of total customers expressed awareness that the "SOGO App integrates various functions," with each age group reporting over 70% awareness. The App will become an important link for building deeper member interactions.
- **85.1%** expressed satisfaction with the sustainable consumption model established by SOGO, and **74.6%** expressed satisfaction with our gifts made from eco-friendly materials. Customers also reported increased satisfaction rates with SOGO Sustain and SOGOplus.
- With regard to our safety measures, customers expressed the highest level of awareness of "Placement of hazard warning signs" at **86%**. The highest satisfaction rate reported was for the complete ban on single-use and melamine cutlery at **87.3%**.
- Awareness of the Company's diverse grievance channels was high, reaching **97.8%** in 2025, while satisfaction with their accessibility and convenience increased by 4.2 percentage points. More than 20% of consumers reported having previously submitted their opinion through grievance channels, and satisfaction greatly increased to **85.8%**.



Influence of Sustainability Issues

As green consumption gradually becomes mainstream, a company's assessed influence on sustainability has been internalized as a part of its brand value. Pacific SOGO has established a brand image as a model for sustainability in the department store industry. This has already had a positive influence on consumer behavior, with 78.0% of customers reporting that our sustainability efforts have increased willingness to visit the store again. Our reputation for sustainability has created a "premium acceptance" amongst consumers, with 67.7% agreeing that they would still be willing to support better quality green products or sustainable services even if prices are slightly higher.

Top Three Sustainability Aspects Most Valued by Consumers

1. Protecting Consumer Rights and Personal Information Security	2. Product Safety and Supplier Management	3. Energy Conservation, Carbon Reduction and Environmental Protection
78.0%	65.4%	51.8%

Greater willingness to visit again

78.0%

A key driver of long-term patronage

Acceptance of price premiums

67.7%

Willing to support green products or sustainable services despite slightly higher prices

The top three sustainability issues that consumers are most concerned about are: "Protecting Consumer Rights and Personal Information Security" (78.0%), "Product Safety and Supplier Management" (65.4%), and "Energy Conservation, Carbon Reduction and Environmental Protection" (51.8%). Among these issues, satisfaction with consumer rights protections (81.4%) increased slightly by 2.2 percentage points compared to last year, while satisfaction with the information security and personal information protections implemented increased by 4.2 percentage points. Overall satisfaction with product safety increased from 81.3% in the previous year to 84.2%, with particularly strong performance in food safety and environmental risk alerts. Overall satisfaction with the environmental protection measures implemented increased from 77.5% to 80.9%, demonstrating how our sustainability strategy has gradually developed and won market recognition.

The issue of "supporting local communities and giving back to society" also maintained stable attention at 44.9%. For example, the Kaohsiung Store has successfully transitioned into a base for community-focused events. Through specific measures such as providing a fitness club for senior citizens, and revitalizing employee dormitories through transforming these buildings into social housing, we have transformed our sustainability vision into real lifestyle venues, while also increasing long-term local support by deeply embedding ourselves into the community.



Protection of consumer rights	Information security and personal data protection	Product safety	Environmental protection	Supporting local communities and giving back to society
81.4%	↑↑↑	84.2%	80.9%	44.9%
↑↑↑	Up 4.2% (Compared with 2024)	↑↑↑	↑↑↑	Stable level of attention
Up 2.2% (Compared with 2024)		Up 2.9% (Compared with 2024)	Up 3.4% (Compared with 2024)	

3.2.2 Service Management Policy and Inspections

Service Management Policy and Inspections

All of Pacific SOGO's employees and store counter partners adhere to the service motto of "Smile, Energetic, Agile," providing warm and friendly services to win customer trust.

Stage	Item	Measures	Unit	Number of People/ Pass Rate	Description
Training 	Regular training	Service counter employee and elevator attendant training.	Number of people receiving training	614	Training on customer service competencies
	External training		Number of people receiving training	51	External customer service training
	Enhancing service education	Company employees, or employees of a store counter tenant, who have received complaints.	Number of people receiving training	109	
Inspection 	Group competitions	Group competitions are held every two months to assess customer service standards, including fire safety competitions, proper etiquette competitions, and store guidance competitions. Each store counter (Zhongxiao Store/Fuxing Store) or each unit/floor (other stores) selects a representative to undergo a spot assessment. This helps ensure that employees are familiar with the store's environment and protects customer safety.	Number of people tested	16,725	Figures are expressed in number of store counters inspected, one store counter represents one employee being tested
			Pass rate of first test	95.88%	Average pass rate of all units
Management 	Walk-through management	Spread information on new promotional periods, new products, and sustainability knowledge. Conduct inspections of store counters to improve the service skills and awareness of front-line service employees.	• The Morning Newsletter is read during each daily morning meeting, providing information on new products and sustainability knowledge, as well as other information that employees need to know. • Floor managers conduct 3-5 inspections each day. • A care station is set up on each floor for providing services and handling emergencies.		
Recognition 	Service Stars	We commend outstanding service employees each month by recognizing them as "Service Stars," posting winners on the announcement board and asking them to share their approach to work in order to positively influence employees. The store general manager for each operating location also sends a letter of appreciation to the brand partner, thanking them for appointing service employees with such excellent service attitudes and exceptional professional skills.	**75 employees were commended as Service Stars in 2025.**		

3.3 Store Safety and Maintenance

3.3.1 Environmental Safety and Health Management

Pacific SOGO takes safety and health management extremely seriously. We perform regular inspections of environmental hygiene, and have implemented the Japanese 5S Self-Management System. The Vice President of Administration convenes a safety and hygiene meeting for all Taiwan stores each month, reviewing any deficiencies found during inspections. No safety and health violations were discovered in 2025.

Each operating location is equipped with an emergency generator, which can be immediately activated to generate power in the event of a blackout. These generators are able to supply power to approximately 25% of a store's lights, as well as its elevator and stairway lights, ensuring that customers can move about safely. Each operating location complies with the Communicable Disease Prevention Plans implemented by the government competent authority to independently manage hygiene, creating a safe and secure working and shopping environment.



Category	Action	Inspection Frequency
Friendly Management	Breastfeeding room inspection	Daily
	AED	Daily
	Inspect each unit's first-aid kit	Quarterly
Public Security Management	Safety inspection of evacuation routes and self-inspection of fire safety equipment	Daily
	Inspection of safety door switches for walk-in refrigerators	Daily
	Safety inspection of electrical equipment	Monthly
	Flammable gas inspection	Daily
	Cooperate with the Fire Department in conducting two fire safety certification inspections and drills (including store counters)	Every six months
Equipment Management	Inspection of air-conditioning equipment at high-voltage substations	Daily
	Replace filters for air-conditioning equipment	Every six months

Category	Action	Inspection Frequency
Professional Maintenance (Outsourced)	Pest and vector control	Weekly
	Overall maintenance and repairs of elevators/escalators	Monthly
	Drinking water quality inspection (sample testing pursuant to regulations)	Quarterly
	High-voltage electrical equipment maintenance and testing, cleaning of drinking water tanks, cooling tower cleaning, sterilization, and testing	Every six months
	Fire equipment safety inspection and reporting	Every six months
	Carbon dioxide testing in working environment	Every six months
	Generator maintenance and repairs, infrared thermography for high- and low-voltage panels and partial discharge testing for high-voltage transformers, major maintenance of central air conditioning units (including thermal imaging and vibration meter testing)	Annually
	Certification and reporting of building public safety inspections	Annually
	Indoor air quality inspection	Every 2 years

3.3.2 Air Quality Control

Far Eastern SOGO is considered an “announced premise” as stipulated in the Indoor Air Quality Management Act, and regularly conducts air quality inspections. All measured values complied with applicable standards. The Tianmu Store has been certified as a Gold Level Taipei City Indoor Air Quality Site, and both the Tianmu and Hsinchu Stores have obtained an Excellent rating for the indoor air quality self-management mark issued by the Ministry of Environment. The Zhongli Store has also obtained an Good rating, and the Hsinchu Store has been designated by the Hsinchu City Government as a Smoke-Free and Healthy Workplace.

Taipei City Indoor Air Quality Site Certification	MOE Indoor Air Quality Self-Management Mark	MOE Indoor Air Quality Self-Management Mark	Hsinchu City Smoke-Free and Healthy Workplace
Gold Level	**Excellent**	**Good**	**Smoke-Free**
Tianmu Store	Tianmu and Hsinchu Stores	Zhongli Store	Hsinchu Store

Item/Frequency

Flammable gas (natural gas) inspection	Air conditioning equipment filter cleaning	Cooling tower cleaning and sterilization	Central air conditioning unit maintenance	Indoor air quality inspection
Daily	Every 3 months	Every six months	Annually	Every 2 years

3.3.3 Customer Safety

Pacific SOGO attaches great importance to customer safety, and conducts static and dynamic fire safety drills once every six months. The Fuxing Store and Tianmu Store have both been designated as Excellent Fire Safety Self-Management Premises, and our three Taipei stores have all signed a memorandum of understanding (MOU) on joint disaster prevention with the Daan District Office.



We have focused on employee emergency response training as part of our service training. Each location is equipped with AEDs and certified as a “Safe Place” by the government. We have also implemented the Thousand-Person Protection Plan, and all employees are required to take a refresher course on first aid once every two years. We organized 72 of these courses in 2025, training 2,689 employees. Some front-line employees also completed advanced technical courses on emergency first aid (Basic Life Support, BLS). All employees will receive refresher courses again in 2027 to enhance department store safety.

Please refer to 4.4.1 Workplace Safety Management)

Should an accident occur at a store, on-site employees will first keep customers calm, and immediately notify the responsible supervisor, the Medical Office, Security Section, and the Engineering and Maintenance Section, alerting all units to simultaneously respond to the situation. All injury incidents must be reported through electronic forms and established as individual cases for management. The Customer Service Center will track how these cases are handled, and continue to monitor and assist affected customers. The store manager will confirm whether the case has been properly handled, and review and make improvements based on the type of injury that occurred. 67 incidents took place in 2025.

Held in 2025	Completed by
72 first-aid courses	**2,689** employees

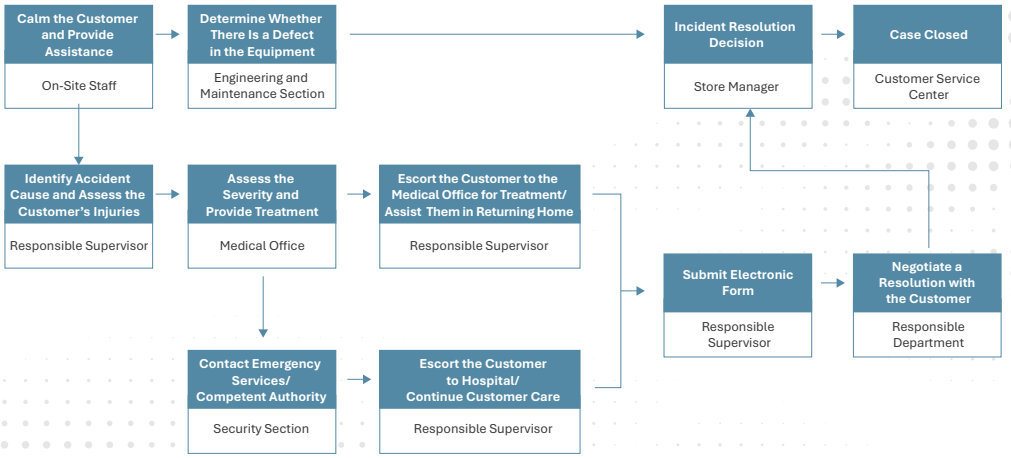


▲ All employees regularly receive refresher courses on first aid.

Data on Customer Injury Cases in 2025

Type of Case	Type of Case	Handling Method	Follow-up
Self-caused	45	Provide on-site care to the customer and immediately notify medical personnel. Depending on the circumstances, accompany the customer to the hospital if required.	All cases have been closed.
Facility-related incidents	12	Provide on-site care to the customer and immediately notify medical personnel. Depending on the circumstances, accompany customer to the hospital if required, and pay for medical expenses. Implement subsequent improvements to the store facility.	
Third-party-related incidents	9	Provide on-site care to the customer and immediately notify medical personnel. Depending on the circumstances, assist with paying for medical expenses if required.	
Other	1		

Customer Injury Handling Process



04 Happy Workplace

In 2025, the Company focused on enhancing employee compensation and benefits, creating a friendly workplace, and reshaping its corporate culture to strengthen employee development and well-being and build a happy workplace. These efforts were recognized with 10 major human resources awards and certifications.

SDGs Addressed in This Chapter



2025 Performance Highlights

Competitive Compensation and Benefits	• All employees received a salary increase for the fourth consecutive year • The average monthly salary was NT$51,935, 9.38% higher than the industry average Total employee remuneration was 35.63% higher than the industry average • The starting monthly salary was increased to NT$35,600, up 11.25% from the previous level and 24.52% higher than the statutory minimum wage
Building a Diverse, Equitable, and Inclusive Workplace	• 100% of employees completed gender equality and inclusion training • Employees who worked reduced hours while on parental leave received 80% of their salary, increasing parental leave benefits by 3.76 times
Embedding Sustainability into Our Workplace Culture	• The total number of volunteer leave hours taken increased by 6.78% from the previous year • A summer energy-saving competition inspired 132 participants to save a total of 26,576 kWh of electricity—about the amount of electricity used by 87 households for an entire month
Going Beyond Regulatory Requirements	• Introduced the Company's first subsidy for employees covering the duties of colleagues on unpaid parental leave, providing nearly NT$1.27 million in allowances during the year • Encouraged employees to improve their foreign language skills by subsidizing 80% of tuition and learning material costs • Developed a family-friendly hourly leave policy for childcare, available to all employees in Taiwan starting in 2026



4.0 Strategic Achievements and Plans

The Company continued to advance digital transformation and improve the workplace environment. By enhancing the employee experience, strengthening employees' professional skills and mental well-being, and managing occupational safety and health in line with the principles of ISO 45001, we have created a safe and happy workplace that helps attract and retain talent. These efforts also contribute to the sustainable development of the retail industry by helping address labor shortages, talent gaps, and workforce mobility challenges. We set numerous retail records: the only retailer to have won the Taipei City Occupational Safety Award for 13 consecutive years and have once again received the HR Asia Best Companies to Work for in Asia Award. Pacific SOGO was the first department store to introduce an allowance for employees covering the duties of colleagues on unpaid parental leave. It is also the only department store to have received both the CommonWealth Parenting Family-Friendly Workplace Award and the Taipei City Parenting-Friendly Enterprise Award.

Policy Commitments

Build a safe workplace that meets international occupational safety and health standards. Offer talent recruitment, deployment, development, and retention programs and remuneration benefits that go beyond industry standards, creating a happy workplace.

Organization Vision

Strengthen employees' understanding of and identification with the Company, while growing with the times, remaining a friendly and valued member of the community, and providing the public with a comprehensive fashion and lifestyle shopping experience as a benchmark in the retail industry.

Material Topics

- Employee Remuneration and Benefits
- Workplace Safety and Health
- Talent Retention and Development

International Frameworks and Indicators

401	Employment	SASB Labor Conditions CG-MR-310a.1CG-MR-310a.2CG-MR-310a.3-
403	Occupational Health and Safety	-
404	Training and Education	-

Management Actions	2025 Performance	Achievement Status		Short-Term Targets (1–3 Years)	Medium- and Long-Term Targets (3 Years or More)
Enhance the employee experience	Guaranteed competitive remuneration and benefits	Target achieved	▶ Redesigned job levels and remuneration ▶ All employees received a salary increase for the fourth consecutive year ▶ Increased the starting monthly salary by 11.25%, making it 24.52% higher than the statutory minimum wage ▶ Introduced new foreign language learning subsidies	• Strengthen managers' leadership skills, foster innovation and change, and improve employee communication • Expand foreign language learning subsidies to include Japanese courses and online learning options	• Maintain competitive salaries • Develop talent to deliver higher-value services • Strengthen career development
Build a safe, healthy, and friendly workplace	Promoted gender equality	Target achieved	▶ Achieved a 100% completion rate for friendly workplace training	• Manage workplace health risks using indicators such as workload levels identified through the Overwork Survey and the top 10 health issues identified in employee health examinations. • Provide all employees with AED and CPR first aid training, offer refresher training every two years, and continue obtaining "Safe Place" certification	• Achieve zero occupational accidents • Promote health management initiatives • Establish a mechanism for non-employees to report occupational accidents
	Introduced benefits that go beyond regulatory requirements	Target achieved	▶ Provided additional allowances for employees covering the duties of colleagues on unpaid parental leave		
	Collecting data on non-employees	In progress	▶ Improved the collection of data on work-related injuries involving non-employees		
Build a culture of sustainability	Expanding social engagement	In progress	▶ A total of 102 employees took 693 hours of volunteer leave, an increase of 6.78% from the previous year	• Regularly organize sustainability courses at each store • Continue providing at least six hours of sustainability training for managers each year • Provide mandatory sustainability training for all employees	• Ensure all employees have a basic understanding of sustainability and incorporate it into their day-to-day work
	Promoting sustainability awareness	In progress	▶ Held 12 sustainability-related courses across Taiwan, with a total of 465 participants		
	Encouraged sustainable actions	Target achieved	▶ A summer energy-saving competition inspired 132 participants to save a total of 26,576 kWh of electricity—about the amount of electricity used by 87 households for an entire month ▶ Participation in the Best ESG Contribution Award increased by 6.45% ▶ Participation in the sustainability quiz increased by 21.67%		

Stakeholder Groups	Engagement Channels	2025 Results
Employees	• Employee engagement and ESG survey (annual)	A total of **1,177** employees completed the survey, with a response rate of **85%**. Among employees who had worked for the Company for at least 20 years, 90% agreed that sustainability had been incorporated into day-to-day operations.
	• Sustainability prize quiz (annual)	A total of **1,095** employees completed the sustainability quiz, with a response rate of **80.75%**. The average score was 95 points. In its second year, the quiz was also opened to store counter tenants, attracting **235** counter partners participanting.
	• Best ESG Contribution Award and Innovation Proposal Award (annual)	A total of **99** employees participated, submitting **44** projects and **53** illustrated articles. Total prize money of **NT$162,500** was awarded.
	• Labor-management meetings (quarterly)	**16** meetings
	• Morning Newsletter (daily)	Daily
	• Training and education (as needed)	A total of **439** sessions were held, with **11,046** participants.
	• Other	Announcements were made through the Company's internal ework system and employee feedback mailbox. No information sessions on major policy changes were held, as there were no significant changes to the Company's human resources systems in 2025. A total of 95 employee assistance program (EAP) seminars were held, attracting 2,821 participants, and EAP consultation services were used 181 times.



4.1 Employee Profile GRI 2-7 GRI 2-23

4.1.1 Employee Composition and Distribution

Pacific SOGO Human Rights Policy

Purpose and Scope

Pacific SOGO respects human rights, and has supported and complied with various human rights conventions such as the International Bill of Human Rights, the Universal Declaration of Human Rights (UDHR), and the United Nations Global Compact (UNGC) in order to protect the basic human rights of our stakeholders. We abide by all domestic labor laws and regulations, and have established our own internal human rights policies. These policies apply not only to all of the Company's employees, but also our business partners, suppliers, contractors, and the local communities where our operating locations are based.

Link to Official Website

Please visit the "Sustainability Commitments and Policies" section on the official Far Eastern SOGO ESG website



Human Rights Topics and Commitment

No Forced Labor

In compliance with government labor regulations, we do not force or coerce unwilling personnel to engage in labor activities, and we strictly prohibit any measures which restrict the freedom of movement of any personnel, including the seizure of personal ID documents.

No Child Labor

We prohibit the employment of child workers below the age of 16 at any of our operating locations and within our supply chain.

Working Hours, Wages, and Benefits

All of our working and overtime hours, wages, work benefits, and living conditions strictly comply with government labor laws and regulations.

Diversity, Equity, and Inclusion

Our employment policy upholds principles of diversity, equality, and inclusion. We do not discriminate on the basis of gender, race, class, age, marital status, language, beliefs, religion, political affiliation, appearance, disability, zodiac sign, and blood type. We respect equal rights for all, ensure that employees receive the same pay for the same work, and also that the workplace is free from any form of harassment or bullying.

Maternity Rights Protection

We protect maternity rights, and have established a gender-friendly workplace system and environment.

Privacy Protection

We comply with government privacy regulations to securely protect personal information.

Health and Safety

We comply with international standards and government regulations, and have established occupational health and safety management mechanisms, creating a safe workplace.

Promoting Human Rights Policies

In September 2023, the Company's highest level executive - the Chairman - signed the Human Rights Policy. Apart from actively practicing corporate sustainability through our own actions and implementing human rights policies, the Company also hopes to hold our stakeholders to the same standard. We are committed to jointly raising awareness of human rights topics and managing related risks.

Adhering to a principle of judging employees solely based on their talents, the Company treats all employees equally, and does not discriminate on the basis of race, gender, faith, nationality, social class, or physical or mental disability. We strictly comply with the Labor Standards Act, and have never employed child labor or violated human rights in our treatment of employees.

In 2025, the Company employed a total of 1,356 personnel in Taiwan (1,334 full-time employees and 22 contract employees), representing an increase of 4.55% compared to the previous year. Most of our employees fall within the 31-50 age group, which accounts for 48.97% of all Company employees. Female employees accounted for 66.45% of the workforce. We have a similar proportion of male and female mid-level and senior managers, with females accounting for 49.53% of this category. Based on employee household registration addresses, 76.11% of employees reside in the cities where the store which employs them is located (the Taipei region includes Taipei City, New Taipei City, and Keelung City). This proportion is approximately the same as in previous years.

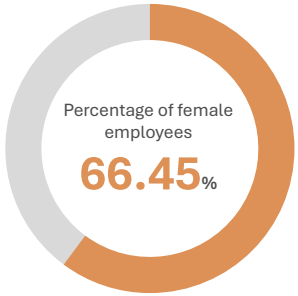
Total employees in Taiwan

1,356 employees

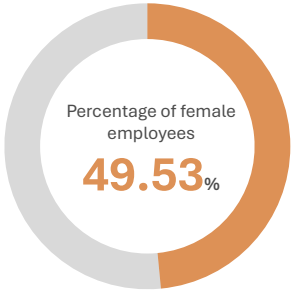
Increase from the previous year

▲ **4.55%**

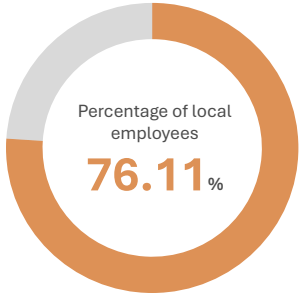
Majority of employees are women



Balanced gender ratio among mid-level and senior managers



Local employment



99.93% of managers and employees are of Taiwanese nationality, including 7 indigenous people. Additionally, we have 1 employee who is not of Taiwanese nationality. The number of new immigrants has not yet been included in the statistics.

2025 Workforce Overview

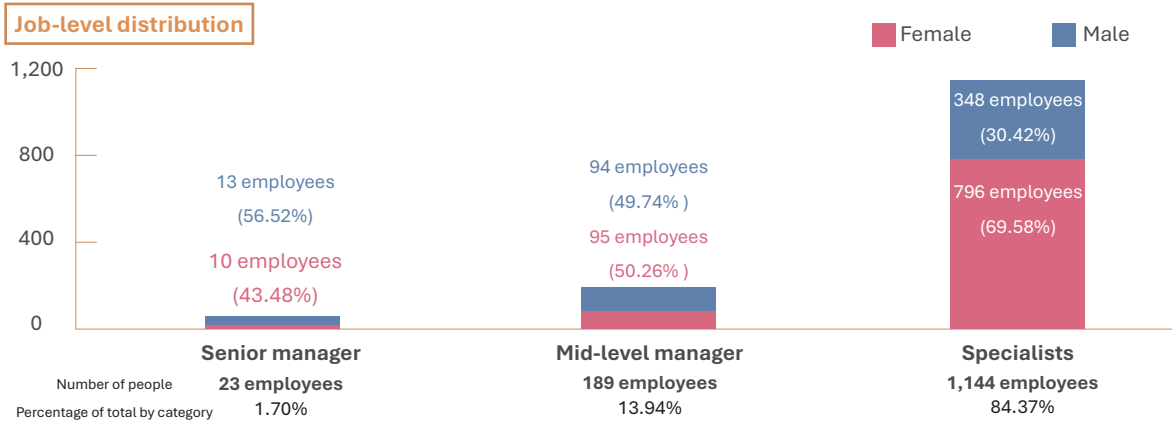
Classification	Gender		Store															
	Male	Female	Total		Headquarters		Taipei Stores		Tianmu Store		Zhongli Store		Hsinchu Store		Kaohsiung Store		Taipei Dome Store	
	Number of people/Percentage	Number of people/Percentage	Number of people	Percentage	Number of people	Percentage	Number of people	Percentage	Number of people	Percentage	Number of people	Percentage	Number of people	Percentage	Number of people	Percentage	Number of people	Percentage
Number of employees (A)	455 33.55%	901 66.45%	1,356	100%	204	15.04%	528	38.94%	124	9.14%	157	11.58%	164	12.09%	64	4.72%	115	8.48%
Number of permanent employees (B)	444 33.28%	890 66.72%	1,334	98.38%	202	14.90%	513	37.83%	120	8.85%	157	11.58%	163	12.02%	64	4.72%	115	8.48%
Number of temporary employees (C)	11 50%	11 50%	22	1.62%	2	0.15%	15	1.11%	4	0.29%	0	-	1	0.07%	0	-	0	-
Number of employees with no guaranteed hours (D)	-	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-
Number of full-time employees (E)	455 33.55%	901 66.45%	1,356	100%	204	15.04%	528	38.94%	124	9.14%	157	11.58%	164	12.09%	64	4.72%	115	8.48%
Number of part-time employees (F)	-	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-

Note

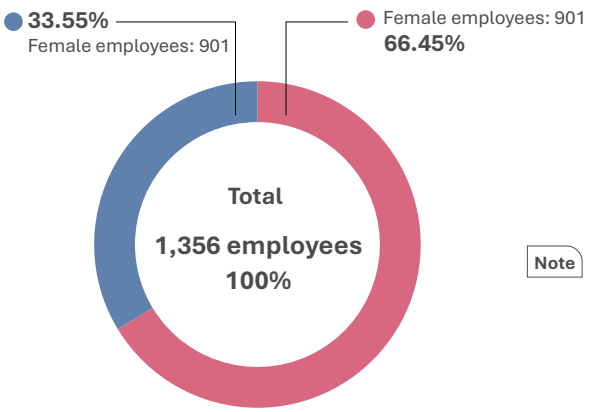
1. Number of employees (A) = Number of permanent employees (B) + Number of temporary employees (C) + Number of employees with no guaranteed hours (D) = Number of full-time employees (E) + Number of part-time employees (F)
2. Permanent employees: Full-time employees who have signed employment contracts with no fixed termination date (i.e., indefinite)
3. Temporary employees: Employees who have signed an employment contract with a termination date (i.e., with a fixed term). This contract expires at a specified time, or when a specific task or event with an assessed time schedule is completed (such as when a work project ends, or when the original employee that the temporary employee is covering for returns to work, also includes contract employees).
4. Employees with no guaranteed hours: Employees who are not guaranteed a minimum or fixed number of working hours per day, week, or month, but who are available for work upon request. This includes hourly employees, temporary employees, employees on zero-hour contracts, and on-call employees.
   Full-time employees: Employees with a set number of working hours per week, month, or year, defined based on the regulations and practices of the country they are located in.
5. Part-time employees: Employees who work fewer hours per week, month, or year than full-time employees.
6. The “Taipei Stores” category includes three operating locations: the Zhongxiao Store, Fuxing Store, and Dunhua Store.
7. The workforce data presented in this Chapter is based on our total count of 1,356 employees as of December 31, 2025. This includes employees at the seven Far Eastern SOGO stores and Far Eastern Garden City (Taipei Dome).

2025 Human Resources Composition

Job-level distribution

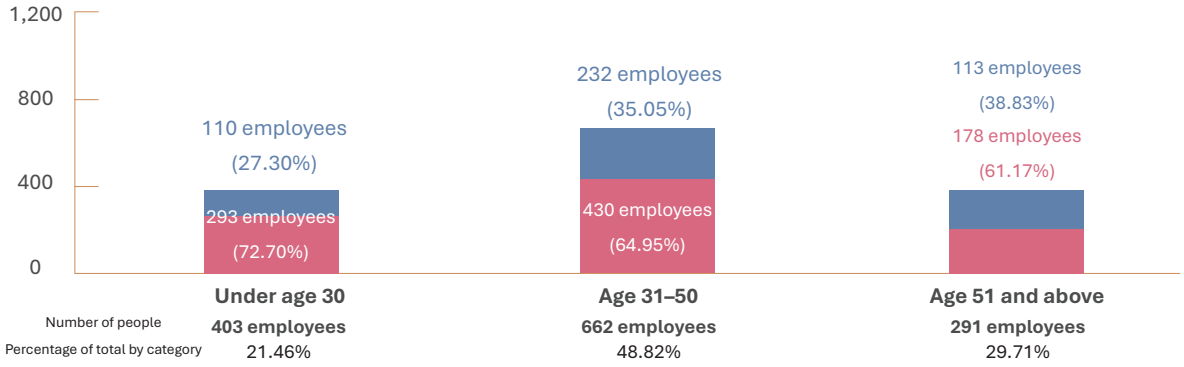


	Senior manager	Mid-level manager	Specialists
Number of people	23 employees	189 employees	1,144 employees
Percentage of total by category	1.70%	13.94%	84.37%



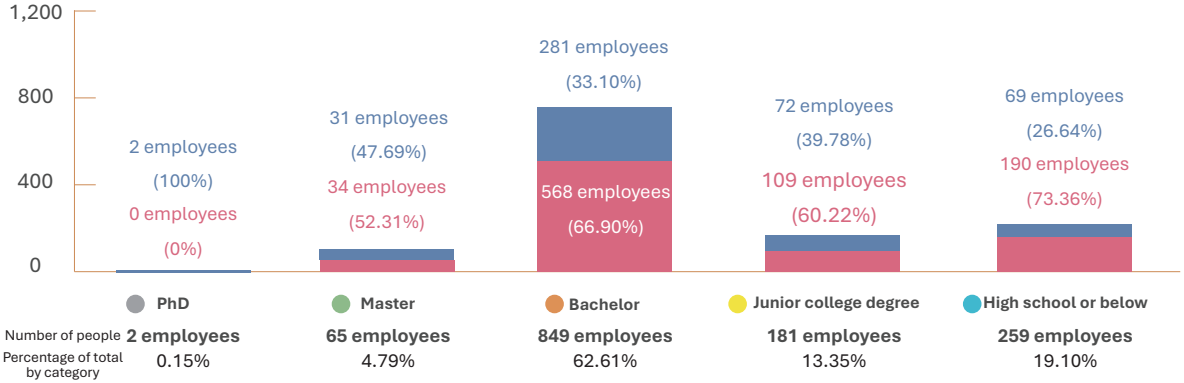
Note "Senior manager" refers to executives of assistant vice president or above; "Mid-level manager" refers to managers, deputy managers, and section leaders.

Age distribution



	Under age 30	Age 31–50	Age 51 and above
Number of people	403 employees	662 employees	291 employees
Percentage of total by category	21.46%	48.82%	29.71%

Education distribution



	PhD	Master	Bachelor	Junior college degree	High school or below
Number of people	2 employees	65 employees	849 employees	181 employees	259 employees
Percentage of total by category	0.15%	4.79%	62.61%	13.35%	19.10%

The Company provides equal opportunity and diverse employment opportunities pursuant to Article 38 of the People with Disabilities Rights Protection Act, and employ a total of 13 persons with disabilities. Apart from the Hsinchu Store, which has yet to find suitable employees, this meets or exceeds legal requirements on the proportion of employees with disabilities.

Number of Employees with Disabilities Employed in 2025

Region/ Gender	Male	Female	Total	Difference between Number Employed and Regulatory Requirements
Taipei Area	3	6	9	+1; 1 above the statutory requirement
Zhongli	2	0	2	0; meets the statutory requirement
Hsinchu	0	0	0	−2; 2 below the statutory requirement
Kaohsiung	1	1	2	+1; 1 above the statutory requirement
Total	6	7	13	-

Note
1. The Taipei area includes our headquarters location, our Taipei stores, the Tianmu Store, and the Taipei Dome Store.
2. We have employed 10 employees with disabilities across the Taipei region. 2 of these employees are classified as severely disabled, meaning that we are considered to employ 11 employees with disabilities pursuant to law, exceeding the legal requirement.

4.1.2 Employee Turnover

GRI 401-1

The Company recruits talent through a wide variety of channels, including through online job banks, campus recruitment events, career fairs, industry-academia collaborations, and headhunting companies. We also publish internal job openings, offering diverse career development opportunities, and aim to reduce turnover rates through measures such as job level restructuring, overall remuneration adjustments, events promoting employee health management, and showing employee care through work-life balance measures. With Far Eastern Garden City nearing its official opening date, we hired 259 new employees in 2025, representing a hiring rate of 19.10% and a 161% increase in hiring compared to 2024.199 employees left the Company, representing a turnover rate of 14.68%, a slight decrease compared to 2024. The top three reasons given for employee turnover were making a career transition, difficulty adapting to working at the Company, and family reasons.

New and Leaving Employees in 2025

New Employees



259 employees

Hiring rate 19.10%

Compared with 2024 ▲ 161%

Leaving Employees



199 employees

Turnover rate 14.68%

Compared with 2024 ▼ Slight decrease

Structural Breakdown of New and Leaving Employees in 2025

		New Employee Breakdown			Leaving Employee Breakdown	
		Male	Female		Male	Female
Age breakdown		56	136	Under age 30	39	82
		22	41	Age 31-50	23	38
		3	1	Age 51 and above	10	7
Regional distribution		67	141	Taipei Area	61	96
		2	9	Zhongli	2	6
		7	26	Hsinchu	6	23
		5	2	Kaohsiung	3	2
Total		81	178	Total number of employees	72	127
		5.97%	13.13%	Hiring rate / Turnover rate	5.31%	9.37%

Note
1. Hiring rate (%) = number of new employees / total number of employees at the end of December for the year
2. Turnover rate (%) = Number of employees leaving/Total number of employees at the end of December for the year

Employee Turnover in 2025

Reason for leaving	Number of people
• Difficulty adapting to work	37
• Pursuing further study	3
• Contract expiration	16
• Family factors	19
• Retirement	16
• Health status	18
• Death	1
• Shift scheduling	2
• Unqualified after probation period	7
• Layoff	0
• Salary	6
• Career transition	73
• Other	1
• Total	199

4.1.3 Composition and Distribution of Non-Employees

GRI 2-8

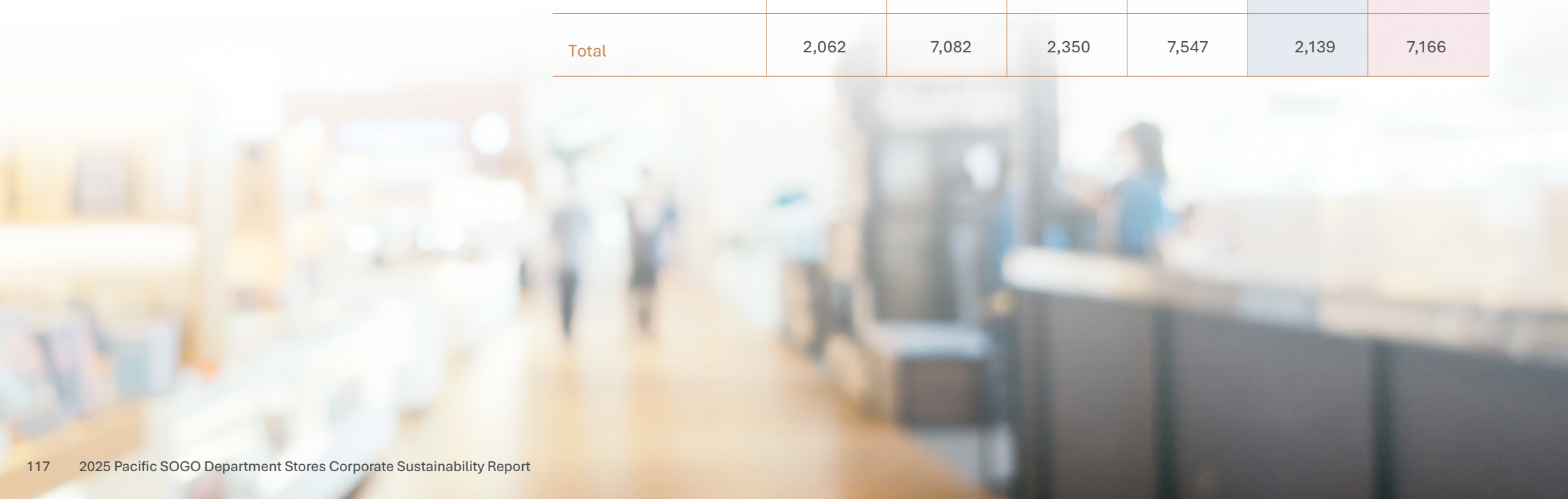
Pacific SOGO's non-employees include contractors (security, maintenance, employee cafeteria staff, etc.), counter staff employed by tenant vendors, and dispatched IT employees hired through a labor agency, totaling 9,305 persons.

Total Number of Non-Employees in 2025

9,305 people

Note
1. This does not include workers who work outside of the organization's control, such as workers from suppliers who regularly maintain the organization's equipment and temporary construction workers.
2. The employee cafeteria had been discontinued by the end of 2024.

	2023		2024		2025	
Category/Year	Male	Female	Male	Female	Male	Female
Store counter staff	1,855	6,794	2,152	7,261	1,939	6,882
Security personnel	115	27	134	30	117	28
Maintenance personnel	69	238	61	241	62	240
Employee cafeteria	4	5	0	0	0	0
Parking attendants	17	17	1	15	19	16
Dispatched workers	2	1	2	0	2	0
Total	2,062	7,082	2,350	7,547	2,139	7,166



4.2 Remuneration and Benefits GRI 2-20 GRI 405-2

4.2.1 Remuneration System

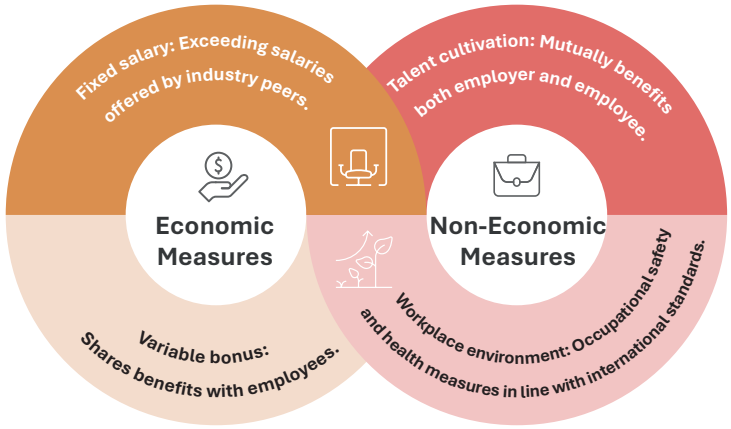
The Company has established a fair, reasonable, and competitive remuneration system, which is not influenced by factors such as gender, age, or race. The salary adjustment budget for the year is allocated after being approved by the Board of Directors in the previous year, and salary adjustment proposals are formulated through a joint analysis conducted by the Human Resources Department and a hired consulting company, taking into account socioeconomic indicators, salary adjustments implemented by the government for military, public service, and teaching personnel, adjustments implemented by our industry peers, as well as the individual employee's professional abilities, work performance, and performance assessment. The adjustment is implemented after approval by the Group's Board of Directors, the Group Chairman, and the Business Management Committee. We have not established an independent highest governance body or independent Remuneration Committee to supervise the process. The consulting company hired is an independent third-party organization, and has no conflict of interest with the organization, the Company's highest governance body, and senior executives.

In order to establish a fair and transparent workplace environment, Far Eastern SOGO fully adopted a new job grade framework beginning on January 1, 2025—the Global Grading System (GGS), introduced by an international consulting firm. Depending on the complexity of the job duties required and its scope of impact, we have expanded and more clearly defined our range of job levels from 10 to 18, establishing a dual career-development structure for the first time by creating separate "management positions" and "specialist positions." While in the past the only path towards promotion was through management positions, this change allows senior specialists to obtain remuneration and recognition comparable to those employees in management roles, effectively addressing pain points which previously led to professional talent loss.

At the same time, we have flattened the organizational structure, removing the "deputy section leader" rank and shortening the chain of command. We have also redefined how job responsibilities are linked to remuneration through setting objective standards and criteria based on six major job competencies, including professional knowledge, leadership responsibilities, and problem-solving ability. This ensures that our remuneration system is both internally fair and externally competitive.

With regard to salary optimizations, we significantly increased salary levels for new employees in 2025, adjusting our basic salary from NT$32,000 to NT$35,600, an increase of 11.25% aimed at attracting a new generation of talent. The Directorate-General of Budget, Accounting and Statistics announced that the average monthly regular salary for a person working in the wholesale and retail industry was NT$47,483 in 2025. In that same year, the Company's average monthly regular salary per employee was NT$51,935, higher than our industry peers by 9.38%. Including bonuses, the Company provided an average salary of NT$75,697, 35.63% higher than the NT$55,813 average provided by industry peers. We also increased overall salaries for the fourth consecutive year in 2025. At the same time, we have maintained smooth internal promotion channels, and promoted 233 employees during the year. This represented a promotion rate of up to 17%, effectively motivating employee performance.

Comprehensive Remuneration System

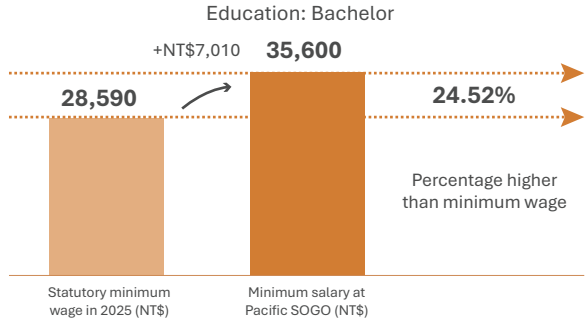


Number of Full-Time Non-Managerial Employees and Annual Salary Statistics

Item/Year	2023	2024	2025
Full-time employees not in a management position	1,100	1,087	1,144
Average salary of full-time non-managerial employees (NT$ thousand/person)	653	710	730
Median salary of full-time non-managerial employees (NT$ thousand/person)	620	676	693

Note
1. The salary data provided is for regular salary, which includes the base salary and fixed monthly allowances.
2. Full-time non-managerial employees do not include part-time employees, and are considered employees in specialist roles.

Percentage Difference Between Starting Salaries for Specialists to Statutory Minimum Wage
(no gender or regional differences)



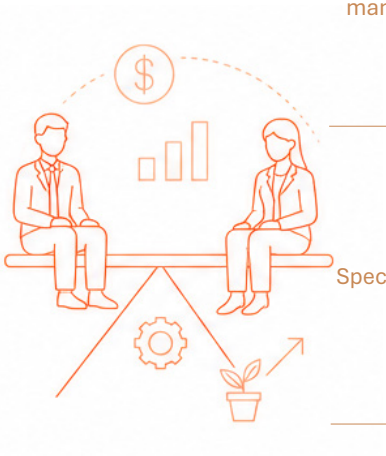
Percentage higher than minimum wage **24.52%**

Note Percentage higher than minimum wage = (Minimum salary at Pacific SOGO - statutory minimum wage) / statutory minimum wage × 100%

Gender Salary and Remuneration Ratio for Each Job Level

The Company has established a promotion and remuneration system that does not discriminate on gender, and determines salaries based on an employee's professional capabilities and assessment results. In 2025, our ratio of male to female senior management employees was 6:4, and the average salaries of female senior managers exceeded that of men for the first time. The salary ratios for male and female mid-level managers and specialists were also similar.

Year		2023		2024		2025	
Gender		Male	Female	Male	Female	Male	Female
Senior manager	Percentage of employees	55%	45%	54%	46%	57%	43%
	Gender salary ratio	1.18	1	1.07	1	0.93	1
	Gender remuneration ratio	1.14	1	1.07	1	0.89	1
Mid-level manager	Percentage of employees	50%	50%	52%	48%	50%	50%
	Gender salary ratio	1.05	1	1	1	1.01	1
	Gender remuneration ratio	1.06	1	1.02	1	1.04	1
Specialists	Percentage of employees	29.91%	70.09%	31%	69%	30%	70%
	Gender salary ratio	1.03	1	1.05	1	1.06	1
	Gender remuneration ratio	1.04	1	1.05	1	1.05	1



Male-to-female ratio among senior managers

6:4

Average salary of female employees

Exceeds that of male employees for the first time

Mid-level managers and specialists

Similar salary levels for male and female employees

Note

1. Salary (fixed salary) = base salary + allowances
2. Remuneration = fixed salary + variable salary (bonuses)
3. "Percentage of employees" refers to the percentage of employees at that job level who are male or female.
4. The gender salary ratio for mid-level male and female managers for 2024 was restated due to an error.

4.2.2 Employee Benefits

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

Benefits Measures

The Company provides various employee benefits, including bonuses, allowances, and subsidies. In 2025, the Employee Welfare Committee spent NT$57.8 million on employee benefits, mainly consisting of NT$26.08 million (45.12%) distributed from dividend income and year-end balance settlement, and NT$16.87 million (29.19%) in travel subsidies. Of this, 522 employees participated in group trips to Italy, Japan's Tohoku region, and Busan, South Korea, achieving an 83% satisfaction rate.

Employee Welfare Committee Expenditures in 2025

NT$57.8 million

Travel subsidies	Group trips	Travel satisfaction rate
29.19%	522 employees	83%
Amount NT$16.87 million	Destinations	

Benefit Type	Description
Distributed bonuses*	Year-end bonuses, profit-sharing bonuses, anniversary bonuses, special performance bonuses, and surplus vouchers
Benefits and Allowances*	Cash gifts on the three major holidays/birthdays/marriage/childbirth, child tuition subsidies, phone bill subsidies, fuel subsidies, childbirth subsidies, childcare allowances*, paid parental leave for shortened working hours*, allowances for employees covering for unpaid parental leave*, distribution of excess funds from the Employee Benefits Committee for the year, distribution of cash dividend income from the Employee Benefits Committee.
Entertainment Subsidies*	Travel subsidies of up to NT$15,000, company club activity subsidies of NT$32,000 per year, and subsidies for employee meal gatherings.
Emergency Aid and Care*	Hospitalization allowances, emergency aid funds, condolence money
Leave System	Statutory leave, birthday leave, flexible working hours, and volunteer leave
Insurance and Health	Labor insurance, health insurance, group insurance, maternity protection measures, employee health checkups, employee assistance programs (EAPs), hospitalization allowances, and allowances provided for major illness
Employee Convenience Facilities	Employee parking spaces, childcare rooms, and medical rooms
Retirement Benefits	The Company contributes to employee pension funds under both the new and old labor pension system, providing meal allowances of up to NT$7,000 to retired employees, and also allowing retired employees to sign up for employee group vacation trips.
Preferential Discounts	Employee store discounts, discounts for employees at affiliated companies, discounts at partnered stores, self-service coffee machines, and smart vending machines

Note *Exceeds legal requirements

Retirement Benefits

Pacific SOGO contributes to employee labor retirement reserve accounts each month pursuant to law. Employees can choose to contribute an additional 1-6% of their salary. At the same time, 483 of the Company's employees qualify for the old labor pension system. 62 of these employees have remained on the old system, while 421 have switched to the new labor pension system. For employees qualifying for the old labor pension system, the Company allocates 6% of their salary each month to the old labor retirement reserve account at the Bank of Taiwan, allocating the full required funds each year pursuant to law. In order to make up for labor shortages, the Company is currently developing a return-to-work program for retired employees and is working to create a friendly workplace for middle-aged and elderly employees.

Promote DEI to Create a Friendly Workplace

According to the Ministry of Labor's definitions, the Company employs 488 middle-aged employees within the 45-65 age group, and employs 5 elderly employees of above 65 years of age. This accounts for 36.36% of our total employee workforce. We also employ 422 and 75 employees who have been with the Company for 20 and 30 years, respectively. Pacific SOGO has therefore actively sought to create a friendly workplace for middle-aged and elderly employees.

In accordance with the Gender Equality in Employment Act and the Labor Standards Act, the Company provides benefit measures that meet or exceed statutory requirements, including childbirth bonuses, reduced working hours for childcare, childbirth subsidies, and childcare allowances, to support employees in starting and raising families. Beginning in 2025, the Company became the first retailer to introduce a work allowance for employees who assume the duties of colleagues on unpaid parental leave, ensuring appropriate compensation and recognition for the additional workload. During the year, the allowance was claimed on 186 occasions, with cumulative payments totaling nearly NT$1.27 million.

Employees aged 45–65	Employees over age 65	At least 20 years of service	At least 30 years of service
488 employees	**5** employees	**422** employees	**75** employees

Combined percentage of total employees **36.36%**

All Company employees completed training

Gender-friendly workplace seminar

Encouraging Marriage and Childbirth

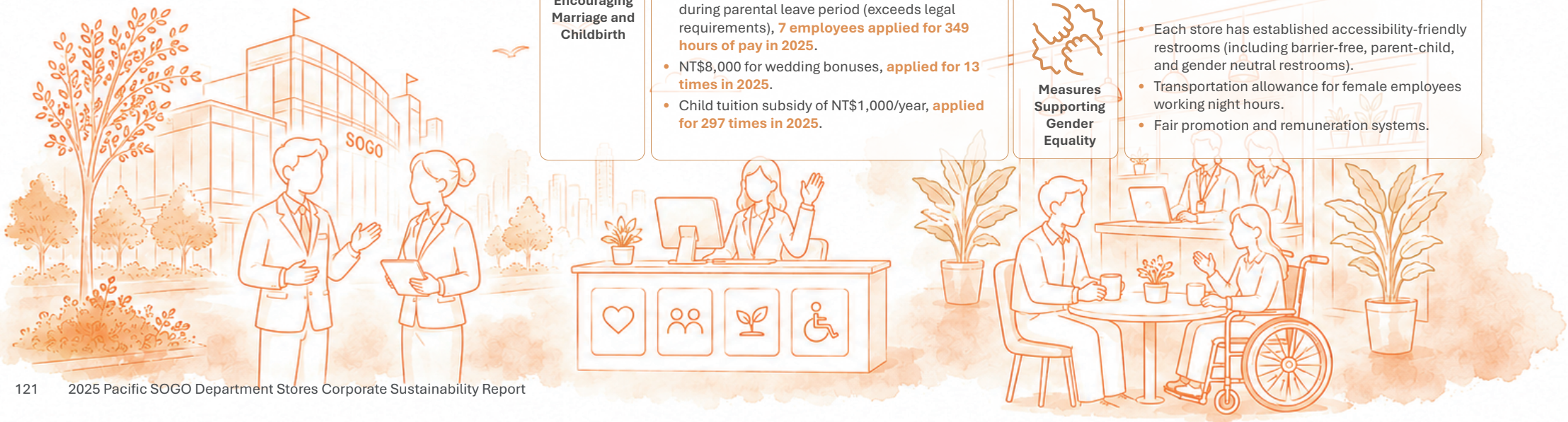
- Established breastfeeding rooms at Headquarters and at each store **(100% coverage rate)**.
- Appropriately adjusted job shift rotations to accommodate pregnant employees.
- Childbirth subsidy of NT$5,000, **applied for 18 times in 2025**.
- Childcare allowance of NT$10,000 (exceeds legal requirements), **applied for 15 times in 2025**.
- Provided 80% pay for working shortened hours during parental leave period (exceeds legal requirements), **7 employees applied for 349 hours of pay in 2025**.
- NT$8,000 for wedding bonuses, **applied for 13 times in 2025**.
- Child tuition subsidy of NT$1,000/year, **applied for 297 times in 2025**.

Protecting Employment Rights of People with Disabilities

- Headquarters, Taipei Stores, Zhongli Store and Hsinchu Store has signed a fixed-term contract with a massage therapist with a visual impairment.
- Taipei and Kaohsiung stores employ more than the legally-required number of employees with disabilities.

Measures Supporting Gender Equality

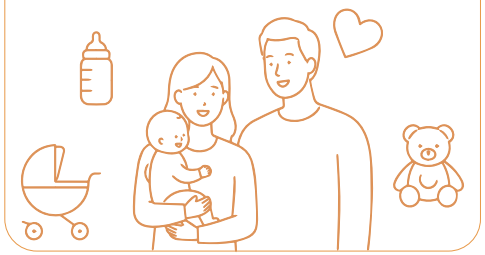
- Each store has established accessibility-friendly restrooms (including barrier-free, parent-child, and gender neutral restrooms).
- Transportation allowance for female employees working night hours.
- Fair promotion and remuneration systems.



Parental Support Measures

11 female and 6 male employees applied for parental leave in 2025. 83.33% of our employees return to work after taking unpaid parental leave, and 71.43% remain at the Company for at least one year after returning to work.

Return-to-work rate after parental leave	Retention rate one year after returning to work
83.33 %	71.43 %
2025	2025

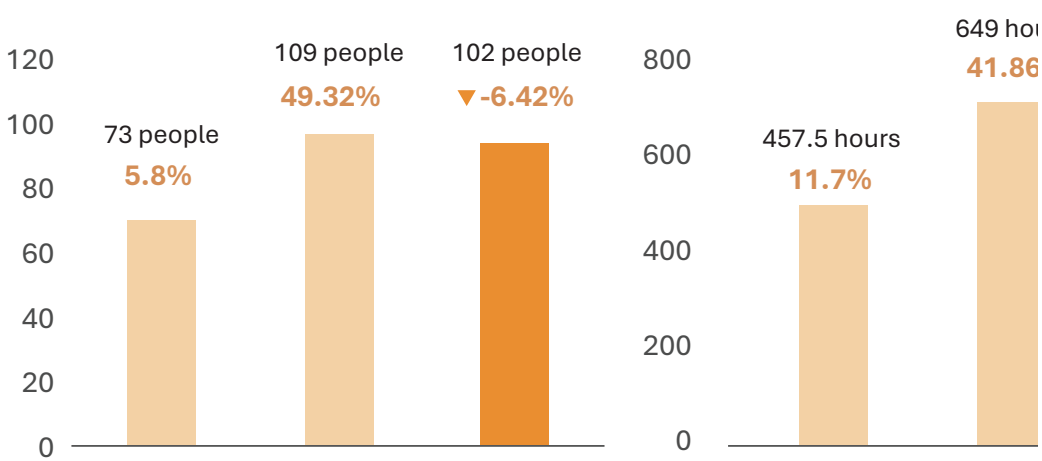


Year	2023		2024		2025	
Gender	Female	Male	Female	Male	Female	Male
Number of employees entitled to parental leave (A)	33	24	36	17	29	27
Number of employees applying for unpaid parental leave (B)	4	3	18	3	11	6
Number of employees expected to return to work during the year (C)	10	3	14	3	7	5
Number of employees expected to return who actually return to work during the year (D)	6	2	12	2	6	4
Number of employees returning to work in the previous year (E)	6	0	6	2	12	2
Number of employees still employed 12 months after returning to work (F)	5	N/A	5	2	9	1
Parental leave application rate=(B)/(A)	12.12%	12.5%	50%	17.65%	37.93%	22.22%
Return rate after leave ends=(D)/(C)	60%	66.67%	85.71%	66.67%	85.71%	80.00%
Retention rate one year after returning to work=(F)/(E)	83.33%	N/A	83.33%	100%	75.00%	50.00%

Note
1. Employees are entitled to parental leave if they are taking care of an infant below three years of age. These figures are calculated based on the number of employees applying for childbirth allowances in the past three years.
2. The number of employees entitled to parental leave in 2024 was restated due to an error.

Volunteer Leave

Pacific SOGO employees are entitled to 10 hours of volunteer leave each year. Employees who participate in public welfare activities during non-working hours may apply for compensatory leave.



Note The annual increase figures reported for 2024 were restated due to an error.



▲ The Volunteer Club holds a year-end dinner every year to commend company departments and employees who have actively participated in charity activities.

Employee Assistance Programs (EAPs)

The Company comprehensively promotes Employee Assistance Programs (EAPs) to advise employees on financial, tax, home repair, health, retirement, insurance, and legal issues. These services were accessed 181 times by employees across the year, with middle-aged and elderly employees accounting for 17.13% of these times. Each store organized 95 EAP themed seminars and 33 ESG-related courses, drawing a total of 4,313 participants. The number of courses increased by 26.73% compared to the previous year, with the number of participants increasing by 31.05%.

2025 EAP Service Results

181 times
EAP service usage

17.13 %
Consultations by middle-aged and older employees

95 seminars
EAP-themed seminars

33 courses
ESG-related courses

Total participants **4,313** participants

Increase in courses from the previous year **26.73** %

Increase in participants from the previous year **31.05** %

Labor-Management Communication Meetings

The Company strengthens communications and promotes positive labor-management interactions by offering diverse communications channels, including the grievance and complaint mailboxes at the Human Resources Department and the Audit Office. In the event of a major operational change which impacts employees, we will comply with the Labor Standards Act to announce this information in advance as quickly as possible. The Company holds quarterly labor-management meetings with a total of 23 labor representatives, accounting for 1.69% of the Company's employees. In 2025, we held 16 labor-management meetings, and reported important information on employee group vacation trips, health examination results, personnel changes, and sales promotion activities, while also disclosing the employee bonuses distributed, analyzing abnormal health examination results, and promoting workplace safety.

Dates of Labor-Management Meetings and Occupational Safety and Health Committee Meetings Held in 2025

Headquarters, Taipei Stores (Zhongxiao Store, Fuxing Store, and Dunhua Store), and Tianmu Store	3/17, 6/19, 9/30, 12/24
Zhongli Store	3/17, 6/16, 9/16, 12/8
Hsinchu Store	3/27, 6/27, 9/25, 12/26
Kaohsiung Store	3/26, 6/24, 9/15, 12/24

Employee Engagement

In order to better understand how satisfied employees are with the Company's various systems, measures, and benefits, and assess their awareness of the Company's policies, the Company hires a consulting company to conduct an employee opinion survey each year, and designs an employee workshop where their opinions can be heard. The 2025 Employee Engagement and ESG Survey was implemented at the beginning of 2026. We collected 1,177 questionnaires, a response rate of 85%, and analyzed the level of employee engagement (including satisfaction, happiness and loyalty, and net promoter score), as well as how much employees identified with our core values and ESG principles. We found an overall satisfaction score of 3.51, and a net promoter score of -31.7.

With regard to ESG perception and expectations, 81.44% of employees agreed with the Company's emphasis on corporate sustainable development, and 84.88% expressed a willingness to help the Company promote sustainable development. With regard to happiness and loyalty indicators, 63.72% expressed satisfaction with working at the Company, and 60.07% plan to remain at the Company for the long-term. The Company also conducted a cross-tabulation analysis of individual motivation with happiness and loyalty. While 76.38% of employees agreed that the Company provides good employee benefits, only 36.96% reported not feeling highly-stressed at work, and 51.06% reported that they have achieved work-life balance.

The Human Resources Department has actively implemented various diverse strategies in response, and remains committed to improving employee benefits and cultivating talent. A number of measures have been implemented at the moment, including: Ensuring that all Taiwan stores provide the same employee group vacation subsidies, provide subsidies for learning foreign languages, and arrange for regular health consultations with in-house physicians. Additionally, we are looking into expanding the program where employees covering for other employees taking unpaid parental leave are provided an allowance, enabling the program to provide allowances to employees covering for any type of unpaid leave. We are also developing a new flexible, childcare-friendly working hours policy, helping employees balance work with taking care of their family.

Overall satisfaction **3.51** points
(Out of 5 points)

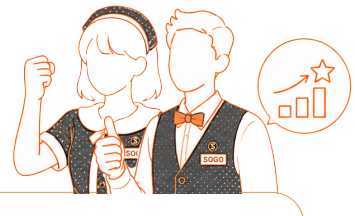
Agree that the Company values corporate sustainable development **81.44** %

Willing to help the Company promote sustainable development **84.88** %

Happiness and loyalty indicators

Satisfied with working at the Company **63.72** %

Plan to remain at the Company for the long term **60.07** %



Agree that the Company provides good employee benefits **76.38**%

Do not feel highly stressed at work **36.96**%

Able to achieve work-life balance **51.06**%



4.3 Attracting and Cultivating Diverse Talents

4.3.1 Employee Training GRI 404-1 GRI 404-2

Training and Education

In order to strengthen our organizational competitiveness, Pacific SOGO has adopted the Talent Quality Management System (TTQS), and established a systematic education and training system based on the system's 5 key aspects and 19 indicators. We have used this system to plan courses for each of our departments and employees at different job levels. In 2025, the Company invested more than NT$7.07 million into education and training, spending NT$5,216 on average per employee trained. The total number of employees receiving training increased by 2.97%, and the total hours of training provided increased by 13.22%.

Training and Education Content

New Employee Training	Supporting and operational units provide 2 days of orientation training for all new employees.
Competency Training	Sales promotion plans, sales floor layout, manpower management, work performance, service etiquette, posture training, enhancing foreign language ability, and improving quality of services provided to foreign customers.
Leadership	Enhance management competencies in operational strategies and team leadership.
Growth and Learning	Sustainability trends, interpersonal communication, popular culture, health management
Occupational Health and Safety	Occupational health and safety training for new employees, occupational health and safety training for in-store workers (including safe ladder usage procedures), procedures for event entry/application approval, identifying occupational health and safety hazards and assessing related risks, workplace violence and harassment, prevention of cardiovascular and musculoskeletal disease, first aid
Transforming Corporate Culture	The "Cheers Bar" Reverse Mentoring Program, in which frontline supervisors teach managers at the section-chief level and above, fostering an innovative and diverse corporate culture.

Number of Employees Trained and Training Costs

	2023		2024		2025	
	Male	Female	Male	Female	Male	Female
Number of courses	424		421		493	
Number enrolled	9,048		10,839		11,037	
Number of employees trained	1,444		1,450		1,493 ▲ 2.97%	
Total number of employees	433	872	444	853	455	901
Average training hours for senior managers	20.75	9.82	19.42	21.05	13.54	17.95
Average training hours for mid-level managers	28.59	15.54	27.39	27.74	23.61	25.65
Average training hours for specialists	14.74	10.44	17.85	19.50	19.46	22.54
Average training hours per employee	17.85	17.64	20.39	19.96	20.15	22.82
	17.74		20.24		**21.92** ▲ 13.22%	
Total training cost spent (NT$)	15,244,792		8,731,352		**7,073,016**	
Average training cost per person (NT$)	11,681.8		6,732		**5,216**	

Note
1. Average training cost per person = Total training cost spent/Total number of employees
2. Average training hours = Total training hours (hours * course sessions * number of employees in the category enrolled in course)/Number of employees in the category
3. The average training hours per person in 2024 was restated due to an error.
4. The total cost of education and training includes costs for external training courses, course instructor fees, and professional training fees. It does not include subsidies provided for foreign language continuing education courses.

Number Enrolled in Each Course

Course Type/Year	2023	2024	2025
Leadership	716	464	413
Operational Competencies	370	666	1,508
Professional Competencies	1,500	1,671	1,643
Training Projects	1,454	224	261
Basic Education	727	723	1,990
Growth and Learning	1,798	1,550	1,555
Information Security	58	245	1,289
Sustainability-related	384	787	465
Other	2,041	4,509	1,913
Total	9,048	10,839	11,037

Note
1. Courses in the "Other" category includes book clubs, delivery packaging training, courses on new systems, and health management and promotion courses.
2. We began collecting separate data on information security and sustainability courses beginning in 2023.

Raising Awareness of Human Rights and Eliminating Sexual Harassment

In order to improve awareness and emphasize our responsibility as an employer in preventing sexual harassment, we have designated sexual harassment as an important topic for management, and established the Sexual Harassment Prevention Rules. Sexual harassment cases are handled while keeping the identities of the parties involved confidential in order to protect their privacy. No sexual harassment cases occurred in 2025. All employees were required to take mandatory gender-friendly workplace courses beginning from 2024, by 2025, 100% of all employees had completed the training. In 2025, 455 employees were required to take the course, and 470 were enrolled in the course in reality, meaning that 100% of all employees have completed training. We also included human rights policies as part of our new employee education and training, with 164 employees in total completing human rights courses.



100 %
All employees completed the training

"Cheers!" Reverse Mentoring Course

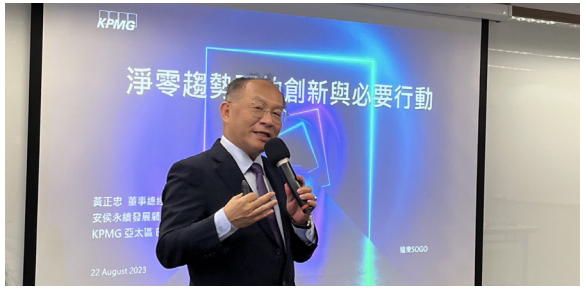
The Company created the "Cheers!" Reverse Mentoring Course in order to create a younger corporate culture, named after the "bottom-up" spirit of the course. We hope that this course can allow senior executives to absorb new knowledge with an open mindset, expanding their horizons while also gaining new work inspiration. We held 2 sessions for this course in 2025, inviting employees who had regularly joined the Mazu Pilgrimage for multiple years to share their emotions and experiences during the journey, as well as employees who are marathon enthusiasts to share their motivation and experience with running. We hoped that these experiences can help inspire other employees.



2 sessions
Reverse mentoring course

Internalizing Sustainable Education

Numerous domestic and international studies have shown how a brand's sustainability performance can affect consumer willingness to spend and make the company more attractive to young workers. The Company hopes to improve the sustainable knowledge and literacy of our employees to help transform our corporate culture.



▲ Three sustainability courses totaling six hours are held annually for employees at the manager level and above.

Targets	Courses/ Activities	Frequency	Description
Newly-Hired Employees	New employee ori-entation training	Once every 2 to 3 months (In February, May, July, September, and December)	The new employee orientation training program includes one hour of courses on basic sustainability knowledge and the Company's sustainability practices. A total of 164 employees were trained across the 5 training periods in 2025.
All employees	Sustainability knowledge courses	Intermittent	Spread new sustainability knowledge and inform employees of the Company's sustainability policies, open to all employees. A total of 12 courses were held in 2025 with 465 total participants.
	Sustainability prize quiz	Once a year, at the end of the year	Surveys the sustainable knowledge and literacy of all employees. The quiz had a participation rate of 80.75% in 2025.
	Best ESG Contribu-tion Award and In-novative Proposal Award	Once a year, first half of the year.	Recognizes the outstanding teams or individuals who have contributed to sustainability, encouraging employees to put forward innovative ideas. In 2025, we received 18 submissions of sustainability achievements, 22 innova-tion proposals, and 53 sustainability infographics. Added an individual awards category for the first time, re-ceiving 4 submissions.
Mid-level and senior managers, ESG Committee members	Regular ESG meet-ings	Monthly	The meeting is attended by the supervisors of each department. Consultants, other enterprises, social innovation enterprises, and social welfare groups are also invited to share their experiences. 13 meetings were held in 2025, attended by 312 total participants. External organizations were invited to 7 of these meetings to share their expe-riences.
Governance and management level supervisors	Improve sustainabil-ity knowledge	3 times per year	The Company arranges 6 hours of mandatory sustainability courses for all executives from manager to Chairman rank, similar to the requirements for the Board of Directors of a publicly-listed company. These courses achieved an impressive 92% attendance rate.

4.3.2 Cultivating External Talent

Industry-Academia Collaboration

Pacific SOGO has recruited interns since 2015. We have held numerous campus recruitment information sessions, and offered internship positions in our Operations, Customer Service, and Administration departments. We worked together with 19 higher education institutions in 2025, and recruited a total of 25 interns.

40 % of interns recruited from industry-academia collaborations in 2024 transferred into full-time employee positions in 2025.

Overview of Collaborating Schools

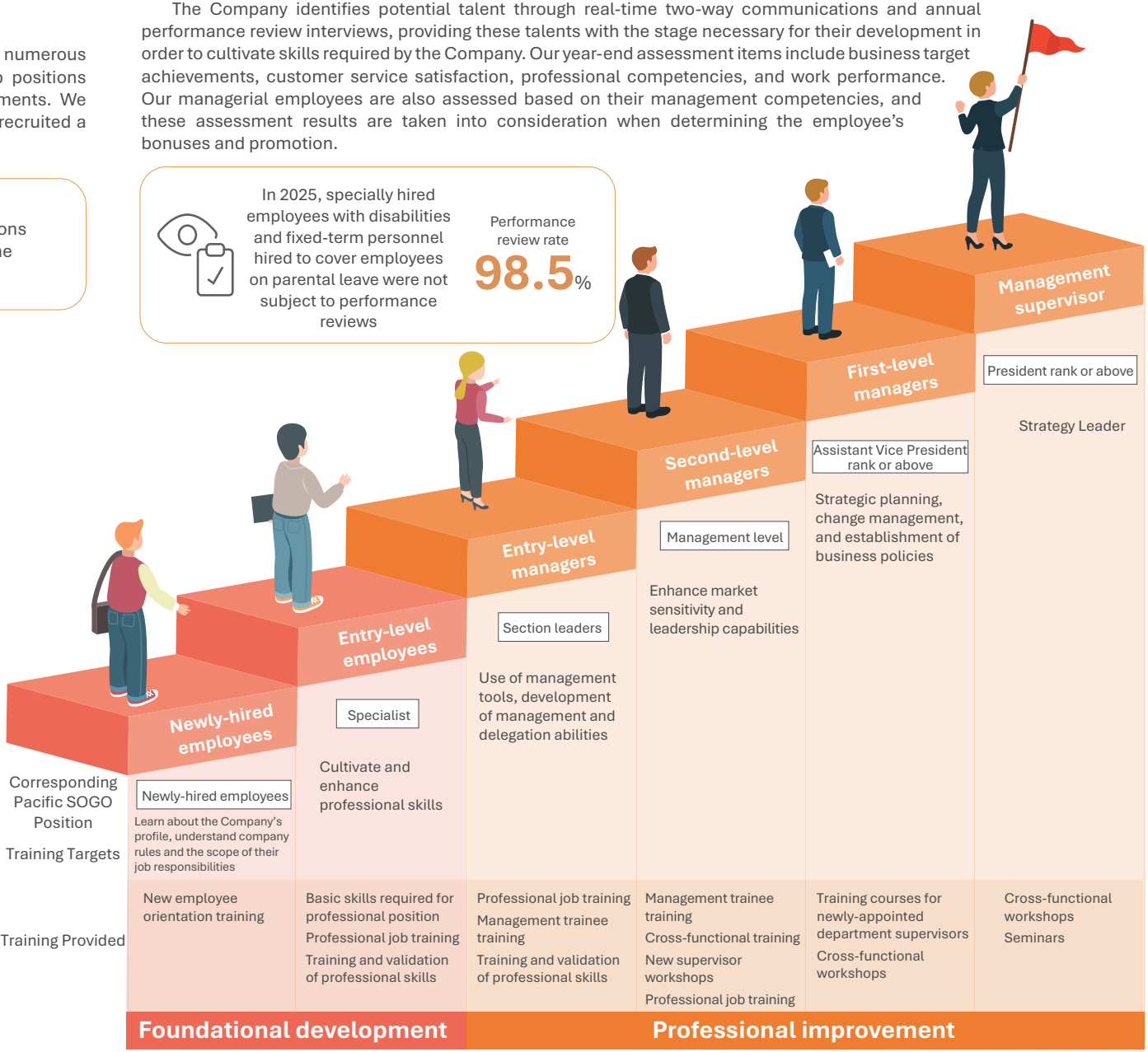
- National United University
- Tamkang University
- National Taipei University
- Shih Chien University
- Ming Chuan University
- Chinese Culture University
- Fu Jen Catholic University
- Taipei City University of Science and Technology
- Takming University of Science and Technology
- Chihlee University of Technology
- National Chin-Yi University of Technology
- Asia Eastern University of Science and Technology
- Hungkuo Delin University of Technology
- Hsing Wu University
- Tungnan University
- Chung Hua University
- China University of Technology
- Minghsin University of Science and Technology
- Yuanpei University of Medical Technology

4.3.3 Career Development

The Company identifies potential talent through real-time two-way communications and annual performance review interviews, providing these talents with the stage necessary for their development in order to cultivate skills required by the Company. Our year-end assessment items include business target achievements, customer service satisfaction, professional competencies, and work performance. Our managerial employees are also assessed based on their management competencies, and these assessment results are taken into consideration when determining the employee's bonuses and promotion.

In 2025, specially hired employees with disabilities and fixed-term personnel hired to cover employees on parental leave were not subject to performance reviews

Performance review rate **98.5%**



Store Counter Staff Training

The Company provides training and education courses during the first one to three weeks to new store counter staff not directly hired by the Company, based on the scale of each operating location. These courses teach new employees about the required service attitude, store facilities, and safety measures. We also improve employee training as required in response to customer complaints. Additionally, we provide training and education on service procedures and system operations from time to time.

Store	Category	Course Name	Number of Employees Trained (persons)	Proportion of Employees Trained (%)	Note: Employees Eligible for Training
Zhongxiao Store	Training for long-term dispatched counter staff	Required training for long-term dispatched personnel	664	94.7%	701
	Important knowledge on credit cards and accounting during the anniversary period	Important knowledge on credit cards and accounting during the anniversary period	452	94.2%	480
	Service enhancement training	Service enhancement training	3	75.0%	4
	Occupational health and safety	First aid for all employees - AED + CPR training	219	95.6%	229
	Information sessions	Explanation of new point-of-sale system	487	98.6%	494
Fuxing Store	Training for long-term dispatched counter staff	Required training for long-term dispatched personnel	433	94.1%	460
	Important knowledge on credit cards and accounting during the anniversary period	Important knowledge on credit cards and accounting during the anniversary period	283	95.9%	295
	Service enhancement training	Service enhancement training	2	100.0%	2
	Occupational health and safety	First aid for all employees - AED + CPR training	95	94.1%	101
Tianmu Store	Training for long-term dispatched counter staff	Required training for long-term dispatched personnel	192	96%	201
	Information courses	Instructions on operating simple firefighting equipment	22	81%	27
	Supplementary training on accounting for store counters	Accepting and validating the authenticity of credit cards	317	100%	317
	Information courses	AED + CPR emergency response training	296	98%	303
Zhongli Store	Training for long-term dispatched counter staff	Required training for long-term dispatched personnel	375	88%	427
	Supplementary training on accounting for store counters	Education and training for Turn Cloud point-of-sale system	488	94%	519
	AED + CPR training for all employees	AED & CPR first aid training for store counter staff	339	91%	374
	Training on accepting and validating the authenticity of credit cards	Training on accepting and validating the authenticity of credit cards	373	93%	399
	Training on business operations during the anniversary period for all employees	Training on business operations during the anniversary period for all employees	345	88%	390
Taipei Dome Store	Training for long-term dispatched counter staff	Required training for long-term dispatched personnel	139	90%	154
Hsinchu Store	Training for long-term dispatched counter staff	Required training for long-term dispatched personnel	309	92%	336
	Training on pay at counter and e-invoice point-of-sales operations	Training on pay at counter and e-invoice point-of-sales operations	207	83%	250
		Training on pay at counter and e-invoice point-of-sales operations (food and beverage)	18	90%	20
	Training on identifying fake cards	Training on identifying fake cards	365	85%	427
	Promoting fire safety	Practical operation of firefighting equipment (fire extinguisher)	20	100%	20
		Promoting fire safety	30	83%	36
	Promoting a smoke-free and healthy workplace	Dangers of smoking, drinking, and betel nut chewing, and techniques for rejecting these actions	19	86%	22
		Traps hidden under packaging - the dangers of e-cigarettes and heated tobacco products	17	85%	20
		Dietary habits for avoiding the “three highs”	17	89%	19
		Healthy diet - protecting your vision	16	73%	22
		Physical exercise - muscle relaxation	14	82%	17
		Physical exercise - extending a relaxed lifestyle	17	74%	23
	Occupational health and safety	AED+CPR	378	94%	401
	Information session for adoption of new point-of-sale system	Information session for adoption of new point-of-sale system	663	91%	732
Kaohsiung Store	Service enhancement training	Service enhancement training	1	50%	2
	Training for long-term dispatched counter staff	Required training for long-term dispatched personnel	90	96%	94
	Service enhancement training	Service enhancement training	1	100%	1
	Training on store counter accounting	Pay at store counter	54	90%	60
		Operating the new point-of-sale machine - K1 1330-1430	148	96%	154
		Course on identifying fake credit cards	132	95%	139
	Practical course on AED and CPR drills	Practical AED and CPR drills 1300-1500	150	94%	159
	ABV education and training	ABV education and training	21	95%	22

4.4 Workplace Safety and Health

4.4.1 Workplace Safety Management

GRI 403-1 | GRI 403-2 | GRI 403-4 | GRI 403-5 | GRI 403-8 | GRI 403-9 | GRI 403-10

Pacific SOGO established our Occupational Safety and Health Policy in 2017, which was signed by the Chairman. Our highest-level decision-making unit is the Occupational Health and Safety Committee, with the President of Administration serving as the Committee Chair. The Committee is responsible for managing all workers working at Pacific SOGO's workplaces. The first-level Occupational Safety Office is responsible for promoting, managing, and tracking work safety tasks and projects. No work-related deaths occurred in 2025.

In 2025, we were certified by the Industrial Safety and Health Association as having accumulated a total of **2,807,584 zero-accident work hours**. **The Company also won the Taipei City Labor Safety Award for 13 consecutive years**, leading the retail and service industry. We were designated by the Taipei and Hsinchu City governments as a benchmark enterprise in occupational safety and health, and have established the Department Store Work Safety Family program to help our store counters and suppliers comply with occupational health and safety regulations and ESG policies. This has enabled us to provide both our workers and consumers with trustworthy and high-quality services, improving our industry competitiveness.

Occupational Health and Safety Committee Operations in 2025

Meeting Frequency: **Every 3 months**

Meeting Status: **16 meetings** / 2025

Committee Member Term: **2-year terms**

Note
1. 23 labor representatives served as Committee members in 2025, including 8 from Taipei, 5 from Taoyuan, 5 from Hsinchu, and 5 from Kaohsiung.
2. All Committee members apart from ex officio Committee members were elected by management and labor representatives in the March 2024 labor-management meeting.
3. Attendance rate = Number of actual attendances/Number of meetings held

Committee Composition	Number of People	Attendance Rate
Committee Chairman (President of Administration/Store General Manager)	4	100%
Occupational health and safety personnel	4	100%
Supervisors from each department	21	93%
Medical personnel	3	100%
Occupational health and safety engineering technicians	3	100%
Labor representatives	23	95%

Meeting Agenda

- Quarterly work implementation results.
- Propose recommendations for formulated occupational health and safety policies.
- Coordinate and propose recommendations to occupational health and safety management plans.
- Review plans for implementing safety and health education and training.
- Review workplace environment monitoring plans, monitoring results, and implemented measures.
- Review health management, occupational disease prevention, and health promotion matters.
- Review health and safety proposals.
- Review self-inspections and health and safety audits.
- Review measures for preventing hazards related to machinery, equipment or ingredients, and materials.
- Review occupational accident investigation reports.
- Assess on-site safety and health management performance.
- Review health and safety management matters for contractors.
- Other matters related to occupational safety and health management.

Major Resolutions

1. Established the Taipei Department Store Alliance Health and Safety Family
2. Established the Hsinchu City Health and Safety Family
3. Provided employees at all stores with CPR + AED training (obtained the Ministry of Health and Welfare AED Safe Place certification)
4. BLS Advanced First Aid Course (Taipei)
5. Conducted annual safety inspections of the mo-bile elevating work platforms at each store
6. Fire and explosion prevention and management course



Fire Safety Management System

Pacific SOGO attaches great importance to employee safety. We have established a complete fire safety management system, and provided compulsory occupational health and safety training courses to all employees, which includes promoting fire safety knowledge and teaching employees how to operate firefighting equipment, fire extinguishers, and firehose nozzles. We have also established organizational rules for our Self-Defense Firefighting Teams for Sales Floors / Parking Lots.

The organizational rules for the Shopping Area Firefighting Team designates 1 chief commander, 1 area commander for each floor, 2 or more personnel in the notification team, 10 or more personnel in the fire extinguishing team, 6 or more personnel in the firehose nozzle team, 3 or more personnel in the shelter and evacuation team, 2 or more personnel in the safety protection team, and 4 or more personnel in the first aid team. The organizational rules for the Parking Area Firefighting Team designates 1 chief commander, 1 area commander for each floor, 1 or more personnel in the notification team, 2 or more personnel in the fire extinguishing team, 1 or more personnel in the evacuation team, and 2 or more personnel in both the safety protection team and the first aid team.

When a disaster occurs, the area commander will activate the self-defense firefighting team and direct firefighting operations, reporting the on-site disaster and evacuation status to the supervisor and chief commander. Upon receiving this notification, the chief commander will proceed to the Disaster Prevention Center to command and coordinate disaster response operations. The reporting team will notify all personnel at the scene, the master control room, and the engineering and maintenance team about where the disaster occurred, the current situation, and request support. The firefighting team will engage in firefighting operations using fire extinguishers and fire hydrants. The evacuation team will guide personnel to the emergency staircase using batons, flashlights, and whistles. The safety protection team will confirm that a fire prevention area has been established and that fire doors are shut. The first aid team will rescue injured persons at the scene, implement simple bandaging, and carry injured persons on stretchers to seek medical assistance. The Disaster Prevention Center will assist in disaster response and provide support by deploying resources, as well as call 119 for assistance. The engineering and maintenance team will assist in cutting power at the scene of the disaster.

In 2025, the Zhongxiao and Fuxing Store signed a volunteer firefighters agreement with the Taipei City Fire Department. 24 of our employees joined the Corporate Volunteer Firefighting Team, and completed 48 hours of basic training. Volunteer firefighters also complete 24 hours of professional firefighting training each year, including training on basic firefighting concepts, use of hand-held fire extinguishers and smoke house training, and how to operate fire hoses and other firefighting equipment. These measures have enabled the Company to jointly promote community and corporate firefighting capabilities.





ISO 45001 Occupational Health and Safety Management

Pacific SOGO implemented an Occupational Health and Safety Systems Certification Program in 2020, and established our Occupational Health and Safety Work Guidelines. The Zhongxiao Store was also the first department store in Taiwan to obtain ISO 45001:2018 Occupational Health and Safety Management Systems certification, aligning with international standards. We renewed our certification in 2025, and all of our stores in Taipei have completed the adoption of this system.

The Company continues to establish appropriate work management rules at each of our operating locations based on these standards, carefully reviewing each of our operating activities with no exceptions. Pacific SOGO has also established 22 occupational health and safety management procedures based on these standards. These procedures were announced through our internal systems, and seed employees were selected from each unit to receive hazard identification and risk assessment training, and internal auditor training.

2020
Pacific SOGO launched its Occupational Health and Safety Systems Certification Program and issued the Occupational Health and Safety Work Guidelines

2025
All stores completed implementation



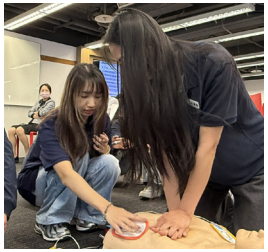
Zhongxiao Store: Passed ISO 45001:2018 Occupational Health and Safety Management System certification

Zhongxiao Store successfully passed recertification

100% Employees and non-employees covered by Pacific SOGO's audited occupational health and safety management system

Workers covered **10,661** workers

In order to protect the safety of customers and employees, Pacific SOGO arranges for all workers to participate in CPR + AED basic first aid training every two years. From 2017 onwards, we have held 283 training courses and trained over 10,000 people. In 2025, we not only completed scheduled refresher CPR + AED training courses for all employees, but also arranged for sales floor supervisors to complete training courses on advanced first aid techniques (Basic Life Support, BLS).



Please refer to the "Sustainability Commitments and Policies" section on the Far Eastern SOGO ESG website.

Workplace Safety Risk Management

The Company has established a three-stage process for managing occupational safety incidents, establishing before incident, during incident, and after incident procedures.

Before Incident

Hazard Identification	• Establish awareness of hazard identification: Hold education and training courses on hazard identifica-tion and risk assessment, with internal occupational health and safety managers serving as instructors. • Daily communications: The Occupational Safety Office regularly publishes information through the Morning Newsletter, which is presented by floor managers and supervisors from each department during morning meetings.
Risk Assessment	• Workplace risk assessment: Once a year • Risk occurrence pattern: Routine operations • Job levels of employees participating in assessment: Department supervisors, non-management repre-sentatives, specialists
Improvement Projects	• Establish management plans: Annual audits and reviews, implement disaster drills, track risk frequen-cy/metrics • Establish response procedures: determine levels of participation

During Incident

Emergency Response	• Employee right of withdrawal: Pursuant to the Occupational Safety and Health Act, workers shall not be penalized for withdrawing from work of their own accord when they believe that the work situation may pose a risk of injury or disease.
Reporting Occupational Safety Incidents	• Report the incident following procedures • Report recipients: The organization's upper management, external units (such as the local labor inspec-tion agency)

After Incident

Incident Investigation	• Participating units: The Occupational Safety Office, together with the relevant departments and labor representatives, shall conduct an investigation and analysis, and create a record of these results. • Investigation report: Incident type, risk category
Review and Improvement	• Review Plan • Improvement plan: Responsible unit, inspection frequency
Follow-up	• Track results after implementing plan • Track and close case: Re-assess risk → return to the risk assessment stage, reduce risks to an acceptable level → close the case

Legally reportable occupational accidents at Pacific SOGO in 2025

0 cases

Tracking Results of Improvement Projects

Main Hazards

1. Falling
2. Falling from height

Improvements Made

1. Improve health and safety education and training to raise employees' safety awareness.
2. Request engineering units to improve safety during engineering and construction work, install non-slip strips.
3. Promote importance of choosing shoes with better grip to workers.

Improvement Targets

Progress towards achieving zero injuries.

Occupational Health and Safety Management Results

In 2025, Pacific SOGO had a disabling injury severity rate of **1**

and a disabling injury frequency rate of **1.14**

both of which were better than the industry average.

		2023	2024	2025
Disabling Injury Severity Rate (SR)	Pacific SOGO	81	12	1
	Industry Average	54		
Disabling Injury Frequency Rate (FR)	Pacific SOGO	2.33	1.15	1.14
	Industry Average	2.89		

Note
1. Based on the occupational safety metrics released by the Occupational Safety and Health Administration, Ministry of Labor (calculated per million work hours). The metrics presented have been calculated as follows:
2. SR = (Number of work days lost due to work-related injuries ÷ Total work hours by gender or region) × 1,000,000
3. FR = (Number of work-related injuries ÷ Total work hours by gender or region) × 1,000,000
4. The latest data on the industry average is based on the Total Injury Index for All Industries in the Past Three Years, announced by the Occupational Safety and Health Administration, Ministry of Labor on March 5, 2025.
5. We use the same calculation methods as other companies in the industry, which excludes injuries from commuting to and from work.

The department store retail industry is not directly exposed to high risk factors for work-related injuries. In 2025, Pacific SOGO employees suffered 0 incidents involving major work-related injuries, and there were 0 cases of occupational diseases as diagnosed by a physician specializing in occupational medicine. There were 3 cases of recordable work-related injuries, which were: 1 case of falling, 1 case of falling from height, and 1 case of physical discomfort.



Employee Work-Related Injury Statistics (Gender)

Year	2023		2024		2025	
Gender	Female	Male	Female	Male	Female	Male
Total number of people	872	433	853	444	901	455
Total work hours	1,713,288	860,800	1,696,432	899,672	1,721,152	895,416
Number of fatal injuries	0		0		0	
Fatality rate	0		0		0	
Severe work-related injuries (excluding fatalities)	0		1		0	
Number of recordable work-related injuries	6	0	2	1	3	0
Disabling injury frequency rate (FR)	3.50	0	1.17	1.11	1.74	0
Disabling injury severity rate (SR)	122	0	5	24	2	0

Note
1. Severe work-related injury incidents are legally defined pursuant to Article 37, Paragraph 2 of the Occupational Safety and Health Act as one which involves death, injury to three people or more, or causing injury to one person or more that involves hospitalization.
2. The definition of a recordable work-related injury is based on Article 38 of the Occupational Safety and Health Act. Employers in industries designated by the central competent authority shall compile reports and statistics on occupational accidents pursuant to regulations, and submit these reports to the responsible labor inspection agency each month for future reference.
3. Calculated using the following formula based on the occupational safety metrics provided by the Ministry of Labor Occupational Safety and Health Administration, per million work hours:
   FR = (Number of work-related injuries ÷ Total work hours by gender) × 1,000,000
   SR = (Number of days lost due to work-related injury ÷ Total work hours by gender) × 1,000,000

Employee Work-Related Injury Statistics (Region)

Region	Item	2023	2024	2025
Taipei	Disabling injury frequency rate (FR)	1.68	1.65	1.61
	Disabling injury severity rate (SR)	6	17	2
Taoyuan	Disabling injury frequency rate (FR)	0	0	0
	Disabling injury severity rate (SR)	0	0	0
Hsinchu	Disabling injury frequency rate (FR)	9.28	0	0
	Disabling injury severity rate (SR)	615	0	0
Kaohsiung	Disabling injury frequency rate (FR)	0	0	0
	Disabling injury severity rate (SR)	0	0	0

Note
1. The Taipei region includes Headquarters, the Taipei Zhongxiao, Fuxing, and Dunhua Stores, and the Tianmu Store. The Taoyuan region store refers to the Zhongli Store.
2. Calculated using the following formula based on the occupational safety metrics provided by the Ministry of Labor Occupational Safety and Health Administration, per million work hours:
FR = (Number of work-related injuries ÷ Total work hours for the region) × 1,000,000
SR = (Number of days lost due to work-related injury ÷ Total work hours for the region) × 1,000,000



Promoting Work Safety and Management for our Partners

The Company worked with 9,305 non-employees in 2025. Based on the most recent data from the Ministry of Labor announced in 2024, Taiwanese workers worked an average of 2,030 hours a year, putting the total number of hours worked by our non-employees at 18,889,150 hours.

The Company's contracts with suppliers include a Sustainability Clause, which clearly stipulates protections for the legal rights of workers and respects worker human rights. In order to accurately monitor the health of all workers within our workplace, Pacific SOGO has been gradually establishing an occupational accident reporting mechanism for non-employees. In 2025, no work-related injuries or major occupational accidents as defined pursuant to law took place amongst workers employed by our contractors and store tenants.

Please refer to the ☞ "Sustainability Commitments and Policies" and "Happy Workplace" sections of the Far Eastern SOGO ESG website for more details on worker's rights.

Statistics on Work-Related Injuries for Non-Employees by Gender

Year	2025	
Gender	Female	Male
Total number of people	7,166	2,139
Total work hours	14,546,980	4,342,170
Number of fatal injuries	0	
Fatality rate	0	
Severe work-related injuries (excluding fatalities)	0	
Number of recordable work-related injuries	0	
Disabling injury frequency rate (FR)	0	
Disabling injury severity rate (SR)	0	

4.4.2 Employee Health Management

GRI 403-3 GRI 403-6 GRI 403-7

Each of Pacific SOGO's stores have continued to obtain the Health Promotion Badge issued by the Health Promotion Administration, Ministry of Health and Welfare, as well as the Sports Enterprise Certification issued by the Sports for All Agency, Ministry of Sports. We were also the first department store to establish on-site occupational health services, creating a workplace environment able to protect the physical and mental health of workers. Workers who are not direct employees of the Company can also enjoy most of these benefits, including health examinations, vacation travel discounts, consultations with on-site physicians, health management courses, and club activities.

Health Promotion

The Occupational Safety Office works together with the training units of each store to promote employee health and safety education, including preventing cardiovascular and musculoskeletal diseases, prevention of workplace violence and harassment, managing emotional stress at the workplace, risk management courses for section leaders, and department store disaster prevention operations. 151 of these training sessions were held across the year, with a total of 3,814 participants. In response to the ten major health abnormalities identified in employee health examinations, we have planned occupational disease prevention measures, held dynamic courses such as fat-burning aerobics, and contracted with physicians and employed nurses specializing in occupational health to provide professional health education and consultation services.

Ten Major Health Abnormalities Reported in Employee Health Examinations from 2024-2025

Order	Item	Percentage
1	Weight	51.1
2	Chest X-ray	34.5
3	Waist circumference	27.1
4	Vision	26.2
5	Diastolic blood pressure	24.9
6	Total cholesterol	24.6
7	Low-density lipoprotein cholesterol	23.9
8	Creatinine	23.6
9	Fasting blood sugar	18.7
10	High-density lipoprotein cholesterol	18.5

Health Promotion Badge

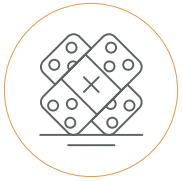
Sports Enterprise Certification

Employee Health Examinations

The Company conducts health examinations once every two years, more frequently than the once every three to five years required by law. We collaborate with hospitals certified by the Ministry of Labor to conduct health examinations, and offer employees optional additional examination items depending on their age, job level, job characteristics, and work category, and also offer employee family members discounted health examinations. Employees aged 55 and above are additionally examined for cardiovascular, gastrointestinal tract, and cerebrovascular issues, as part of our implemented health risk classification system.

Examination Items for All Employees	
Cardiovascular function ex-amination	Cancer screening
Regular blood checks	Electrolytes
X-ray examination	Body fat distribution indicator
Liver function examination	Physical examination
Kidney function examination	Hearing examination
Diabetes screening	Vision examination
Urinalysis	Regular examination

Free Additional Health Examination Items			
Ordinary Employees	Employees Aged 55 and Above	Section Leaders	Management Level
Female - ThinPrep screening	Care screening	Care nasopharyngos-copy	Cardiovascular and cerebrovascular
Female - HPV	Lung care	Lung care nasopha-ryngoscopy	Gastrointestinal tract
Lung cancer screening	Women	Women	Cardiovascular
Bone care hormones	Pain-free gastroscopy	Gastrointestinal tract	Women
Liver care and thyroid examination	Cerebrovascular ex-amination	Cerebrovascular ex-amination	Spine bone mineral density examination
Gastrointestinal and cardiovascular exami-nation			



Preventing Musculoskeletal Disease

The department store retail industry is not directly exposed to high risk factors for musculoskeletal disease. More frequently, employees sometimes experience musculoskeletal discomfort when standing for long periods of time. The Company has established rest areas, and each store counter has safe and comfortable seats. We have also distributed pain relief patches during our anniversary period. The medical room provides healthcare services, and we also invite occupational safety and health promotion experts from time to time to hold health information events.



On-site Physician Services

Each of Pacific SOGO's operating locations hires 1-3 dedicated full-time nurses providing health services, and a physician is available for consultation every 2 months. The health services offered include preventive healthcare, health management, health examination consultations, consultations for common diseases, management of chronic diseases, travel medicine consultation, and vaccine health education.

05 Social Impact

Pacific SOGO is committed to promoting social engagement through the three main themes of “Caring, Sustainability, and Reliability,” while spreading the values of social co-prosperity, sustainable co-creation, and cultural empathy. We bring together our stakeholders, including customers, tenants, concession brands, and employees, and work with businesses and government organizations to build a sustainable ecosystem. Together, we combine our efforts to create a positive impact on society.

SDGs Addressed in This Chapter



2025 Performance Highlights

Promoting DEI and Reducing Inequalities	• Awarded NT$319,000 in scholarships to 30 students through the SO GOOD Youth Role Model Selection and Commendation program.
Supporting Disadvantaged Children	• The SO GOOD Christmas Wishes for Good Children event fulfilled the wishes of 1,084 disadvantaged students.
Promoting Sustainable Diets	• The Sustainable Foods Cooking Competition attracted 192 participants. Through the Tasty Recreations program, partner restaurants sold 4,749 sustainable dishes, helping promote sustainable diets to more than 640,000 people.
Building a Sustainable Ecosystem	• Worked with 860 external organizations to hold 1,004 community engagement activities, investing more than NT$79.54 million in resources and benefiting more than 4.71 million people.



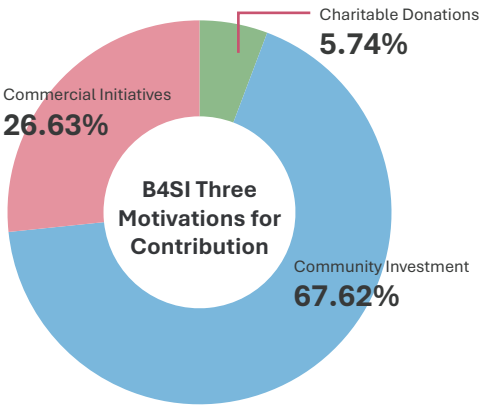
5.1 Social Co-Prosperity, Sustainable Co-Creation, Cultural Empathy

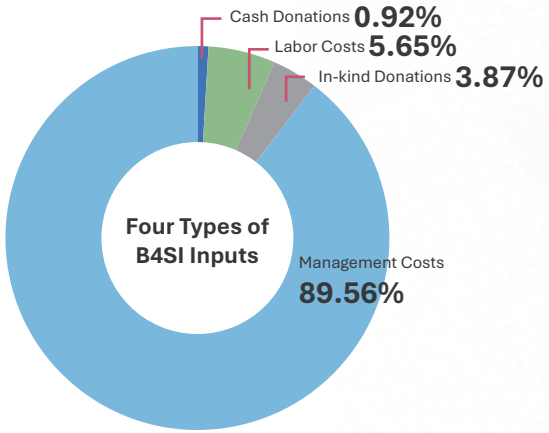
Following our company vision to "Bring Happiness to All," and based on our R.I.S.E core values (Reliable, Inspire, Sustain, Excellence), Pacific SOGO has created a food culture that merges international and local features, pop culture experiences, and sophisticated services. By leveraging the advantages of our sales channels and working together with stakeholders, we have implemented the Far Eastern SOGO New Life project, and continued to invest resources into promoting social engagement based on the three main themes of Caring, Sustainability, and Reliability.

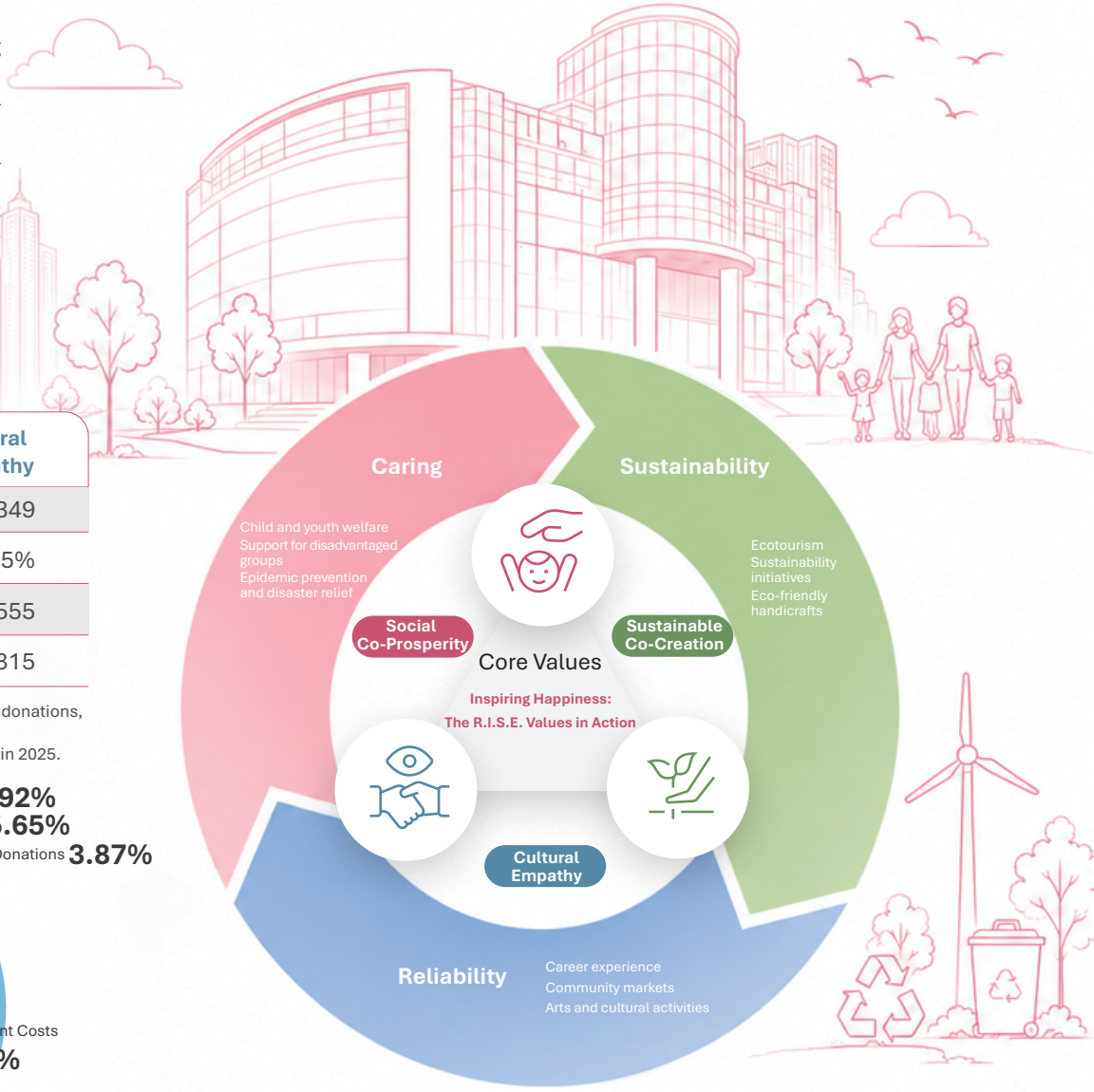
In order to effectively manage these projects, the Company has referenced various international social engagement assessment frameworks to assess the results achieved through these events and further optimize project mechanisms. We have adopted the Business for Social Impact Framework (B4SI) to quantify the inputs invested and outputs achieved by each event. This has helped us to allocate resources more effectively. In line with the sustainability policy established by headquarters, we have jointly made progress towards our net zero emissions vision through environmental education efforts, while also building deeper ties with our community. The focus of each store's sustainable activities has shifted in recent years away from the traditional model of simply making charitable donations (social co-prosperity), towards promoting sustainable co-creation and cultural empathy, which has significantly increased the resources invested into these activities.

2025 Results	Social Co-Prosperity	Sustainable Co-Creation	Cultural Empathy
Resources Invested (NT$)	5,806,694	10,502,019	63,236,349
Percentage	7.3%	13.2%	79.5%
Number of Beneficiaries	646,117	966,504	3,106,555
Number of Events	27	162	815

Note
1. According to the B4SI framework, the total resources invested include four types of resource expenditures: cash donations, in-kind donations, labor costs, and management fees.
2. Labor costs are calculated based on the minimum wage of NT$190 per hour announced by the Ministry of Labor in 2025.







Three Main Themes of Social Engagement

5.1.1 Sustainable Philanthropy Chain

Pacific SOGO donated funds to establish the Pacific Chongguang Culture and Education Foundation and the Pacific SOGO Social Welfare Foundation. We have collaborated with cultural institutions, social welfare organizations, and schools, and steadily accumulated resources to create a stable force for promoting cultural education and charity. We hold three major events each year to keep charitable goodwill flowing throughout our value chain, and publicly announce the latest information on our charity events online through social media.

Foundation Pacific Chongguang Culture and Education Foundation

Established in **1988**

Development Purpose: Promote cultural exchange and organize cultural education activities with the mission of improving cultural, artistic, and lifestyle appreciation amongst the public.

Key Projects in 2025

6th SOGO Sustainable Foods Cooking Competition

Event Website

Collaboration Partners

Advisory organization

Department of Environmental Protection, Taipei City Government

Co-organizers

- Taiwan Health Foundation
- Shangri-La Far Eastern Hotel, Taipei

Sponsoring organizations

- Raken House
- Swire Coca-Cola (Taiwan region)
- Sheng Red Hotpot
- pd by petit doux
- pd by petit doux
- Thai Town
- Kikkoman
- Senheyuan
- SUNMAI
- Unilever
- Tri-Small Creative

Initiative partners

- Shin Pu Yuan (Restaurant in Fuxing Store)
- Kaffee Amadeus (Restaurant in Fuxing Store)
- Pd by petit doux (Restaurant in Zhongxiao Store)
- Royal Copenhagen (Restaurant in Zhongxiao Store)
- Shin Pu Yuan (Restaurant in Tianmu Store)
- Senheyuan (Restaurant in Zhongli Store)
- Ootoya (Restaurant in Hsinchu Store)
- Katsusei Tonkatsu (Restaurant in Hsinchu Store)
- 12 Moon (Restaurant in Hsinchu Store)

Project Achievements

Inputs

Cash Donations: Total prize pool of **NT$360,000**

In-kind Donations: Over **200 gifts**

Labor Costs: 2 full-time employees spent a total of 400 hours, 2 volunteers spent a total of 16 hours.

Management Costs: **NT$1,916,394**

Outputs

- 192 people participated in the competition
- 15 teams qualified, 10 teams won
- **142 people** participated in the food tour experience course, and learned more about zero-waste cooking
- Tasty Recreations program: Worked together with 9 popular restaurants within our stores to sell the dish winning the 5th Sustainable Foods Cooking Competition or other sustainability dishes, promoting sustainable diets. **4,749 dishes were sold in total**, an **increase of 1,020%** compared to the previous year.
- Reached **over 640,000 people**.

Impact

- Introduced sustainable dining concepts into department store supply chain management.
- Created a sustainable ecosystem able to influence upstream food and beverage store counters, led employees to better understand sustainable consumption, and encouraged downstream customers to participate in low-carbon diets.
- Help partnered restaurants understand how promoting low-carbon diets can increase revenue.
- Participants expressed that the event was able to help them enhance their own use of local ingredients and pay more attention to sustainable diets.

Foundation Pacific SOGO Social Welfare Foundation

Established in **2000**

Development Purpose

Expand upon Pacific SOGO's principle of giving back to the communities which support us by promoting social welfare and charity activities.

Key Projects in 2025

34th SO GOOD Christmas Wishes for Good Children event

Event Website

Collaboration Partners

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
- The Mustard Seed Mission
- The Affiliated School for Students with Hearing Impairments of National University of Tainan
- Maria Social Welfare Foundation
- HAPPY GO Ding Ding Integrated Marketing Services

Project Achievements

Inputs

Cash Donations: None
In-kind Donations: 1,084 gifts with an average value of NT$600 each, total value of approximately NT$650,400
Labor Costs: 14 full-time employees spent a total of 488 hours, 9 volunteers spent a total of 33 hours
Management Costs: **NT$649,949**

Outputs

- 565 members of the public pledged to fulfill children's gift wishes.
- **1,084** disadvantaged students received Christmas gifts.

Impact

- Slowly cultivated a stable customer base supportive of charity events through holding year-end charity events for many years.
- Enabled gifts to be claimed online for the first time, allowing more people to participate and establishing a virtuous cycle within the community.

Key Projects in 2025

13th SO GOOD Youth Role Model Commendation Program

Event Website

Collaboration Partners

Co-organizers

- Taiwan Fund for Children and Families
- Sunshine Social Welfare Foundation
- Noordhoff Craniofacial Foundation
- Taiwan Foundation for Rare Disorders
- HAPPY GO Ding Ding Integrated Marketing Services

Sponsoring organizations

- Pentel
- LA NEW
- FNG
- Deya
- Kili International
- Yee Lee Enterprise

Project Achievements

Inputs

Cash Donations: Total prize pool of NT$319,000
In-kind Donations: 70 gifts, including stationery, drinks, and children's shoes, with an average value of NT$6,000 each and a total value of approximately NT$420,000
Labor Costs: 4 full-time employees spent a total of 600 hours, 23 volunteers spent a total of 32 hours
Management Costs: **NT$1,319,266**

Outputs

- 44 organizations recommended 70 students to sign up, and **30** were selected as Youth Role Models.
- **4 students won the President Education Award.**
- Awarded Upward Mobility scholarships to 7 past Youth Role Models.
- Minister of Environment Chi-Ming Peng attended the event to encourage students.
- Reached over **142,000 people** through sustainability initiatives.

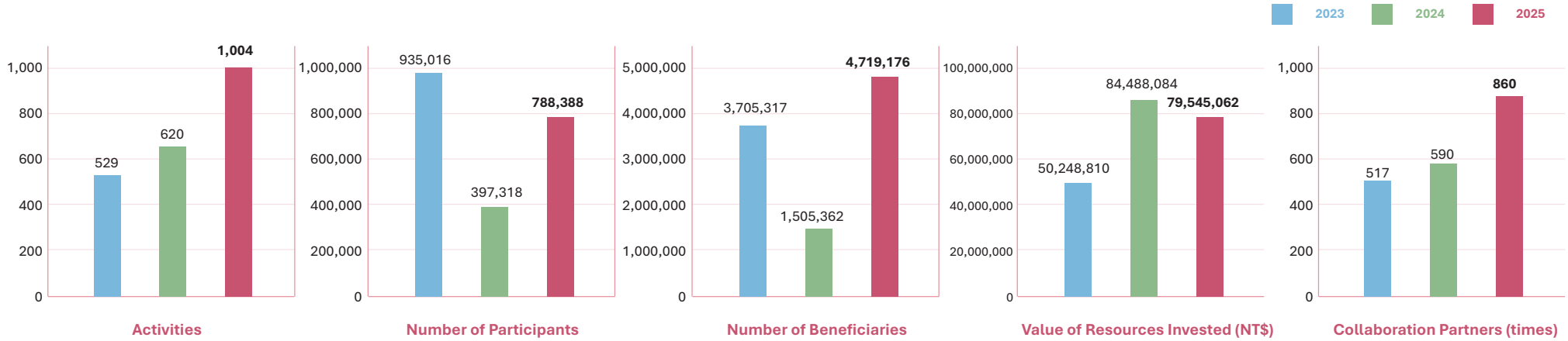
Impact

- Students gained confidence through being accepted and recognized.
- Caregivers saw their efforts rewarded.
- Beneficiaries learned more about equal rights for children through activities and watching videos.
- Pacific SOGO employees wrote letters to show care for Youth Role Models, allowing them to feel happiness from helping out others.
- Collaborated with volunteer visual arts teachers to provide in-home instruction and donated art supplies, helping the Youth Role Models to paint their own future and dreams.
- Invited former Youth Role Models to share their experiences and provide encouragement, creating mutual support through positive energy.

5.1.2 Community Engagement Achievements

Pacific SOGO worked with external organizations 860 times in 2025, including with charity organizations, academic and research organizations, government agencies, and corporate brands, and jointly organized 1,004 social engagement activities addressing the various issues faced by society. We invested more than NT$79.54 million in resources in total, and benefited more than 4.71 million people.

Statistics on Pacific SOGO Social Engagement Achievements



Note From 2022 onwards, all invested resources were monetized following the B4SI guidelines.

Caring/Social Co-Prosperity

In line with our focus on Caring, Pacific SOGO has implemented a wide range of programs on providing social welfare and caring for children and the disadvantaged, embodying the principle of social co-prosperity. In 2025, we invested almost NT$5.8 million into holding 27 events, with nearly 200,000 participations and 646,000 beneficiary instances.

Investment in 2025	Events Held
Nearly NT$**5.8** million	**27** events

Number of Participants	Number of Beneficiaries
Nearly **200,000** participants	**646,000** beneficiaries

Encourage Diversity, Bravely Pursue Dreams **SO GOOD Youth Role Model**

Project History	Total Scholarships Awarded (NT$)	Total Students Awarded Scholarships (persons)	Number of People Reached	Beneficiaries	President Education Award
13 editions	4.44 million	362 people	7.91 million	More than 375 disadvantaged families and their relatives 375 first-line social workers and teachers	57 total winners across the program's history (The highest-level domestic award for special-needs students)

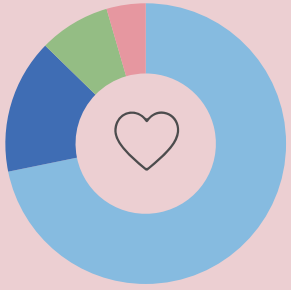
Mission
Leverage our channels as a popular department store to help disadvantaged children without access to resources

Solutions
Awarded scholarships to help resolve short-term economic difficulties.
Publicly commended students, giving them the courage to pursue future accomplishments.

Beneficiaries
Disadvantaged and special needs students, and their parents/ teachers/social workers.

Corresponding SDGs
4 QUALITY EDUCATION
10 REDUCED INEQUALITIES

Total resources invested: Quantified Assessment of Resources Invested by Pacific SOGO into the Youth Role Model Program based on B4SI Social Investment Model Across All Years



2,926 million in total

- **71.8%** Project Management Costs — NT$20.99 million
- **15.5%** Cash Donations — NT$4.54 million
- **8.2%** Human Resources — NT$2.41 million
- **4.5%** Physical Materials — NT$1.32 million

Taiwan's Only Department-Store-Run Role Model Selection Program for Disadvantaged Children

Pacific SOGO began holding the SO GOOD Youth Role Model Selection and Commendation program from 2011 onwards, becoming the only Taiwanese department store to create a program selecting role models from disadvantaged children. Eligible participants include elementary school students facing financial hardship, illness, or other special circumstances who remain undeterred and continue to work hard to prove the value in life, are eligible to apply. The program's goal is not to "select," but rather to highlight an example which others can aspire to. Across the years, we have invited more than 60 celebrities to participate in the event, using their star power to successfully help these students fight for more resources. We also organized the Hardworking Guardian Award to help recognize the contributions of first-line teachers and social workers.

In 2025, with the theme of "Flying Against the Wind," we advocated for principles in line with SDG 10 Reduced Inequalities, and hoped to encourage these hardworking children to create their own stories of bravery. We hope to achieve social inclusion by allowing the public to see their resilience and diverse life values. The 25 students commended were able to overcome their difficulties and focus on their passions, despite facing numerous obstacles related to their low-income family backgrounds, or in the face of rare diseases or severe hearing disabilities. Among them, 3 students in particular were specially selected as Filial Role Models. Despite their disadvantaged family backgrounds, they still proactively helped out with housework and took care of family members in need, becoming an important source of support for their families.

In order to expand the program's influence, we publicly solicited submissions for the program's key visual and worked together with elementary school teachers to guide students in learning more about SDGs through videos on our Youth Role Models. Students were asked to express their understanding of "reducing inequalities" through drawings, and the winning drawing was selected as the program's key visual. Additionally, biodiversity has been severely impacted in recent years by climate change. In line with the United Nations Sustainable Development Goals (SDGs), SDG 14 Life Below Water, we held a Biodiversity Drawings Contest for the first time focused on the popular protagonist - Mola Mola (Ocean Sunfish). By integrating environmental protection topics into the contest, we conveyed messages on eco-friendly actions and concepts such as plastic reduction, conservation, and habitat protection. Previous Youth Role Models were invited to submit drawings of colorful and diverse underwater worlds, inspiring others to protect our blue planet together!



▲ Youth Role Models established a bridge for dialogue through our department store channel, advocating for eliminating inequality.



▲ The winning student gave a Sustainable Future Declaration, attended by Pacific SOGO Chairman Sophia C.W. Huang and the Minister of Environment Chi-Ming Peng, demonstrating our focus on environmental sustainability and our commitment to the next generation.



Illustrated by:
Chang-Hsuan Wu, a recipient of the 11th SO GOOD Youth Role Model award and the 2025 Presidential Education Award

Video of students winning the Special Jury's Award.

Promoting Dialogue Between the Two Ends of the M-Shaped Society

SO GOOD Christmas Wishes for Good Children

Project History	Cumulative Total Number of Participants	Cumulative Total Number of People Reached
34 editions	44,000	41,000



▲ SOGO collaborates with the Maria Social Welfare Foundation to organize a reward points donation event each year.



▲ SOGO takes action to send winter blessings to special needs children.

The Company has long established a charity platform to promote communication between the two ends of the M-Shaped Society. In particular, our most representative charity project has been the SO GOOD Christmas Wishes for Good Children event. Over the past 34 years, more than 44,000 people have participated in the event, and we have helped more than 32,000 disadvantaged children make their dreams come true, demonstrating Pacific SOGO's long-term influence as a charity platform.

In 2025, Pacific SOGO's stores displayed a total of 1,084 wish cards from disadvantaged students. More than half of the program's participants adopted two or more wish cards, showing a high level of willingness to participate. At the same time, some stores saw 70% of their wish cards claimed on the program's first day alone, and all wish cards had been claimed by the fifth day.

The event owes its success not only to our loyal supporters, but also to the efforts of new participants showing their love. Up to 82.5% of participants were repeat participants, of which 5% have participated in 5 or more consecutive events. This shows how the event continues to enjoy a stable base of supporters who return year after year to help children make their wishes come true. Meanwhile, 17.5% of participants were first-time participants, showcasing the event's ability to continue attracting new participants. Through on-site booths and online promotion campaigns, the Company has drawn further attention to children's welfare issues, and focused more social resources towards charity actions.

We have maintained our original stance towards providing charity, and do not restrict where participants can purchase gifts. While only 22.8% of participants purchased their gifts at SOGO, meaning that the event does not directly provide us with commercial benefits, Pacific SOGO has nevertheless continued to hold this event to date. This long-standing commitment has made the SO GOOD Christmas Wishes for Good Children become one of Taiwan's most influential children's charity programs, continuing to provide warmth and hope to our community.

Additionally, building upon the heartwarming atmosphere of Christmas, Pacific SOGO has also held our APP year-end charity event for the third year. Customers across Taiwan donated 400,800 reward points in total, which was converted into NT$120,240 and donated to the Maria Social Welfare Foundation's Maria Early Intervention Infant Care project, which helps provide early intervention care to infants between the ages of 0 and 3 suffering from developmental delays. These joint efforts have provided strong support to families with infants requiring early intervention, helping out when they feel lost and hopeless on the path of early intervention.



Sustainability/Sustainable Co-Creation

With the mission of building Asia's first green department store, Pacific SOGO has fully incorporated environmental protection concepts into our day-to-day operations and events, building a low-carbon educational venue able to guide stakeholders towards internalizing environmental protection awareness. In 2025, we invested almost NT$10.5 million to organize 162 sustainability co-creation events, attended by 229,000 participants and benefiting 966,000 people.

Investment in 2025	Events Held	Number of Participants	Number of Beneficiaries
Nearly NT$**10.5** million	**162** events	**229,000** participants	**966,000** beneficiaries

National Food Education and Sustainable Dining

Sustainable Foods Cooking Competition

Pacific SOGO has held cooking competitions for 15 years, bolstering Taiwan's soft power when it comes to food. In total, our events have attracted 837 participating competitors over the years. This competition evolved from the Far Eastern Top Cook Competition. In 2020, the competition transformed into the Home Cooking Competition open to the public due to the impact of the pandemic, promoting the health management benefits of cooking at home. As modern diets begin to focus more on eating seasonal produce and co-existing with nature, as well as emphasize the wisdom of sustainable land management, the sixth iteration of the competition was renamed to the "Sustainable Foods" Cooking Competition to reflect these sustainability trends. The competition now emphasizes using ingredients with low-carbon footprints, not wasting food, sustainability certifications, food miles, and energy-saving cooking methods. This has not only tested the cooking skills of competitors, such as their ingredient selection and usage, energy-saving cooking and cutting techniques, and visual presentation and plating skills, but also required competitors to explain the thinking behind each dish, proving whether their recipe design and cooking themes align with low-carbon diet concepts. This has placed a greater emphasis on sustainable diets.

Pacific SOGO has invested more than ten million into the competition since its sixth iteration, guiding the public to pay more attention towards international sustainability trends through the competition's format and high prize pool. The competition reached more than 75.717 million people, deepening food education and awareness and awareness and making sustainable cooking a nationwide movement. The competition has cultivated more than 100 green chefs, helping to further promote the government's net zero green lifestyles policy. The competition features low-carbon operating models, and adopts a "big leading the small" approach to promote supply chain management. Through the competition's sustainability influence, we have led our employees, customers, and department store restaurants to improve climate resilience, establishing the competition as the most representative sustainable food competition in Taiwan.

The theme of the 2025 competition was "Cooking for the Future by Choosing Climate-Friendly Ingredients." We continued to advocate for the use of local ingredients, requiring competitors to use local domestic produce currently in season to make their dishes in order to reduce food miles. In the past, the competition was divided into a "public" and "student" category. The "student" category was canceled this year, but the total number of winning teams remained unchanged and all competitors competed in the same group. This allowed the competition to better focus on sustainable diet concepts, making sustainable cooking a national pastime for all age groups. The competition this year attracted a total of 192 teams, with participants ranging from 10 to 83 years of age. More than 40% of participants have also competed in previous years. Additionally, the competition also included food-waste reduction as a scoring criterion. The amount of kitchen waste generated by competitors is weighed, and the competitor with the least food waste is rewarded. This helps to promote the concept of "buy and cook only what you can finish," reducing the environmental burden through concrete actions. This year, we collaborated with Chang Gung Elementary School to jointly organize a parent-child cooking event - Little Chef, Let's Cook Together! We also took action to implement a new "green dining table" experience, inviting Executive Chef Sheng-Che Lin and our business partner Raken House to demonstrate cooking sustainable low-carbon dishes online, drawing approximately 400,000 total views.

The competition also involved our supply chain partners. For six consecutive years, we have invited restaurants to re-interpret the winning dishes or enhance the sustainability of existing menu items, promoting the Ministry of Environment's Eco-Friendly Restaurants certification. In 2025, we worked with 9 restaurants on these efforts and sold 4,749 dishes in total, an increase of 1,020% compared to the previous year. This showcased how our events can effectively promote the sustainable transition of the supply chain, and enhance consumer awareness of sustainable dining. At the same time, we have provided competitors with shopping credit that they can use to purchase seasonal ingredients at the SOGO Fresh Mart supermarket, and funded the purchase of sustainable ingredients on our green e-commerce platform, SOGOplus. The competition included rules on food miles, and advocated the principle of "buy and cook only what you can finish" in order to reduce the burden on the environment. In the future, Pacific SOGO will continue to hold cooking competitions which involve both our industry partners and consumers to showcase the delicious flavors of sustainable foods and promote a more eco-friendly food culture.

Project History	Cumulative Total Number of Participants	Cumulative Total Number of People Reached
6 editions	6,553	75.717 million



▲ The Company has encouraged the public to pay greater attention to international sustainable diet trends through the competition format and its large prize pool.



▲ Before the competition, we encouraged competitors to purchase products with sustainability labels and helped fund purchases of sustainable ingredients.

Family Sustainability Education Activities

Pacific SOGO firmly believes that sustainable education should be rooted from a young age, and has organized a diverse range of parent-child activities which aim to naturally integrate ecological and environmental protection concepts into everyday life. When each store holds their monthly ThanQ Club birthday party, and when planning outdoor events, we not only look to provide innovative new experiences, but also incorporate environmental sustainability concepts into the activities. This allows children to learn while playing games, and transforms sustainability knowledge into daily lifestyle habits. As Taiwan's first green-building department store, the Tianmu Store opened up the green space on its rooftop to visitors as part of its Earth Day and Open House Taipei activities. We provided guided tours introducing each of our green rooftop facilities and their specific contributions to energy conservation, including our large surface area green lawns, rainwater recycling system, and solar panels. By showing off our originally internal green operations to the public, visitors are able to see and experience green city life up close through our public actions. Our Tianmu Store also held the Insect Academy - DIY Course on Making Japanese Rhinoceros Beetle Specimens. Through displaying specimens of Japanese rhinoceros beetles, we combined professional scientific explanations with interactive games, allowing participants to observe the appearance and lifestyle habits of these beetles up close and gain a deeper understanding of the diversity and ecological role played by the common insects found in Taiwan.

Additionally, the Hsinchu Store also collaborated with Zizizi Music to hold the Children's Storytime Wonderland event, combining picture book reading, music, and games to create a children's storytelling event embodying our sustainable co-creation values. The event allowed children from 3-12 years of age to gain an understanding of environmental protection and ecological sustainability, cultivating sustainability awareness through fun activities and transforming children into little guardians of the Earth. We also visited the Xinpu Wei Wei Jia Educational Persimmon Farm together with consumers to experience the Persimmon Pictures Exclusive Green Tour, participating in guided tours of the farm and DIY courses on making dried persimmons and persimmon-dyed shopping bags. Through these activities, participants gained an in-depth understanding of the dried persimmon production process and the story of the farm, experienced traditional crafts firsthand, and appreciated the sweetness shaped by autumn sunshine and the passage of time.



▲ The Tianmu Store opened up its rooftop to the public, allowing the public to learn about the green building at the department store.



▲ The Hsinchu Store organized the Children's Storytime Wonderland, combining picture books, music, and games to guide children into becoming the Earth's little guardians.

Reliability/Cultural Empathy

Pacific SOGO has filled more than 2,700 store counter locations across Taiwan, offering a wide range of products and services reflecting the diversities of life. Each store has implemented events promoting cultural empathy to close the distance with the public, including events on educational topics, arts and cultural development, and sports development. In 2025, a total of NT$63.236 million was invested into 815 cultural empathy events, attracting over 359,000 participants and benefiting over 3.1 million persons.

Investment in 2025	Events Held	Number of Participants	Number of Beneficiaries
Nearly NT$**63.236** million	**815** events	**359,000** participants	**3.1** million beneficiaries

Creating Diverse Job Experience Camps for Little Professionals

Each store has leveraged their advantages as a department store channel to implement a range of different job experience events, encouraging children to explore job diversity and cultivate a respect for different professions through immersive experiences and interactive games. The Small Customer Service Representative Experience Camp was particularly well-received, and sign-ups filled up almost immediately after being opened. The Camp allowed children to personally experience the joys and challenges of a customer service job. Each store has also organized a variety of other professional experiences activities, such as the Disaster Response Team: Earthquake Rescue Mission event organized by the Zhongli Store in collaboration with the Taoyuan Fire Department. The event integrates the professional resources of the fire department to create fun disaster response experience activities for children, designing three challenges involving fire rescue, experiencing smoke-filled environments, earthquake education tour trucks. Through these immersive activities, children from 4 to 12 years of age can learn firefighting, evacuation, and earthquake shelter knowledge through hands-on operations, enhancing disaster prevention awareness within families and communities, and enabling us to fulfill our corporate social responsibilities. We also collaborated with the Taoyuan Department of Public Health to hold the Welcome to Your Emotional Support Convenience Store program, guiding the public to pay closer attention to their daily mental health habits through an “emotional goods shelf.” The program hosted exhibits providing visual, hearing, smell, taste, and touch experiences, and aimed to help the public make mental health a natural and approachable part of their lives. It attracted a total of 3,000 visitors. The Hsinchu Store also established a Public Sports Experience Camp during the summer vacation period to help encourage more people to experience a variety of sports and lead healthier lives. Professional coaches for a wide variety of sports, including golf, kendo, fencing, karate, and cornhole were invited to hold beginner’s courses, attracting approximately 500 enthusiastic participants, mainly made up of students. By offering hands-on experience with the sport and interactive learning activities, the event successfully stimulated children’s interest in sports.



▲ The Zhongli Store held the Disaster Response Team: Earthquake Rescue Mission event, which used professional firefighting resources to create a fun and educational disaster prevention experience for children.



▲ The Public Sports Experience Camp organized by the Hsinchu Store. The event encouraged the public to leave behind their screens and cultivate regular exercise habits, creating healthier lifestyles.

Customers Express Strong Support for Pacific SOGO’s Deep Cultural and Philanthropic Activities

Based on the results of Pacific SOGO’s latest customer satisfaction survey, consumers were highly supportive of the Company’s investment into cultural and philanthropic activities, expressing an increased overall satisfaction rate of 74.3%, the highest in three years. Examining each activity individually, customers expressed the highest level of satisfaction for our “shopping district/community collaborations,” with a 75.3% satisfaction rate. This reflects Pacific SOGO’s strategy of integrating unique local characteristics into our operations, helping us to most effectively relate with local customers and allow consumers to experience the concrete contributions that our brand makes towards the local economy and social inclusion when shopping at our stores. For example, the Fuxing Store engaged in collaborations with social innovation brands at high-profile venues, transforming the department store into a display showcasing regional revitalization efforts. The Zhongli Store collaborated with partners in the Liuhe Shopping District to engage in energy conservation and market collaborations. The Kaohsiung Store, our most beautifully compact Far Eastern SOGO store, provides free fitness facilities for the elderly, and has also converted employee dormitories into public social housing. These many concrete actions which give back to the local community by providing physical spaces free of charge has effectively improved consumer perception towards our brand.

Overall satisfaction increased to **74.3** %

Highest in the past three years

5.2 Sustainable Ecosystem

5.2.1 Creating a Platform for Social Value Co-Creation

Pacific SOGO recognizes the potential and responsibility that retailers have with regard to addressing social issues. From 2018 onwards, we have actively sought to transform ourselves from a product retailer into a platform for social value co-creation. This strategy has evolved across three phases:

1.0 Channel empowerment (2018-2021)

Beginning with holding the largest small farmers' exhibit in Taiwan, we used our resources as a retail channel to help high-quality agricultural and social enterprises achieve greater visibility, helping to address the pain point of the industry not having access to sufficient sales channels.

2.0 Platform integration (2022-2024)

Enhanced our level of collaboration, from simply providing a venue to becoming a deeply integrated strategic partner. We collaborated with the Ministry of Economic Affairs' Buying Power program and the regional revitalization team Tri-Small Market to provide brand mentoring and guidance, marketing and packaging support, and data analysis, boosting social innovation procurement and leveraging our core competencies to direct buying power towards directly supporting the social innovation ecosystem.

3.0 Ecosystem building (2025-)

We expanded this successful model to address more complex environmental issues. 2025 marked the start of Far Eastern SOGO's Circular Economy Era. We implemented the Circular Textiles Recycling and rPET Fresh Food Packaging Trays projects, and worked together with upstream suppliers, technology business partners, social enterprises and end consumers to build a new cross-industry and sustainable circular economy business model.

Please refer to section 2.4.2 Green Action.



5.2.2 Revitalization in Practice: Empowering the Land and Connecting It to the Table

Pacific SOGO was the first department store in Taiwan to organize large-scale small farmers' exhibits and social innovation exhibitions. We have actively explored green business opportunities, promoted sustainable consumption models, and provided customers with innovative shopping experiences. Pacific SOGO has not only provided a retail sales channel for these campaigns, but also offer a rigorous mentoring and guidance system. We provide various types of support, from early vendor selection, product launch guidance, exhibit arrangements, and post-exhibit feedback, in order to help small farmers and social innovation enterprises develop and grow. We then include these small farmers and enterprises as our sustainable procurement suppliers and social engagement program partners, further building upon these efforts to create a complete sustainable supply chain. We hope to use our expertise as a retail channel to empower brands with positive social and environmental impacts, jointly enhancing our sustainability impact.

Pacific SOGO has also successfully created the largest-scale small farmers' exhibit organized by a Taiwanese department store. From 2018 onwards, we began focusing on food miles and low-carbon diets, collaborating with social enterprises first on the Season Selection program, to the 2024 Flavors of Eastern Taiwan, and the Agricultural Tour of Taiwan - Summer Farmers' Market program in 2025. These small farmers' exhibits are held each year at the Zhongxiao Store, promoting sustainable dining concepts through featuring local and seasonal ingredients. Through integrating the promotion of cultural events within our department store venues, we are able to influence consumers from simple shoppers into becoming supporters of green consumption. Through eight years of effort, we have achieved more than 114,000 sales transactions, and earned revenues of NT$55.19 million. On average, each customer spent NT$600 on each sales transaction, demonstrating how consumers have grown increasingly more receptive to sustainable products, and showcasing Pacific SOGO's efforts to promote friendly farming agricultural products, expanding the influence of green consumption.

Apart from the iconic exhibits held at the Zhongxiao Store, Pacific SOGO also organizes a variety of different agricultural produce exhibits at each store based on the needs of local customers. Pacific SOGO has organized 113 exhibits since 2018, attracting more than 1.94 million participants and cultivating a loyal fanbase of foodies and gourmet enthusiasts, while also spreading green consumption trends across Taiwan.

Pacific SOGO provides not only the venue for these exhibits, but also a complete empowerment system from initial vendor selection, communications and guidance across a period of up to six months, marketing and packaging support, and finally data analysis and feedback. This helps small farmers to directly integrate themselves within the department store structure, helping them to establish a market audience and access core business resources. In 2024, Pacific SOGO partnered for the third consecutive year with the agricultural social innovation enterprise Tri-Small Creative to bring together 40 local brands from 17 villages and townships across Taiwan, showcasing their unique agricultural produce within our department stores. The success of these collaborations has been reflected in our revenue growth: We generated a total of 7,648 sales transactions, helping small farmers earn NT$5 million in revenue. Revenue grew by 22% across three years, and the total number of transactions grew by 5.3%. The average customer spent NT$665 per transaction, up from NT$574 and representing an increase of 15.9%. This year, in response to biodiversity issues, we specially invited leopard cat conservation units and native species protection units to also participate in the exhibit. Apart from offering products which help spread awareness of habitat protection concepts, this also helped consumers to better understand the current status of wildlife habitats and the conservation actions being taken to protect them, turning biodiversity conservation from just a slogan into a real-world initiative in which consumers can personally participate. At the same time, we organized a variety of workshops and handicraft events, extending participants' engagement from purchasing products to hands-on creation. This allowed customers to gain a deeper understanding of the value of agricultural products and the labor involved in their production, deepening their recognition of the importance of the land. In the future, Pacific SOGO will continue leveraging our advantages as a sales channel to deepen collaborations with upstream, midstream, and downstream stakeholders. We will aim to further expand the influence of our sustainable ecosystem through brand empowerment, green procurement, and social innovation, truly integrating green consumption into everyday life and driving the market towards a more sustainable future.

- **113** exhibitions — Exhibitions
- **1.94** million participants — Participation
- **114,000** transactions — Sales
- NT$**55.19** million — Cumulative revenue
- Average transaction value Over NT$**600**
- Revenue and business value **Grew year by year**

Far Eastern SOGO Department Stores

Big Leading the Small, Empowering Social Innovation Enterprises from Product Origin to Store Shelves

Building a Sustainable Ecosystem

Far Eastern SOGO department stores have transformed from a popular sales channel to a sustainable consumption platform, becoming the top department store brand for small farmers' exhibitions. Apart from earning sales revenue, these events have also helped us resolve social and environmental issues. For 8 years, our rigorous vendor selection and mentoring system has helped empower social innovation enterprises, while also cultivating a growing base of sustainability customers.



Building the leading brand for small farmers' exhibitions in department stores



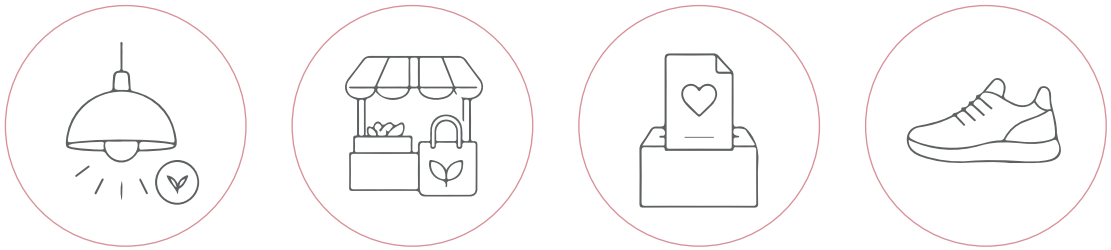
5.2.3 Sustainability Initiatives Aligning with International Days

In response to climate change, and in line with our image as a sustainability role model within the department store industry, Far Eastern SOGO Department Stores has leveraged our influence over our sales channels to hold the Lights Off for An Hour event for the third consecutive year. On June 21, the day with the longest daylight hours for the Northern Hemisphere, we shut off lights at the same time alongside 770 brands, suppliers, and shopping district partners, conserving energy to show our love for the Earth together. In total, the event turned off lights at over a thousand operating locations. Together, we achieved the largest-scale electricity-saving initiative led by a domestic department store with the most participating brands. Through these concrete actions, we have deepened internal and external sustainability collaborations, fulfilling our corporate mission to "allow consumers to contribute to the Earth with every purchase," and inviting our stakeholders to "give the Earth room to breathe" through small actions of their own.

Far Eastern SOGO also launched the Summer Sustainability Week during the peak electricity consumption period in the summer, implementing measures such as turning off lights during lunch break, organizing eco-friendly markets, charitable receipt donations and 10,000-step walking challenges. We organized the Summer Electricity Conservation Competition for the first time, attracting 132 employees and store counter partners to participate. Overall, the competition helped save 26,576 kWh of electricity used for daily residential purposes, delivering a carbon-reduction benefit equivalent to the amount of carbon absorbed by 1,095 trees in one year. The winner of the competition achieved an even more impressive record of reducing their electricity use by 55.2%! The event helped encourage employees to implement green actions as part of their daily lives. By everyone doing their part to reduce carbon emissions through everyday actions, these small actions can add up into huge savings, and help us advance towards a sustainable net zero future.



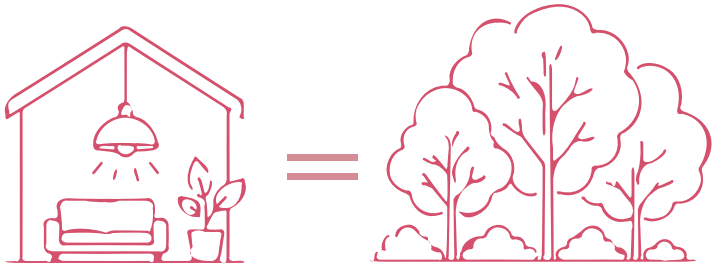
Summer Sustainability Week x Sustainable Living Actions



Lights off during lunch break | Eco-friendly market | Receipt donations | 10,000-step walking challenge

Summer Electricity-Saving Competition

132 participants	26,576 kWh	1,095 trees	55.2%
Participation by employees and store counter partners	Total household electricity saved	Carbon reduction equivalent to one year of carbon absorption	Electricity-saving rate achieved by the winner



26,576 kWh
Electricity saved

1,095 trees
One year of carbon absorption

5.3 Distinctive Sustainable Store Identities

5.3.1 Localized Operations

Department stores help attract crowds to neighboring communities and create business opportunities, and are seen as important indicators of economic prosperity. Pacific SOGO is committed to integrating into local communities and promoting social inclusion and community revitalization. Each of our stores hold unique local activities following the sustainable strategy established by headquarters.

5.3.2 Mutual Prosperity in Taipei's Eastern District

From 2019 onwards, Pacific SOGO has fulfilled our corporate social responsibility by promoting the overall development of the shopping district based on a core strategy of driving Creativity, Innovation, Entrepreneurship, and Revitalization. We supported the establishment of the Taipei Eastern Shopping District Development Association, and collaborated with local stores to build a vibrant business environment within the shopping district. In order to revitalize the Eastern District, Pacific SOGO has actively fought to obtain public infrastructure resources from the Taipei City Government. Apart from completing the renovation of the Liugong Green Corridor in the Eastern District in 2024, Pacific SOGO also continued to support and promote the upgrading of the shopping district in 2025, successfully securing projects to renovate Longmen Square and Dinghao Square. Construction is expected to begin in September 2026. Additionally, the project of expanding the sidewalk area on Zhongxiao Road at the intersection with Da'an Road has begun in November 2025, gradually improving the walking environment and city landscape in the Eastern District.

In 2025, we continued to organize events such as the East District Plus Super Fun Summer Party, the Here We Go Eastern District anniversary event, and the Don't Call It a Night lighting ceremony during Christmas. In particular, the Summer Party was even attended by the Taipei City Mayor, and drew approximately 40,000 participants and beneficiaries, effectively bringing foot traffic back to the district and promoting overall business momentum across the shopping district.

Looking towards 2026, Pacific SOGO will continue to deepen collaborations with the government, enterprises, and other local businesses. Through diverse strategies such as holding cultural exhibits and performances, bringing economic stimulus through marketplace events, and developing smart applications for the shopping district, we aim to promote the continuous transformation and upgrading of the Eastern Shopping District, creating a vibrant urban shopping district in Taipei.



▲ East District Plus Super Fun Summer Party



▲ East District Plus Super Fun Summer Party

Project	Emphasis	Results and Progress
Organized activities	• East District Plus Super Fun Summer Party	• Da'an Road was closed to hold a concert, gathering a crowd of young people. During the event, we distributed gift shopping credit to help attract potential customers. In 2025, Mayor Wayne Chiang was also invited to attend the event, experiencing the lively atmosphere at the East District Plus Super Fun Summer Party.
	• Here We Go Eastern District Anniversary Celebration	• By leveraging the influence that our department store's own anniversary celebration has on the Eastern District, we collaborated with the city government and the Shopping District Development Association's resources to lead neighboring stores in a joint November Shopping Festival, attracting crowds and stimulating economic revenue.
	• Don't Call It a Night Christmas Lighting Ceremony	• The event decorated both sides of Zhongxiao East Road with silver and white holiday-themed lights, covering areas including the neighboring MRT square, green park areas, and streets and alleyways, creating a unique night-time corridor of lights.
Secured infrastructure projects	• Renovation of Longmen Square and Dinghao Square • Zhongxiao East Rd. and Da'an Road Sidewalk Expansion Project	• The Da'an Road Sidewalk Expansion Project commenced in November 2025, while renovation for the Fuxing South Road to Dunhua South Road section is scheduled to commence following the completion of the Da'an Road Project. After completion, the newly-constructed area will connect to the Liugong Park area and the Liugong Green Corridor completed in 2024, and later connect to the renovated areas for the ongoing Dinghao and Longmen Square projects. This will allow the renovation project for this single road to be expanded to connect the entire Eastern District living circle.



▲ Zhongxiao East Rd. and Da'an Road Sidewalk Expansion Project



▲ Information session for Longmen Square and Dinghao Square renovation project.

5.3.3 Integrating Each Store into the Community as a Center of Influence

Each of Pacific SOGO's operating locations across Taiwan provide space for public use, allowing them to become stages featuring local initiatives. This has transformed our stores from popular sales channels into centers of influence, and helps us to collaborate with stakeholders to achieve social co-prosperity.

Taipei Stores (Zhongxiao Store and Fuxing Store)

Leverage Channel Influence to Create a Virtuous Cycle

The Zhongxiao Store aims to serve all customer groups, and has held numerous themed parent-child activities during special periods, such as the Mother's Day Concert held in collaboration with the Sun Taipei Youth Orchestra and the various job experience camps held in collaboration with different professional organizations, such as the Little Mariners Experience Camp held with the YM Oceanic Culture & Art Museum. In order to raise public awareness on sustainable issues, we also held a Sustainable Books Donation Drive event where consumers can donate books that gone unread at home for a long time to those in need. We organized a Zero Waste Handicrafts Workshop to help consumers understand how resources can be reused and recycled to create new value.

During the Paris Olympics, the Fuxing Store hosted a livestream of the competition to bring together the public to cheer for our national team. Various arts and cultural activities were also held, including tap dancing performances, violin performances, Christmas wind instrument performances, and New Year's Eve choir performances, imbuing our stores with a cultural atmosphere.

In 2025, in response to the severe typhoon damage suffered by fishing villages along the Tainan coast and affected small and medium-sized enterprises, Pacific SOGO helped the Bureau of Economic Development, Tainan City Government to promote a post-disaster cross-regional touring market exhibition, holding a Hundred Flavors of the Prefectural City - Tainan Food Culture Festival at the Zhongxiao Store featuring products from traditional snacks, sweets, and desserts to select lifestyle items designed to fit modern lifestyles. The event featured an exhibit of local specialties and provided interaction opportunities where customers can experience the city's charm, allowing us to make concrete contributions to help affected stores recover from the typhoon's damage and boost economic recovery. Throughout the 9-day event, 9,489 sales transactions took place, generating sales revenue of NT$6.532 million. In 2025, we worked for the first time with the Pingtung County Government and the Pingtung County Industrial Development and Investment Promotion Committee to hold the Pingtung Quality Produce: A Symphony of 100 Flavors – Pingtung Agricultural Products Exhibition. The Pingtung County Magistrate personally led 43 enterprises from 33 villages and townships in Pingtung County to participate in the exhibition, supporting local industrial development and the local economic ecosystem by showcasing agricultural, marine, and livestock products from Pingtung, as well as local specialty gifts. The exhibition generated 7,481 sales transaction throughout 7 days, earning sales revenue of NT$5.3 million. It featured a background theme focused on the Sichongxi Hot Springs in Pingtung, integrating local tourism resources to promote connections between urban and rural areas!



▲ The Fuxing Store held Taiwan's first Crafts Exhibition for Japan's Noto Region and Hualien, helping restore hope to craftsmen and artists affected by the earthquakes in Taiwan and Japan.

Deepen community engagement | Support local industries | Promote cultural inclusion | Put sustainability into action

We also held events promoting cultural empathy, such as the Hundred-Man Festival Celebration - Tokushima Awa Odori event, promoting the Awa Odori festival in Japan's Tokushima region with over 400 years of history. Through carefully choreographed dance steps and amidst the forceful shouts of performers, the performance allowed the audience to experience the Japanese festival culture and atmosphere from up close. These international cultural exchanges also help to show off traditional arts to a wide audience, allowing them to continue being passed down. The event attracted over a thousand onlookers as it started in the 1F square of our store, and extended out towards the street into the Liugong Green Corridor, spreading out into the city's public spaces. The Fuxing Store collaborated with the Tzu Chi Charity Foundation to help hold the Crafts Exhibition for Japan's Noto Region and Hualien, the first such event in Taiwan and embodying a Japan-Taiwan cultural exchange. Through the spirit of "Give a man a fish, feed him for a day; teach him to fish, feed him for life," the event helps to provide craftsmen and artists affected by the earthquake in these two Taiwanese and Japanese regions with long-term and diverse channels for promoting their crafts. Across the 15-day exhibition period, 242 sales transactions were made, generating NT$7.995 million in sales revenue. The event helped to restore hope to those affected by the earthquake disasters, and allowed us to implement our sustainability principles on regional care and social co-prosperity.

Additionally, while our Taipei Dunhua Store finally closed its doors in mid-December 2025 after 31 years of operations alongside customers in the Taipei Eastern District, the store had always remained a part of Pacific SOGO's sustainable fashion initiatives. In 2025, the store held a large-scale old clothing recycling event, sorting recycled clothing by quality and material through a professional sorting process. These recycled clothes were not only directly sold through charity sales, but denim materials were also entrusted to the Taiwan Fund for Children and Families (TFCF) to be upcycled into dolls for charity sales. All sales proceeds were donated to the TFCF and used to support empowerment initiatives for disadvantaged women.



▲ The Zhongxiao Store held a large-scale "hundred-man" festival, contributing to the arts and culture atmosphere within the community, while also promoting community participation and cultural inclusion.

Tianmu Store

Taiwan's First Green Department Store

The Tianmu Store is the first department store in Taiwan where consumer spending can be designated as green procurement. We have leveraged this advantage to turn the store into a B2B sales channel, while also continuing to spread awareness on sustainability topics to consumers. The store encourages consumers to implement green lifestyle habits across all facets of their life, from food to clothing, living, and travel. Through its different events and promotional periods, the Tianmu Store has integrated resources from the local shopping district, and revitalized the artistic and shopping district development of the Tianmu area. For example, during the Mid-Autumn Festival, we broke away from the tradition of holding a barbeque, and instead collaborated with 13 snack, food, and eco-friendly cup brands to hold the Buzz and Chill Mid-Autumn Picnic, combining a picnic with live music to allow participants to enjoy a low-carbon Autumn Festival celebration with friends and family. The fun and interactive Tianmu Halloween Festival has long been a major attraction held by the Tianmu Store during the Halloween season. During the festival, members of the public are invited to dress up in creative Halloween costumes and go about the shopping district, participating in location stamp collecting activities and parent-child photography events.



▲ We created the new Buzz and Chill Mid-Autumn Picnic event, allowing participants to enjoy gathering with friends and family to celebrate the Mid-Autumn Festival through a new low-carbon picnic experience.

Zhongli Store

A Liuhe Shopping District Landmark

The Zhongli Store is located in the Liuhe Shopping District, and is the only large-scale department store in the area. It has long served as a regional landmark, and often holds events and activities related to energy conservation, parent-child activities, charity care, and shopping district co-prosperity. In 2025, the Summer Lights Off event attracted the participation of not only the 101 brands within the store, but also expanded to include the stores and local residents of the nearby Liuhe Shopping District. This upgraded the event from a single-company initiative to a regional energy conservation collaboration, demonstrating how we can effectively collaborate with local shopping districts to promote sustainable actions. We also collaborated with students from the Lio Ho High School Multimedia Design Course to hold the Off-Campus Student Achievement Exhibition, giving young students the opportunity to exhibit their work outside of campus in the city's public spaces, in turn deepening the connection between the department store and local educational resources. In the 3C era, where many items face high replacement rates, we launched the Embrace Sustainability to Save the Earth - 3C Circular Economy Recycle for Points event, which recycled 146 cables, 55 tablets, 10 portable chargers, 127 smartphones, and 4,819 batteries. The event encouraged customers to recycle and reuse electronics lying idle at home, implementing sustainable lifestyles through resource recycling and carbon reduction.



▲ The Extra-Curricular Achievements Exhibit held by the Zhongli Store in collaboration with the Lio Ho High School Multimedia Design Course, implementing cultural equity and sustainability education, and allowing the department store to become an exhibition stage for youth to show off their creations.

Hsinchu Store

Demonstrates Care for Society

Hsinchu is known as the Silicon Valley of Taiwan, with consumption growth close behind that of the greater Taipei area. The Hsinchu Store has combined department store shopping concepts with a new retail business model closely linked to the lifestyles of the city's residents. The store is also an important venue for parent-child education in the Taoyuan-Hsinchu-Miaoli region, and has held numerous educational entertainment activities to actively show care for society. For example, the store invited the Taipei Orphan Welfare Foundation for a one-day career experience camp, sharing real experiences, knowledge, and mindsets in the retail service industry. The store also held Public Sports Experience Camp event which aimed to inspire children to take greater interest in sports through practical courses and interactive teaching, creating healthier lifestyle habits. Meanwhile, the Children's Storytime Wonderland event allowed children to learn more about environmental conservation and ecological sustainability, protecting land resources and ecological diversity. We collaborated with the Taiwan Detection Dog Association in support of 99 (September 9) Dog Day, posting the search-and-rescue records and donation information for each of Taiwan's small search and rescue heroes at the main entrances to the store, and calling on the public to support the raising, professional training, and adoption of retired detection dogs. We also held the Meet and Greet Taiwan's Small Search and Rescue Heroes event, showing off the training results of detection dogs and their search-and-rescue stories. The event ultimately raised NT$86,178, which was fully donated to the search-and-rescue dog cause, spreading the message of protecting lives with love.



▲ The Hsinchu Store organized a one-day career experience camp. Participating students expressed that the event helped them recognize their own value, making them feel that they have the same opportunities as other children their age to pursue their dreams.

Kaohsiung Store

Becomes First Department Store to Create In-Store Fitness Club for Older Adults

The Kaohsiung Store is SOGO's smallest store, and is known not only for being "beautifully compact," but also bursting with human warmth. The Kaohsiung Store's management philosophy is to "integrate within the community, becoming a friendly and valuable partner." To that end, the store has actively implemented measures to create mutual prosperity for the community, meet the daily lifestyle needs of locals, and become a good local neighbor. The store regularly collaborates with local communities to hold charity events, gradually transforming our role from simply being a provider of venues and assistance to a joint business partner, becoming a long-term partner to the shopping district. For example, the store distributed care supply packages to disadvantaged families, and provided its ninth-floor space free of charge to create a 234 Elderly Fitness Club, purchasing professional fitness equipment from the largest fitness equipment brand in the world. The store also invited professional elderly fitness instructors to provide courses, planning healthy courses able to meet the needs of the elderly. Additionally, employee dormitories were renovated to support the government's social housing program, showcasing how the store has deeply integrated itself within the community and given back to the local neighborhood in order to fulfill its corporate social responsibility. A Little Shopkeeper's Market is regularly held each quarter, where children can set up stalls to sell toys, books, and other items from their home that are no longer being used. This deeply roots sustainable thinking within children from a young age, encouraging them to extend the value of their items.



Radio station interview of the store's General Manager: How can we create cross-industry collaborations to promote a friendly environment for the elderly?

▲ The Kaohsiung Store created a new one-stop LOHAS model combining health and recreation by opening its space for public-benefit use.

Appendix

CHAPTER



Appendix

Appendix 1 Reference Tables for International Sustainability Disclosure Frameworks

i. GRI Content Index

The following index maps the contents of this Report to the 2021 GRI Standards issued by the Global Reporting Initiative (GRI). As indicated in the external assurance statement, the relevant information has undergone external assurance in accordance with the applicable disclosure criteria.

Statement of Use	GRI 1 Used	Applicable GRI Sector Standards
Far Eastern SOGO has reported with reference to the GRI Standards for the period from January 1 to December 31, 2025.	GRI 1: Foundation (2021)	N/A

GRI 2: General Disclosures 2021

No.	Disclosure Metric	Referenced Chapter	Page No.	Omissions/Notes
2-1	Organizational Details	I. About This Report	05	
		1.2.1 About the Company	39	
2-2	Entities included in the Organization's Sustainability Reporting	I. About This Report	5	
2-3	Reporting Period, Frequency, and Contact Point	I. About This Report	5	
2-4	Restatements of Information	2.1.3 Management of Climate Change Risks and Opportunities	70	Restatements of information are explained in the footnotes of each historical data table.
		2.2.2 Energy Conservation Measures and Results	75	
		2.2.3 Water Stewardship Policy	78	
		2.3.2 Waste Output Structure	81	
		2.4.1 Green Marketing	83	
		4.2.1 Remuneration System	119	
		4.2.2 Employee Benefits	122	
		4.3.1 Employee Training	124	
2-5	External Assurance	I. About This Report	05	
		Appendix 3 Assurance Statement	161	
2-6	Activities, Value Chain and Other Business Relationships	1.5 Supply Chain Management	50	
2-7	Employees	4.1 Employee Profile	113	

No.	Disclosure Metric	Referenced Chapter	Page No.	Omissions/Notes
2-8	Workers Who Are Not Employees	4.1.3 Composition and Distribution of Non-Employees	117	
		4.4 Workplace Safety and Health	128	
2-9	Governance Structure and Composition	1.1.1 Organizational Profile	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	1.1.2 Board of Directors	29	
2-12	Role of the Highest Governance Body in Overseeing the Management of Impacts	1.1.2 Board of Directors	29	
2-13	Delegation of Responsibility for Managing Impacts	III. Pacific SOGO Sustainability	14	
		1.1.3 Internal Control Mechanisms	35	
2-14	Role of the Highest Governance Body in Sustainability Reporting	III. Pacific SOGO Sustainability	14	
2-15	Conflicts of Interest	1.1.2 Board of Directors	29	
2-16	Communication of Critical Concerns	1.1.2 Board of Directors	29	
2-17	Collective Knowledge of the Highest Governance Body	1.1.2 Board of Directors	32	
2-18	Evaluation of the Performance of the Highest Governance Body	1.1.2 Board of Directors	30	
2-19	Remuneration Policies	1.1.2 Board of Directors	30	
		4.2.1 Remuneration System	118	
2-20	Process to Determine Remuneration	1.1.2 Board of Directors	30	
		4.2.1 Remuneration System	118	
2-21	Annual Total Compensation Ratio	1.1.2 Board of Directors	30	
2-22	Statement on Sustainable Development Strategy	II. About Pacific SOGO	06	
2-23	Policy Commitments	4.1.1 Employee Composition and Distribution	113	

No.	Disclosure Metric	Referenced Chapter	Page No.	Omissions/Notes
2-24	Embedding Policy Commitments	1.5.1 Supplier Rules	53	
		4.1.1 Employee Composition and Distribution	113	
2-25	Processes to Remediate Negative Impacts	1.1.4 Ethical Corporate Management	36	
2-26	Mechanisms for Seeking Advice and Raising Concerns	1.1.4 Ethical Corporate Management	38	
2-27	Compliance with Laws and Regulations	1.1.4 Ethical Corporate Management	38	
2-28	Membership Associations	1.1.2 Board of Directors	31	
2-29	Approach to Stakeholder Engagement	III. Pacific SOGO Sustainability	22	
2-30	Collective Bargaining Agreements	-		The Company does not have a labor union, and therefore has not entered into any collective bargaining agreements.

GRI Topic Standards

No.	Disclosures under GRI Standards	Corresponding Chapters/Sections	Corresponding Page	Omissions/Notes
GRI 3-1	Process to Determine Material Topics	III. Pacific SOGO Sustainability	05	
GRI 3-2	List of Material Topics	III. Pacific SOGO Sustainability	17-19	
Marketing and Brand Operations				
GRI 3-3	Management of Material Topics	1.0 Strategic Achievements and Plans	26	
Low-Carbon Operations				
GRI 3-3	Management of Material Topics	2.0 Strategic Achievements and Plans	59	
Low-Carbon Operations				
GRI 3-3	Management of Material Topics	1.0 Strategic Achievements and Plans	41	
GRI 201 Economic Performance (2016)	201-1 Direct Economic Value Generated and Distributed	1.2.2 Business Performance	120	
	201-3 Defined Benefit Plan Obligations and Other Retirement Plans	4.2.2 Employee Benefits	41	
	201-4 Financial Assistance Received from Government	1.2.2 Business Performance	26	

No.	Disclosures under GRI Standards	Corresponding Chapters/Sections	Corresponding Page	Omissions/Notes
Ethical Corporate Management and Governance				
GRI 3-3	Management of Material Topics	1.0 Strategic Achievements and Plans	26	
GRI 417 Marketing and Labeling (2016)	417-2 Incidents of Non-Compliance Concerning Product and Service Information and Labeling	3.1.2 Product Management Mechanisms and Action Plans	97	
	417-3 Incidents of Non-Compliance Concerning Marketing Communications	3.1.2 Product Management Mechanisms and Action Plans	97	No incidents occurred in 2025.
Energy Management				
GRI 3-3	Management of Material Topics	2.0 Strategic Achievements and Plans	59	
GRI 302 Energy (2016)	302-1 Energy Consumption Within the Organization	2.2.2 Energy Conservation Measures and Results	75	
	302-3 Energy Intensity	2.2.2 Energy Conservation Measures and Results	75	
	302-4 Reduction of Energy Consumption	2.2.2 Energy Conservation Measures and Results	76	
Climate Response Strategies				
GRI 3-3	Management of Material Topics	2.1.1 Climate Change Management Strategy	64	
GRI 201 Economic Performance (2016)	201-2 Financial Implications and Other Risks and Opportunities Due to Climate Change	2.1.2 Identifying Climate Change Risks and Opportunities	66	
GRI 305 Emissions (2016)	305-1 Direct (Scope 1) GHG Emissions	2.1.3 Management of Climate Change Risks and Opportunities	70	
	305-2 Energy Indirect (Scope 2) GHG Emissions	2.1.3 Management of Climate Change Risks and Opportunities	70	
	305-3 Other Indirect (Scope 3) GHG Emissions	2.1.3 Management of Climate Change Risks and Opportunities	70	
	305-4 GHG Emissions Intensity	2.1.3 Management of Climate Change Risks and Opportunities	70	
	305-5 Reduction of GHG Emissions	2.1.3 Management of Climate Change Risks and Opportunities	70	
Employee Remuneration and Benefits				
GRI 3-3	Management of Material Topics	4.0 Strategic Achievements and Plans	111	
GRI 401 Employment (2016)	401-1 New Employee Hires and Employee Turnover	4.1.2 Employee Turnover	116	
	401-2 Benefits Provided to Full-Time Employees That Are Not Provided to Temporary or Part-Time Employees	4.2.2 Employee Benefits	120	
	401-3 Parental Leave	4.2.2 Employee Benefits	122	

No.	Disclosures under GRI Standards	Corresponding Chapters/Sections	Corresponding Page	Omissions/Notes
Workplace Safety and Health				
GRI 3-3	Management of Material Topics	4.0 Strategic Achievements and Plans	111	
GRI 403 Occupational Health and Safety (2018)	403-1 Occupational Health and Safety Management System	4.4.1 Workplace Safety Management	128	
	403-2 Hazard Identification, Risk Assessment, and Incident Investigation	4.4.1 Workplace Safety Management	130	
	403-3 Occupational Health Services	4.4.2 Employee Health Management	133	
	403-4 Worker Participation, Consultation, and Communication on Occupational Health and Safety	4.4.1 Workplace Safety Management	128	
	403-5 Worker Training on Occupational Health and Safety	4.4.1 Workplace Safety Management	129	
	403-6 Promotion of Worker Health	4.4.2 Employee Health Management	133	
	403-7 Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked through Business Relationships	4.4.2 Employee Health Management	133	
	403-8 Workers Covered by an Occupational Health and Safety Management System	4.4.1 Workplace Safety Management	129	
	403-9 Work-related Injuries	4.4.1 Workplace Safety Management	131	
	403-10 Work-related Ill Health	4.4.1 Workplace Safety Management	131	
Talent Retention and Development				
GRI 3-3	Management of Material Topics	4.0 Strategic Achievements and Plans	111	
GRI 404 Training and Education (2016)	404-1 Average Hours of Training Per Year Per Employee	4.3.1 Employee Training	124	
	404-2 Programs for Upgrading Employee Skills and Transition Assistance Programs	4.3.1 Employee Training	124	
GRI 405 Diversity and Equal Opportunity (2016)	405-1 Diversity of Governance Bodies and Employees	1.1.2 Board of Directors	29	
		4.1.1 Employee Composition and Distribution	114	
	405-2 Ratio of Basic Salary and Remuneration of Women to Men	4.2.1 Remuneration System	119	

ii. Disclosure of Sustainability Accounting Standards Board (SASB) Metrics: Multiline and Specialty Retailers & Distributors

Metric Code	Disclosure Metric	Corresponding Disclosures			Corresponding Chapters/ Sections
Disclosure Topic: Energy Management in Retail & Distribution					
CG-MR-130a.1	(1) Total energy consumed (Unit: GJ)	2023	2024	2025	2.2.2 Energy Conservation Measures and Results
		359,536.21	354,038.99	344,263.65	
	(2) Percentage of grid electricity consumed (Unit: %)	99.63%	99.46%	98.92%	
	(3) Percentage of renewable energy consumed (Unit: %)	0.37%	0.54%	1.08%	
Disclosure Topic: Data Security					
CG-MR-230a.1	Description of approach to identifying and addressing data security risks	• The Information Security Management Committee has implemented procedures to address data security risks, including completing personal information inventories, establishing personal information collection procedures, amending the personal information clauses for department store counters, conducting personal information training for all employees across all locations in Taiwan, and amending procedures for handling marketing campaigns. • An Information Security Incident Reporting System has been established, through which units encountering or discovering a personal information issue are required to report the issue to the Information Security Management Committee, where issues are then handled by the Legal Office.			1.4 Information Security Protection
CG-MR-230a.2	(1) Number of data breaches	2023	2024	2025	
		1	0	0	
	(2) Percentage involving personally identifiable information (PII) (Unit: %)	100%	-	-	
	(3) Number of customers affected	1	0	0	
Disclosure Topic: Labor Practice					
CG-MR-310a.1	(1) Average hourly wage (Unit: local currency)	2023	2024	2025	
		196	209	217	4.2.1 Remuneration System
	(2) Percentage of in-store employees receiving minimum wage (by region) (Unit: %)	0	0	0	
CG-MR-310a.2	(1) Voluntary turnover rate of in-store employees (Unit: %)	17.24%	15.88%	14.68%	4.1.2 Employee Turnover
	(2) Involuntary turnover rate of in-store employees (Unit: %)	0.08%	0.08%	0%	
CG-MR-310a.3	Total amount of monetary losses as a result of legal proceedings associated with violations of the Labor Standards Act (Unit: local currency)	0	0	0	

<table>
<tr><th>Metric Code</th><th>Disclosure Metric</th><th colspan="7">Corresponding Disclosures</th><th>Corresponding Chapters/ Sections</th></tr>
<tr><td colspan="9">Disclosure Topic: Workforce Diversity & Inclusion</td></tr>
<tr><td rowspan="5">CG-MR-330a.1</td><td rowspan="4">Gender ratio for managerial and non-managerial employees (Unit: %)</td><td>Year</td><td colspan="2">2023</td><td colspan="2">2024</td><td colspan="2">2025</td><td rowspan="5">4.1.1 Employee Composition and Distribution</td></tr>
<tr><td>Gender/Job Level</td><td>Managerial</td><td>All other employees</td><td>Managerial</td><td>All other employees</td><td>Managerial</td><td>All other employees</td></tr>
<tr><td>Male</td><td>7.97%</td><td>25.21%</td><td>8.40%</td><td>25.83%</td><td>7.89%</td><td>25.66%</td></tr>
<tr><td>Female</td><td>7.74%</td><td>59.08%</td><td>7.79%</td><td>57.98%</td><td>7.74%</td><td>58.70%</td></tr>
<tr><td colspan="7">The Company treats all employees equally and does not discriminate on the basis of race, gender, religious beliefs, nationality, social background, or disability.
In 2025, the majority 99.93% of our employees are of Taiwanese nationality, including 7 indigenous peoples. Additionally, 1 employees are not of Taiwanese nationality. We do not have data on how many of our employees are New Immigrants.</td></tr>
<tr><td>CG-MR-330a.2</td><td>Total amount of monetary losses as a result of legal proceedings associated with employee discrimination (Unit: local currency)</td><td colspan="2">2023</td><td colspan="2">2024</td><td colspan="2">2025</td></tr>
<tr><td></td><td></td><td colspan="2">0</td><td colspan="2">0</td><td colspan="2">0</td><td></td></tr>
<tr><td colspan="9">Disclosure Topic: Product Sourcing, Packaging & Marketing</td></tr>
<tr><td rowspan="2">CG-MR-410a.1</td><td rowspan="2">Revenue from products third-party certified to environmental and/or social sustainability standards (Unit: local currency)</td><td colspan="2">2023</td><td colspan="2">2024</td><td colspan="2">2025</td><td rowspan="3">3.1 Product Safety Management</td></tr>
<tr><td></td><td colspan="2"></td><td colspan="2">-</td><td colspan="2">-</td></tr>
<tr><td>CG-MR-410a.2</td><td>Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products</td><td colspan="7">• Established the Product Safety Monitoring Network in 2016, using software to connect different Company units.
• Conducted random inspections, and assigned dedicated personnel to monitor news reports and government announcements daily in order to stay updated on the latest information.
• When defective products are discovered, the Procedures for Monitoring Defective Product Risks are immediately activated, with the Defective Product Risk Management Team responsible for tracking and handling further procedures.</td></tr>
<tr><td>CG-MR-410a.3</td><td>Description of strategies to reduce the environmental impact of packaging</td><td colspan="7">• All of our Taiwan stores use FSC-certified paper and processes for making shopping bags, and purchase FSC-certified paper towels and toilet paper
• Increased the share of electronic DMs and prints all paper DMs with environmentally friendly soy-based ink.
• Reused store packaging/paper boxes as delivery packaging materials.
• Starting in 2025, the Zhongxiao Store's supermarket has gradually transitioned to rPET fresh-food trays.</td><td>2.4.2 Green Actions</td></tr>
</table>

Metric Code	Disclosure Metric	Corresponding Disclosures			Corresponding Chapters/ Sections
Activity Metrics					
CG-MR-000.A	Number of operating locations (individual locations)	2023	2024	2025	1.2 Operating Results
		7	7	8	
	Number of distribution centers (individual locations)	0	0	0	
CG-MR-000.B	Total area of operating locations (square meters)	393,018.39	393,018.39	393,018.39	
	Total area of distribution centers (square meters)	0	0	0	

iii. Reference Table for Task Force on Climate-Related Financial Disclosures (TCFD) Recommendations

Core Element of Disclosure	Title of Disclosure	Corresponding Chapters/Sections
Governance	(A) Describe the Board of Directors' oversight of climate-related risks and opportunities	2.1.1 Climate Change Management Strategy
	(B) Describe management's role in assessing and managing climate-related risks and opportunities	2.1.1 Climate Change Management Strategy
Strategy	(A) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	2.1.2 Identifying Climate Change Risks and Opportunities
	(B) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	2.1.2 Identifying Climate Change 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 Management of Climate Change Risks and Opportunities
Risk Management	(A) Describe the organization's processes for identifying and assessing climate-related risks.	2.1.2 Identifying Climate Change Risks and Opportunities
	(B) Describe the organization's processes for managing climate-related risks.	2.1.3 Management of Climate Change Risks and Opportunities
	(C) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	2.1.2 Identifying Climate Change Risks and Opportunities
Metrics and 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 Management of Climate Change Risks and Opportunities
	(B) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	2.1.3 Management of Climate Change Risks and Opportunities
	(C) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	2.1.3 Management of Climate Change Risks and Opportunities

Appendix 2 United Nations Global Compact Reference Table

Classification	Description of the 10 Principles	Corresponding Chapters/Sections
Human Rights	Businesses should support and respect the protection of internationally proclaimed human rights.	4.1.1 Employee Composition and Distribution
	Businesses should ensure that they are not complicit in human rights abuses.	1.5 Supply Chain Management
Labor	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	4.1.1 Employee Composition and Distribution
	Businesses should eliminate all forms of forced and compulsory labor.	4.1.1 Employee Composition and Distribution
	Businesses should effectively abolish child labor.	4.1.1 Employee Composition and Distribution
	Businesses should eliminate discrimination in respect of employment and occupation.	4.1.1 Employee Composition and Distribution
Environment	Businesses should support a precautionary approach to environmental challenges.	2.0 Strategic Achievements and Plans
	Businesses should undertake initiatives to promote greater environmental responsibility.	
	Businesses should 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 Corporate Management

Appendix 3 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 2025

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 Pacific SOGO) to conduct an independent assurance of the Sustainability Report for 2025 (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 2026/04/01 to 2026/05/21. The boundary of this report includes Pacific SOGO Taiwan operational and service sites as disclosed in Pacific SOGO's Sustainability Report of 2025. The boundary is not the same as Pacific 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 the stakeholders in Pacific SOGO's Sustainability Report of 2025.

RESPONSIBILITIES

The sustainability information in the Pacific SOGO's Sustainability Report of 2025 and its presentation are the responsibility of the directors or governing body (as applicable) and management of Pacific 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.

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:

TWLPP 5008 Issue 2601

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 standards.

ASSURANCE METHODOLOGY

The assurance comprised a combination of pre-assurance research, interviews with relevant employees, superintendents, ESG committee members and the senior management in Taiwan; documentation and record review and validation with external bodies and/or stakeholders where relevant.

LIMITATIONS

Financial data drawn directly from independently audited financial accounts, Task Force on Climate-related Financial Disclosures (TCFD), SASB Standards have 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 Pacific 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 ISO 26000, ISO 20121, ISO 50001, SA8000, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

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.

TWLPP 5008 Issue 2601

ADHERENCE TO AA1000 ACCOUNTABILITY PRINCIPLES (2018)

INCLUSIVITY

Pacific SOGO has demonstrated a good commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to employees, customers, investors, suppliers, CSR experts, and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns. For future reporting, Pacific SOGO may proactively consider having more direct two-ways involvement of stakeholders during future engagement.

MATERIALITY

Pacific SOGO has established effective processes for determining issues that are material to the business. Formal review has identified stakeholders and those issues that are material to each group and the report addresses these at an appropriate level to reflect their importance and priority to these stakeholders.

RESPONSIVENESS

The report includes coverage given to stakeholder engagement and channels for stakeholder feedback.

IMPACT

Pacific SOGO has demonstrated a process on identify and fairly represented impacts that 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. Measurement and evaluation of its impacts related to material topic were in place at target setting with combination of qualitative and quantitative measurements.

ADHERENCE TO GRI

The report, Pacific SOGO's Sustainability Report of 2025, 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 Pacific SOGO's contributions to sustainability development. For future reporting, it is recommended Pacific SOGO that medium- and long-term sustainability targets be defined with greater specificity, utilizing quantified and clear disclosures to enhance stakeholder comprehension.

Signed:
For and on behalf of SGS Taiwan Ltd.



AA1000
Licensed Report
000-8/V3-JITCT

Stephen Pao
Business Assurance Director
Taipei, Taiwan
22 June, 2026
WWW.SGS.COM

TWLPP 5008 Issue 2601

遠東 SOGO

遠東 Garden City

Start a New Life With Love

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SOGO Department Stores Sustainability Report

SOGO Department Stores Mobile App

So good!

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This publication is printed with environmentally friendly soy-based ink on FSC-certified paper.
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