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Good for the Planet

At present, various environmental issues such as climate change, plastic pollution, food loss and waste, and waste management are closely related to sustainable corporate operations. Effectively adopting sustainable operations, optimizing resource efficiency and practicing sustainability are important elements in President Chain Store Corporation's overall operating value chain. As the leader in convenience stores, we hope to strike a balance between convenience and environmental impact by being committed to reducing the negative impact of plastics, food loss and waste in our operations, as well as actively improving our ability to address climate change issues.

Sustainable Goal Management Process

Material Topic	Management Metrics	Medium- and long-term Targets	2026 Targets	2025 Targets & Performance		
 Climate Change	Percentage reduction in store electricity use intensity (EUI) compared with the previous year	Store electricity use intensity (EUI) reduced by 0.5% compared with the previous year	Store electricity use intensity (EUI) reduced by 0.5% compared with the previous year	Store electricity use intensity (EUI) reduced by 0.5% compared with the previous year	Store electricity use intensity (EUI) reduced by 2.65% compared with the previous year	↑
	Proportion of direct (Scope 1) and indirect (Scope 2) GHG emission intensity (carbon emission intensity per NT\$ million of revenue) reduction compared with the previous year	Reduced by 60% compared to 2020	Reduced by 1.5% compared with the previous year	Reduced by 1.5% compared with the previous year	Reduced by 1.75% compared with the previous year	↑
 Packaging Material Management	Proportion of consumers bringing their own cups ^(Note 1)	24% by 2028	22%	21%	21.75%	↑
	Number of stores adopting the Recycled Cups Renting Service ^(Note 1)	Following regulations regarding single-use beverage cups	2,530	2,500	2,528	↑
	Proportion of other single-use plastic for private-label products and materials	10% of other single-use plastic by 2028, completely eliminating plastic shopping bags and plastic straws Completely eliminating other single-use plastic by 2050	17%	18%	16.25%	↑
 Food Waste and Waste Management	Total weight of food loss and waste discarded (with 2019 as base year)	4,461 metric tons by 2030 50% reduction by 2030	5,064 metric tons with a 43.24% reduction compared to the base year	5,366 metric tons with a 39.9% reduction compared to the base year	4,404 metric tons with a 76% reduction compared to the base year	↑
	Total weight of all food loss and waste	11,605 metric tons by 2030 Halving by 2030 (with 2019 as base year)	11,282 metric tons	11,241 metric tons	14,430 metric tons	—
	Total weight of food loss and waste volumes used for alternative purposes	7,144 metric tons by 2030	6,218 metric tons	5,875 metric tons	10,026 metric tons	↑
	Proportion of volume for waste removal reduction in each store (base year 2019) ^(Note 2)	45% of reduction by 2028	25%	20%	22.22% of reduction from the base year	↑

Note 1 : The online processing rate is the rate of giving consumers explanations online and successfully solving the problem afterwards. The case closing rate is the percentage of cases that cannot be effectively addressed online and require follow-up and settlement after being handled by the responsible unit.

Sustainable Development Goals & Management Policies



SDG 2
Zero Hunger

► In 2025, the“iLove Food” program reduced food waste by **20,472.50** metric tons.



SDG 12
Responsible Consumption and Production

► The OPEN iECO® Recycled Cups Renting Service has been adopted by **2,528** stores with **21.75%** of consumers bringing their own cups.



SDG 13
Climate Action

► Store energy-saving actions saved the equivalent of **45,346.74** metric tons of CO₂e in 2025.



SDG 15
Life on Land

► The procurement amount for certified raw materials for paper in 2025 was NT\$ **768,419** thousand.

► Corresponding Material Topic

- Food Waste and Waste Management
- Climate Change
- Packaging Material Management

► Policies and Commitments

- Environmental policy
- GHG policy
- Energy policy
- Packaging material management
- Waste and food waste management

► Management Actions

- Inventory and management of environmental information (greenhouse gas emissions, packaging material consumption, waste removal and food waste production in the stores, water withdrawal and consumption)
- Low-carbon transition plan for own operations and value chain
- Adaptation strategies for climate-related physical and transition risks, continuing to increase the percentage of green electricity
- Food waste management (reducing the scrap rate of fresh food, improving the management mechanism of the OEMs, improving the recovery rate of food waste, order-to-delivery system)
- Waste management (setting up a convenient eco-friendly recycling platform in stores, refurbishment and reuse of store equipment, waste reduction for all operating locations, managing waste flows with suppliers)

5.3 Climate Change Mitigation and Adaptation

Facing the global challenges brought by climate change, President Chain Store Corporation actively monitors climate-related issues, responds to international climate initiatives, and is committed to following the Paris Agreement by limiting the global temperature rise to no more than 1.5°C above pre-industrial levels. The Company also supports the Ministry of Environment's goal of achieving net-zero emissions by 2050. Since 2020, the Company has managed climate risks and opportunities in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) framework, continuously strengthening climate governance and ensuring that climate action is closely integrated with corporate governance. To promote the net-zero transition, President Chain Store Corporation has developed a comprehensive climate strategy based on the PDCA cycle, gradually putting its sustainable development blueprint into practice. In response to the Financial Supervisory Commission's Plan for Introducing IFRS Sustainability Disclosure Standards, President Chain Store Corporation will apply the International Financial Reporting Standards (IFRS) for the first time in 2026. The Company began preparation ahead of schedule in 2025, identifying and managing climate-related risks and opportunities in accordance with IFRS S2. President Chain Store Corporation is actively integrating cross-departmental resources and aligning with regulatory requirements to enhance financial information transparency and climate risk management capabilities.

Climate Governance

• Climate-related Monitoring Mechanisms and Actions •

President Chain Store Corporation's governance structure for climate change uses the Board of Directors as the highest oversight body. The Board authorizes the Sustainable Development Committee under its supervision to oversee and review climate-related issues. Composed of independent directors, the Sustainable Development Committee ensures diversified planning and effective execution of sustainability strategies. It is also responsible for formulating and promoting sustainable development strategies, and for managing climate transition actions and target performance. All members of the Sustainable Development Committee are independent directors. The Committee convenes twice a year to oversee the implementation of annual sustainability projects and reports quarterly to the Board of Directors on overall climate strategy progress.

Under the Sustainable Development Committee, the Carbon Reduction Task Force was formally established in 2021 as a dedicated unit for climate-related issues. The task force is convened by the CFO, with task groups set up according to the business scope of each department to ensure cross-departmental coordination and execution. Its core responsibilities include conducting preliminary assessments of major climate change risks and opportunities, incorporating the assessment results into comprehensive discussion, and formulating response strategies. In the meantime, the Carbon Reduction Task Force has three major execution strategies, including energy transition for introducing energy conservation and carbon reduction measures and equipment, and promoting logistics energy conservation programs; industrial transition, for procuring and developing low-carbon products and services; and lifestyle transition, for strengthening communication with internal and external stakeholders and enhancing awareness of climate-related issues. Each task group formulates execution strategies, medium- and long-term targets, and action plans based on its respective responsibilities, and tracks progress through quarterly meetings to ensure that all plans are carried out smoothly. For the overall committee structure, please refer to [Section 1.2, Sustainable Development Committee](#).



• Climate-related Management Incentive Mechanism and Results •

In response to the Company's focus on managing climate-related issues, President Chain Store Corporation continues to refine the mechanism linking sustainable development performance metrics with performance-based remuneration for senior executives. The mechanism applies to the President, senior executive managers, group heads, and deputy group heads. Climate- and environment-related metrics include climate change, measured by the reduction performance of GHG emissions intensity; food waste management, measured by the annual reduction ratio of food waste disposal volume; packaging materials, measured by the reduction ratio of single-use plastics; and sustainable procurement, measured by the procurement amount of certified raw materials. Together, these four metrics account for 10%, while metrics related to other material topics account for 2%. In 2025, the actual remuneration ratio linked to climate- and environment-related performance was 10%. The remuneration structure of senior management in 2025 was closely linked to performance, with sustainability-related metrics included in performance evaluations, accounting for approximately 12%. These metrics are reflected in the issuance of various forms of variable remuneration through the overall performance rating mechanism. By incorporating sustainability performance into key assessment metrics, the Company strengthens management's responsibility for and execution of sustainable development.

The performance incentive implemented in 2025 applied to the President, senior management team, and units related to Carbon Reduction Task Force. The Company expects management to exercise its decision-making influence to advance climate and environmental performance. Climate-related management metrics include year-on-year reduction in carbon emissions intensity per NT\$1 million in revenue, in line with the Company's annual carbon reduction target; completion of the ISO 14064-1 GHG verification statement; and passing ISO 50001 Energy Management System verification. If all KPIs are achieved, one additional point is added to the total performance score. This performance evaluation is used to calculate the proportion of monetary incentives related to environmental performance.

In addition, to reward employees for actively managing store energy use, President Chain Store Corporation has formulated the Store Energy Saving Incentive Program. The measures incorporate the management performance of basic electricity fees for newly opened and renovated stores, electricity use management at existing stores, and energy-saving improvements into the performance evaluation for individuals, stores, and regional engineering teams. Cash incentives are also provided to those who identify abnormal store electricity charges. The incentive methods are shown in the table below. In 2025, bonuses paid after the recovery of abnormal store electricity charges totaled NT\$30,013. From 2022 to 2025, cumulative bonuses paid after the recovery of abnormal store electricity charges reached NT\$94,259.

President Chain Store Corporation Energy Saving Incentive Program

Energy saving performance incentive	Incentive for recovering abnormal electricity charges in stores
Engineering employees in each district are responsible for minimizing the electricity consumption and costs of their stores. In each quarter's engineering evaluation, the top three districts will be awarded a group bonus of NT\$1,000 each.	If engineering employees can successfully trace and recover overpaid electricity fees due to meter misreading, they can receive a bonus of up to 5% of the total refund.

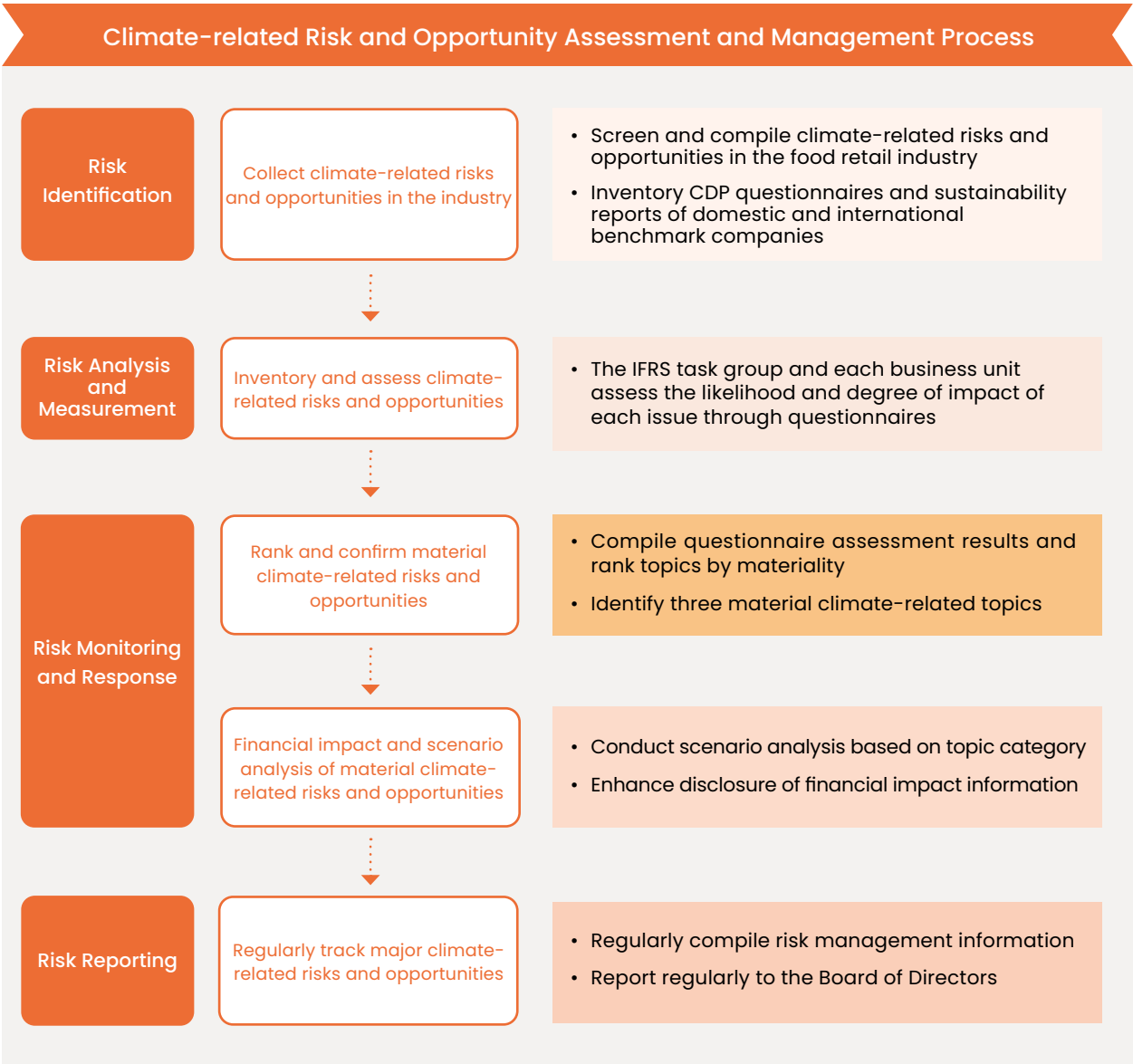
Climate Risk and Opportunity Management

In terms of climate change management, President Chain Store Corporation identified 15 issues in 2025 through a systematic climate risk and opportunity assessment process. Based on the assessment principles used by the Carbon Reduction Task Force and each business unit to evaluate substantive financial and strategic impacts, the Company selected three material climate risk and opportunity topics.

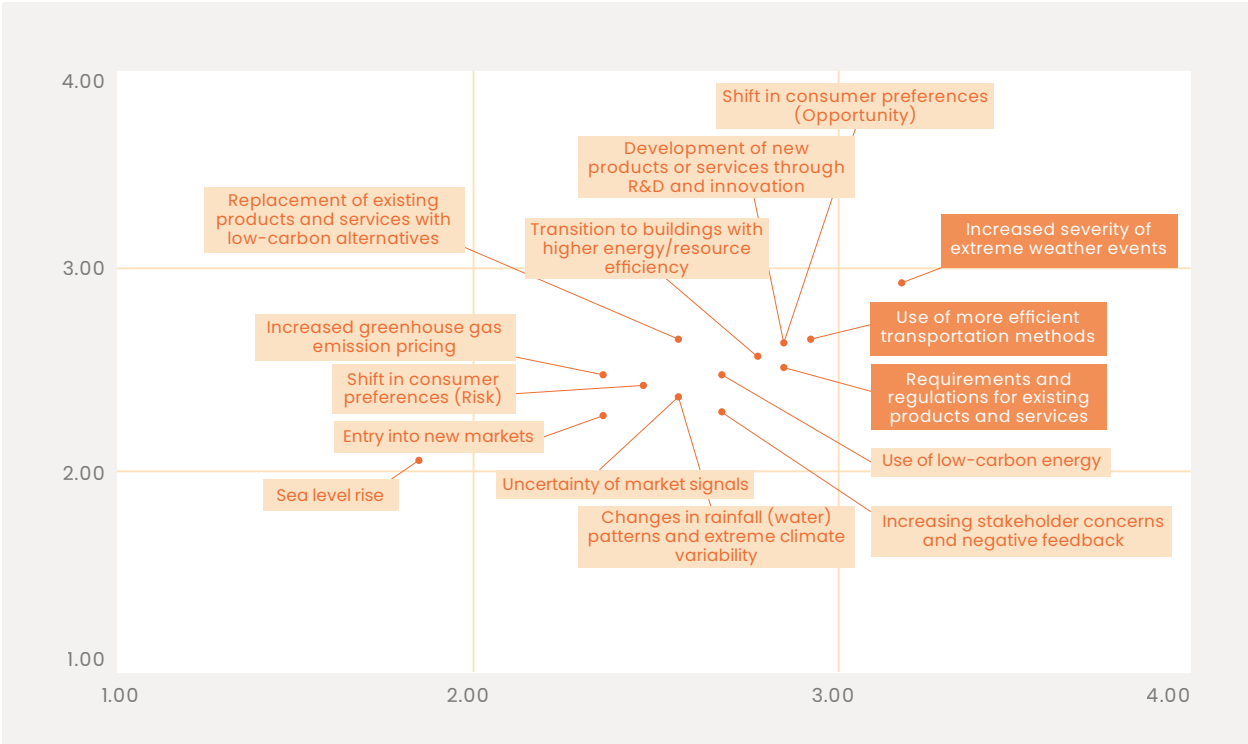
The assessment covered climate-related risks and topics in the Group's industry, with reference to SASB industry standards, CDP questionnaires from domestic and international benchmark companies, and sustainability reports. After screening based on current operations, the Company compiled a total of nine risks and six opportunities. Next, through questionnaire surveys and collaboration with the IFRS task force and each business unit, the assessment considered the likelihood of impact and degree of impact of each climate issue, rating each item on a scale of 1 to 5. Based on the assessment results, the

Company ranked materiality and prepared a matrix of topics. Taking into account issue diversity and comprehensive management, the highest-scoring topic was selected from each of the three categories — physical risks, transition risks, and opportunities — resulting in the identification of three material climate risk and opportunity topics. These were incorporated into subsequent discussions on financial impacts and strategies. The Company has also clearly defined the timeline for assessing the impacts of these topics: short term from 2026 to 2029, medium term from 2030 to 2035, and long term from 2032 to 2050. The assessment scope also covers the upstream value chain, the Company's own operations, and the downstream value chain. As climate-related issues continue to evolve, the identification of related risks and opportunities must also be adjusted in a timely manner. Therefore, the Company will conduct a comprehensive review once every two years to ensure that its response measures remain up to date. Climate issues will also be incorporated into management in accordance with the Company's risk management procedures, strengthening corporate resilience and sustainable development. The expected timeline for climate-related risks and opportunities are divided into short term, medium term, and long term, as described below:

Period	Definition	Connection with Strategic Decision-Making and Planning Timeline
Short-term	2026-2029	The timeline identified by the Group for the possible occurrence of climate-related risks and opportunities are aligned with the Group's existing internal target management timelines, including governance targets and sustainability-related targets.
Medium-term	2030-2035	
Long-term	2032-2050	



Climate-related Risk and Opportunities Matrix



Climate Strategy

Results of Impact Assessment of Major Climate-related Risks and Opportunities

According to its management procedures for climate-related risks and opportunities, President Chain Store Corporation identified the following sustainability- and climate-related risks and opportunities that could reasonably be expected to affect the Company's outlook. Climate risks are further divided into: (1) Transition risks: risks arising from the increasing complexity and resulting impacts on markets due to climate change, which require adjustments to supply and demand structures to mitigate impacts. These adjustments may include changes in policies, laws, technologies, and market conditions. (2) Physical risks: physical risks arising from long-term climate change and immediate extreme weather events, which may cause direct impacts on the Company and disruptions to the supply chain. (3) Opportunities: potential new market development and revenue growth brought by the provision of low-carbon services and products, while also avoiding market and regulatory risks. For each issue, President Chain Store Corporation assesses the potential impacts on the Company's business model, upstream value chain, and downstream value chain, as well as the expected timeline in which the issue may occur.

Risk / Opportunity Category	Climate Topic	Topic Description	Location of Impact	Expected Timeline
Acute Physical Risks	Increased severity of extreme weather events	Fires or flooding caused by extreme climate events, such as wildfires, typhoons / hurricanes, floods, and heavy rainfall, resulting in damage to store equipment and business interruption	Own operating sites, upstream supply chain, and downstream customers	Short, medium, and long term
Transition Risk – Policy and Legal Risks	Requirements and regulation of existing products and services	As environmental regulations become stricter worldwide, governments and international organizations are promoting policies related to plastic reduction, carbon emission control, stronger food safety management, and other areas. These developments create long-term regulatory challenges for products and services across industries. Taiwan’s current plastic restriction policies require companies to reduce the use of single-use plastic products, such as banning single-use straws and increasing the proportion of reusable cups, while encouraging consumers to choose environmentally friendly alternatives	Own operating sites, upstream supply chain, and downstream customers	Short, medium, and long term

Risk / Opportunity Category	Climate Topic	Topic Description	Location of Impact	Expected Timeline
Opportunity	Adoption of highly efficient transportation models	By improving the energy efficiency of transportation and logistics, companies can reduce fuel consumption and carbon emissions, thereby lowering operating costs and enhancing their environmental image. This may be achieved by adopting new energy-efficient vehicles, optimizing delivery routes, improving loading efficiency, or working with other companies to share transportation resources and improve overall logistics efficiency	Upstream (logistics affiliated enterprises)	Short, medium, and long term

Impact of Material Climate-related Topics on Business Model and Value Chain

President Chain Store Corporation assesses the current and expected impacts that climate-related risks and opportunities may have on its business model and value chain. The relevant details are as follows:

< Acute Physical Risks >

Increased Severity of Extreme Weather Events				
Impact	Impact on Business Model		Impact on Value Chain	
	Current	Anticipated	Current	Anticipated
Positive Impact	Stores have established disaster recovery mechanisms, improving the speed of operational recovery and crisis response capabilities	Climate resilience will be incorporated into store operating strategies, such as site selection, building specifications, and flexible delivery arrangements, to strengthen risk resistance	1. Introduce emergency response SOPs and regular disaster prevention drills to improve the ability to respond to short-term business interruptions and reduce the scale of losses from extreme events. 2. Business continuity: Invest in emergency response facilities, such as backup generators or disaster prevention infrastructure 3. Supplier risk management: work with suppliers equipped with emergency response capabilities to ensure diversified sources of material procurement and improve supply stability	Supplier risk management: Incorporating climate risks into supplier assessments and supplier selection mechanisms will strengthen the resilience of the overall supply chain in responding to risks
Negative Impact	1. Disaster prevention management measures will increase operating costs 2. Frequent disasters may interrupt store operations, causing property losses and temporary store closures	1. Increased operational costs: intensified climate risks lead to equipment damage, transportation disruptions, and elevated disaster prevention and operational costs as the number of stores expands. 2. Climate change may lead to shifts in consumer demand 3. The current operating model may not be able to respond to recurring climate risks	1. Product supply interruptions: revenue may decline and logistics costs may rise 2. Damage to stores and warehousing equipment: Equipment damage may increase capital expenditures and repair costs 3. Employee attendance: transportation disruptions may delay employees or prevent them from reporting to work, affecting operations 4. Frequent disasters may interrupt store operations, causing property losses and temporary store closures 5. Food safety and logistics impacts: Logistics delays during post-disaster recovery may affect delivery efficiency and food safety control. Power outages may cause perishable products to spoil, increasing operating costs	1. Product supply chain interruptions: Disasters may prevent OEMs from operating normally and disrupt logistics transportation, affecting product delivery and sales 2. Higher equipment energy consumption: Rising temperatures may increase energy use by air conditioning and refrigerators, raising operating costs 3. Higher insurance costs: More intense and frequent extreme weather events may increase insurance costs 4. Disaster prevention management measures will increase operating costs 5. Frequent disasters may interrupt store operations, causing property losses and temporary store closures

< Transition Risk – Policy and Legal Risks >

Requirements and Regulation of Existing Products and Services				
Impact	Impact on Business Model		Impact on Value Chain	
	Current	Anticipated	Current	Anticipated
Positive Impact	- Establishing operating models in response to regulations and launching environmentally friendly products and services can enhance brand image and stakeholder confidence - Improved regulatory SOPs and internal information management processes can enhance service consistency and reliability - Regulatory changes may create transformation opportunities and potentially reduce costs, such as by reducing the use of single-use packaging materials	- As regulations become stricter, increasing sales of environmentally friendly products may increase revenue - Optimizing processes and integrating regulatory requirements can establish a highly adaptive product development mechanism and strengthen competitive resilience during the climate transition	- As consumer awareness of product sustainability increases, greater use of non-plastic and recycled materials can enhance brand reputation - Establishing sustainable cooperation terms with suppliers, using recycled materials, and obtaining environmental labels can strengthen value chain sustainability	- Rapid and proactive responses ahead of regulatory requirements can create a competitive advantage over peers - Using regulations to guide compliant suppliers into the supply chain can improve supplier quality and sustainable management, helping build a resilient supply network
Negative Impact	- To comply with Taiwan's plastic restriction regulations, the Company must increase operating costs for the R&D and management of alternative materials - To comply with Taiwan's expanded GHG inventory regulations, the Company must conduct inventories and reporting, increasing operating costs - New materials may make product design more difficult, potentially leading to packaging defects - Changes to business model in response to regulations may negatively affect consumer perceptions - Rapidly changing regulatory requirements require operating units to adjust operating procedures frequently, increasing costs for operating units - To comply with regulatory requirements and reduce the use of plastic packaging materials, such as replacing plastic cup lids with sealing film, store electricity consumption may increase	- As environmental regulations become stricter, companies must continuously adjust products and operating processes - Investment pressure may increase from introducing alternative materials and new technologies - In response to Taiwan's carbon fee regulations, and considering operational growth, additional operating expenses may arise in the future	- To comply with regulations such as those related to plastic restrictions, packaging, and environmental protection, supply chain adjustment and compliance costs may increase - Compliance training and internal audits must be established. Internal monitoring mechanisms are needed to prevent violation risks, increasing operating costs - The higher cost of material substitution may increase raw material procurement costs - If suppliers do not meet sustainability standards, alternative suppliers must be found, increasing supply chain uncertainty and cost pressure	- If technology and information systems cannot respond in a timely manner, compliance transparency may be affected - Investment pressure may increase from introducing alternative materials and new technologies - If mandatory disclosure of product carbon footprints or source traceability is required, suppliers without a data foundation may affect internal compliance and the speed of product launches

< Opportunity >

Adoption of Highly Efficient Transportation Models				
Impact	Impact on Business Model		Impact on Value Chain	
	Current	Anticipated	Current	Anticipated
Positive Impact	- Introduction of low-carbon vehicles: Reduces operational carbon emissions and fuel costs, and improves operating efficiency - Shift in consumer value proposition: Consumers see green transportation as added value for products - Development of differentiated services: Carbon-neutral delivery options and transportation services with carbon emissions tracking create business models for transportation platforms - Reorganization of key resources and partners: the frequency of cross-company collaboration increases through shared transportation and collaborative delivery	- Enhanced sustainable competitiveness: The transformation of transportation models establishes a traceable carbon management mechanism and strengthens climate information disclosure capabilities - New revenue opportunities created by green logistics and digitalization: Value-added logistics services, such as green logistics, carbon-neutral delivery, and carbon disclosure reports, open up new sources of revenue - Optimized cost structure: smart scheduling, fewer empty runs, fewer mis-deliveries and returns, and optimized transportation processes lower operating costs - Improved supply chain resilience and compliance capabilities: stronger resilience to transportation disruptions and future carbon fee regulations enhances overall supply chain stability	- Lower transportation costs and energy consumption: Energy-efficient transportation methods, such as electric trucks or hybrid vehicles, reduce transportation energy use and operating costs, lower the carbon footprint, and strengthen the brand's sustainable image - Consolidated transportation and improved delivery efficiency: Centralized transportation arrangements for different orders reduce transportation costs and carbon emissions, while also reducing delivery delays and inbound warehousing pressure, helping improve supply stability - Data integration and scheduling optimization: digital tools are used to integrate delivery schedules and shipment volume information, avoid idle vehicles, and improve timeliness and collaboration efficiency - With improved transportation efficiency, replenishment speed and inventory management efficiency are also improved	- Establish long-term partnerships with suppliers to develop energy-efficient delivery technologies and carbon reduction solutions - Adopt electric transportation fleets to reduce GHG emissions, promote low-carbon store and community logistics models, build a competitive green supply system, and increase consumers' recognition of the brand
Negative Impact	- Strategies such as consolidated delivery, route optimization, and low-carbon vehicle adoption require short-term investment in equipment, including electric fleets, carbon monitoring systems, and AI-powered smart logistics platforms, as well as personnel training, information systems, and additional workflows, such as carbon emissions monitoring, carbon data disclosure, and carbon credit management. These needs may create pressure on operating capital - Existing delivery partners may lack transformation capabilities, resulting in inconsistent overall logistics performance and unstable operations - Information and equipment security risks increase	- If climate policies, such as carbon fees or fuel regulations, become stricter and the Company is unable to transition in a timely manner, it may face pressure from rising costs and reduced operational flexibility - Increased demand for sustainable logistics may accelerate the phase-out of some low-efficiency but low-cost modes of operation	- To reduce carbon emissions in the supply chain, suppliers are required to report carbon emissions data, requiring manpower to review data quality - The implementation of low-carbon delivery time slots or vehicle restrictions may affect delivery flexibility, resulting in insufficient replenishment during certain time periods and lower operating efficiency - Stores must adjust receiving times and cold chain storage requirements accordingly, leading to additional manpower and energy expenses - Promoting efficient transportation models requires upstream suppliers and downstream logistics operators, such as the subsidiaries Wisdom Distribution Service Corporation and UPCC, to update equipment and make capital investments	- If carbon pricing or fuel regulations become stricter, suppliers that fail to improve efficiency in time may lose opportunities for further cooperation - Transportation decarbonization requires significant investment in vehicle replacement, charging facilities, and smart logistics systems - In the early stages of implementing new transportation models, delivery delays, unstable efficiency, and technical errors may occur - Information and equipment security risks increase: after the introduction of digital and smart transportation systems, cybersecurity risks and possible system failures may arise

• Net-Zero Transition Plan •

President Chain Store Corporation conducts in-depth analysis of critical climate risks and opportunities. Based on the impact of these topics on the Company's strategies and decision-making, the Company analyzes their current and expected effects on financial position, financial performance, and cash flows, and uses climate-related scenario analysis to develop resilience strategies for current and expected conditions. In alignment with the global climate goal of limiting warming to 1.5°C under the Paris Agreement, as well as Taiwan's Pathway to Net-Zero Emissions in 2050 announced by the National Development Council in 2022, President Chain Store Corporation has publicly committed to its key climate strategy of achieving net-zero Scope 1 and Scope 2 GHG emissions within its own operations by 2050. Using 2020 as the base year, the Company also aims to reduce Scope 1 and Scope 2 GHG emissions intensity by 60% by 2035 compared with the base year, which was 2.99 metric tons CO₂e per NT\$1 million in revenue. President Chain Store Corporation expects to invest NT\$72,847,414 in its net-zero transition plan in 2026. Through continuous management and dynamic adjustments, the Company will integrate internal and external resources to respond to and reduce the operational impacts brought by various material climate risks and opportunities. It will also prudently monitor risks and strengthen preventive management as it gradually advances toward a net-zero lifestyle transition by 2050.

• Climate Adaptation and Mitigation •

According to "[Taiwan Climate Change Analysis Series Report 2025: Severe Precipitation and Impacts in Taiwan under Global Warming](#)", the frequency of severe precipitation from typhoons in Taiwan is expected to increase overall as global warming intensifies. The results of climate issue identification show that increased severity of extreme weather events is a material physical climate risk faced by President Chain Store Corporation. President Chain Store Corporation operates more than 7,000 stores across Taiwan. An increase in the severity of short-term extreme weather events, such as typhoons, torrential rain, floods, heat waves, droughts, and strong winds, may cause sudden and short-term impacts on operations, and affect supply chain stability, facility safety, and product quality management. Extreme weather such as windstorms, torrential rain, or floods may increase the likelihood of store equipment damage, road disruptions affecting product transportation, and supply interruptions. Taking Typhoon Morakot in Taiwan in 2009 as an example, 187 stores were affected by the storm, with total disaster losses exceeding NT\$13 million. Some stores had to suspend operations for up to two weeks for repairs. In addition, rising temperatures may also affect sales of seasonal products and operating sales models. By focusing on the following response strategies, President Chain Store Corporation aims to strengthen operational resilience and reduce losses caused by extreme weather, starting with improved disaster prevention equipment in stores, climate risk response, and management systems.

Risk / Opportunity Category	Risk / Opportunity Description	Timeline	Changes to Business Model and Resource Allocation	Method of Resource Provision
Acute Physical Risks	Increased severity of extreme weather events	Current	1. Introduce disaster prevention equipment 2. Activate the "Weather Information Distribution" system to monitor and release climate information 3. Cloud backup and distributed data storage 4. Establish occupational safety / response groups and response procedures 5. Systematically incorporate climate risks into the enterprise risk management (ERM) or ESG framework 6. Incorporate climate risk simulation, risk transfer, such as insurance, and resilience design into the standard operating procedures (SOPs) for logistics strategy decision-making 7. Evaluate expected disaster conditions and adopt strategies or standards for preventive measures 8. Adopt supply chain flexibility measures, including temporary changes to delivery routes or requests for partner support	Increase in internal operating expenses or capital expenditures
		Anticipated	Incorporate climate risk simulation, risk transfer, such as insurance, and resilience design into the standard operating procedures (SOPs) for logistics strategy decision-making	Increase in internal operating expenses or capital expenditures

Scenario Analysis and Results

Category	Increased severity of extreme weather events
Key Assumptions	1. With store operations at the core, the analysis considers the characteristics of President Chain Store Corporation's operations, including high-frequency daily logistics and delivery, a large number of shift-based employees, and heavy reliance on refrigeration and warehousing equipment. Given Taiwan's high exposure to severe climate events such as typhoons, torrential rain, and floods, the following financial impacts were selected for analysis. These impacts are directly linked to the Company's daily revenue, cash flow, operating costs, and asset maintenance. They are highly financially material and can effectively reflect the potential impact of intensified climate change on day-to-day retail operations 2. The number of days affected by natural disasters, such as disaster leave, is determined in accordance with the Operation Regulations on the "Suspension of Offices and Classes because of Natural Disasters". When a disaster causes work or classes to be suspended, business entities shall suspend work or classes in accordance with the law, and the period is deemed disaster leave. According to the "Guidelines on Attendance Management and Wage Payment for Laborers in Business Entities Affected by Natural Disasters", employees who do not report to work during this period are not considered absent without leave, and employers shall pay wages in full or on a daily basis. Employers may also provide compensatory leave, flexible working hour arrangements, disaster allowances, or other support measures 3. WRI Aqueduct Water Risk Assessment Tool: used to identify the exposure level of operating sites in Taiwan's high-risk inundation / flood areas under current and future warming scenarios. This source mainly supports the analysis of business interruption losses, equipment damage losses, and equipment repair costs 4. According to the study "NCDR 112-T24 Analysis of Estimated Differences in Taiwan Typhoons under Different Climate Change Periods": Provides scientific projections of the number of intense typhoons under the current baseline linear projection and future 1° C / 2° C / 4° C scenarios. This source mainly supports the analysis of operating costs during disasters and logistics interruption losses
Selected Scenario	Global Warming Levels, or GWLs: 1° C, 2° C, and 4° C scenarios
Timeline	2025 ~ 2030 ~ 2050
Scope of Analysis	Major operating sites (Taiwan)
Assessed Impact and Resilience Capacity	The analysis assesses the financial impact of store business interruption losses, operating costs during disasters, and equipment damage losses caused by extreme weather events under different global warming scenarios over specific time horizons. The financial assessment results represent the potential financial impact on high-risk stores under different scenarios, and do not represent actual conditions in the reporting year or future years Reporting year (2025) - Potential financial impact from business interruption losses, disaster operating costs, and equipment losses was assessed at NT\$4,285.77 million in total 1°C scenario : - In 2030, potential financial impact from business interruption losses, disaster operating costs, and equipment damage was assessed at NT\$4,536.66 million in total - In 2050, potential financial impact from business interruption losses, disaster operating costs, and equipment damage was assessed at NT\$5,121.72 million in total 2°C scenario : - In 2030, potential financial impact from business interruption losses, disaster operating costs, and equipment damage was assessed at NT\$15,108.81 million in total - In 2050, potential financial impact from business interruption losses, disaster operating costs, and equipment damage was assessed at NT\$17,058.58 million in total 4°C scenario : - In 2030, potential financial impact from business interruption losses, disaster operating costs, and equipment damage was assessed at NT\$15,235.21 million in total - In 2050, potential financial impact from business interruption losses, disaster operating costs, and equipment damage was assessed at NT\$17,201.76 million in total For detailed strategies, please refer to the column on Business Model and Resource Allocation.

Impact on Financial Position, Financial Performance, and Cash Flows
(Vulnerable Assets or Operating Activities, Capital Allocation)

Sustainability / Climate-Related Risk	Financial Impact	
Risk Description	Reporting Period	Anticipated
Increased severity of extreme weather events	Internal management: This year, measures included establishing an occupational safety group to facilitate disaster reporting and response measures, evaluating expected disaster-related standards such as the Construction Specifications for Flood Control Gates and Dwarf Walls in the Stores Located in Low-lying Areas, and systematically incorporating climate risks into the Company's overall enterprise risk management, or ERM, or ESG framework. These measures increased operating costs and cash outflows from operating activities by NT\$314.11 million in the current period. The quantified strategic impact only discloses strategic impacts with a quantifiable basis. Some strategies are not reflected in the disclosed quantified amount because the required information is not yet available for quantification or because they do not involve actual financial expenditure.	Short-, medium-, and long-term strategies are not reflected in the disclosed quantified amount because the required information is not yet available for quantification or because they do not involve actual financial expenditure

• Industrial Transition •

Amid the global push toward net-zero carbon emissions, countries are strengthening the formulation of environmental regulations, and companies are facing increasingly stringent regulatory requirements. In addition to GHG emissions from energy use, existing products and services are also exposed to regulatory risks. For the food retail industry, governments continue to promote plastic reduction measures and restrict single-use plastic products. In the future, regulations may also further strengthen requirements on the circularity of plastic packaging materials and the transparency of information disclosure. These external compliance requirements may create potential pressure on President Chain Store Corporation's supply chain management and operating processes. As relevant policies become increasingly stringent, President Chain Store Corporation must proactively adjust its product strategies and service offerings to ensure regulatory compliance, reduce potential compliance risks, and maintain market competitiveness.

Risk / Opportunity Category	Risk / Opportunity Description	Timeline	Changes to Business Model and Resource Allocation	Method of Resource Provision
Transition Risk – Policy and Legal Risks	Requirements and regulation of existing products and services	Current	- Engage external consultants to support and introduce carbon inventory operations, preliminary work for IFRS S1 / S2 indicator disclosure, and carbon reduction projects - Introduce store equipment to reduce plastic use, including Intelligent automatic recycling machines, coffee sealing machines, and ice makers - Introduce sustainable product packaging materials and containers, including fresh food products with rPET packaging, OPEN iECO® recycled cups, and 100% recycled plastic shopping bags - Gradually replace high-energy-consuming equipment, including transportation vehicles, air-conditioning equipment, chillers, refrigerators, and lighting, and introduce renewable energy equipment - Design consumer incentives for plastic reduction, including discounts for consumers who bring their own beverage cups, and plan long-term campaigns to promote recycled cup rentals	Internal operating expenses or capital expenditures
		Anticipated	- Introduce GHG inventories - Introduce fresh food products with rPET packaging - Identify practical ways to improve the sustainability of operations, such as sustainable packaging, expanded supply of alternative materials, and collaboration with suppliers to improve environmental practices - Fully phase out plastic shopping bags and plastic straws - Increase the use of recycled plastic products, with recycled cups and Intelligent automatic recycling machines as the main focus - Procure renewable energy	Internal operating expenses or capital expenditures

Scenario Analysis and Results

Category	Requirements and Regulation of Existing Products and Services
Key Assumptions	- Taiwan has promulgated the Climate Change Response Act, under which carbon fees are charged to companies whose GHG emissions exceed certain thresholds, with fee rates adjusted year by year - In addition to continuing to develop renewable energy for self-generation and self-use, the Company is still expected to purchase green electricity to reduce market-based GHG emissions
Selected Scenario	Net Zero scenario: According to IEA WEO 2025, the NZE scenario assumes that the global energy sector achieves net-zero CO₂ emissions by 2050, without relying on emissions reductions outside the energy sector Stated Policies Scenario (STEPS): - According to IEA WEO 2025, the STEPS scenario reflects current policy settings, incorporating policies already implemented and announced by countries. Under this scenario, the global average temperature is projected to rise by approximately 2.5° C by 2100 - Based on the recommendations on international carbon price levels for 2030 referenced by the 5th Carbon Fee Rate Review Committee in 2024, carbon fee rates after 2030 may be considered within the range of NT\$1,200–1,800 / tCO₂
Timeline	2025 、 2030 、 2050
Scope of Analysis	Major operating sites (Taiwan)
Assessed Impact and Resilience Capacity	Based on relevant laws and policy scenarios in Taiwan, the Company assesses the potential financial impact in the reporting year, 2025, from factors such as non-compliant implementation of GHG inventories, IFRS Sustainability Disclosure Standards, and product raw material regulations. It also conducts carbon fee financial impact analysis under future scenarios Reporting year (2025) - President Chain Store Corporation conducted GHG inventories in accordance with the Ministry of Environment's administrative guidance. No related fines were incurred in the reporting year. IFRS Sustainability Disclosure Standards are expected to be reported starting in 2027, and therefore no related fines were incurred in the reporting year. Current product raw materials comply with environmental regulations, and no related fines were incurred Net-Zero scenario - President Chain Store Corporation's estimated carbon fee expenditure is expected to be NT\$2,441.04 million in 2030 and NT\$8,862.67 million in 2050 Stated Policies Scenario (STEPS) - President Chain Store Corporation's estimated carbon fee expenditure is expected to be NT\$672.09 million in 2030 and NT\$3,625.70 million in 2050. For detailed strategies, please refer to the column on Business Model and Resource Allocation.

According to the Ministry of Environment's "[Phase II Greenhouse Gas Reduction Promotion Plan \(2021–2025\)](#)", the transportation sector should improve the energy efficiency of transportation systems and vehicles. For President Chain Store Corporation, with its extensive store network, logistics and transportation are critical to operations. Through a robust logistics management system, President Chain Store Corporation is advancing a low-carbon logistics transition, including the introduction of eco-friendly vehicles, efficient distribution processes, and carbon reduction measures at logistics centers. By adopting new energy-efficient vehicles, optimizing delivery routes and loading efficiency, and sharing resources, the Company aims to improve overall logistics efficiency, reduce fuel consumption and carbon emissions, and achieve the dual goals of lowering costs and enhancing its eco-friendly image.

Risk / Opportunity Category	Risk / Opportunity Description	Timeline	Changes to Business Model and Resource Allocation	Method of Resource Provision
Opportunity	Adoption of more efficient transportation methods	Current	1. Adoption of more efficient transportation methods 2. Introduction of dual-temperature logistics vehicles 3. Distribution automation equipment 4. Adjustment of warehousing locations	Internal operating expenses, capital expenditures, and external financing
		Anticipated	1. Purchase of Phase VI vehicles 2. Maintenance and repairs 3. Distribution automation equipment 4. Adjustment of warehousing locations 5. Introduction of an Internal Carbon Pricing system: internalizing carbon emission costs in investment and operating decisions 6. Providing "green delivery options" and encouraging consumers to support low-carbon logistics through pricing or membership mechanisms	Internal operating expenses, capital expenditures, and external financing

Scenario Analysis and Results

Category	Adoption of more efficient transportation methods
Key Assumptions	1. The updated national 2030 carbon reduction target set in the draft Phase III Greenhouse Gas Periodic Regulatory Goals is to reduce emissions by 28±2% compared with the base year. Periodic regulatory goals have also been set for six sectors: energy, manufacturing, residential and commercial, transportation, agriculture, and environment. 2. Electric light trucks are expected to enter a demonstration phase from 2026 to 2027. During the 2028–2030 promotion phase, the promotion program will be expanded depending on the maturity of domestic 5-ton electric light truck technology, followed by stable implementation after 2031. For electric heavy trucks, the Ministry of Economic Affairs has assessed that domestically produced electric heavy trucks will only be launched after 2027. A demonstration program is therefore expected to be promoted during the 2028–2030 demonstration phase.
Selected Scenario	Custom scenario, based on the Ministry of Transportation and Communications' Phase III Greenhouse Gas Periodic Regulatory Goals for Transportation Sector
Timeline	2025 、 2030 、 2050
Scope of Analysis	Major operating sites (Taiwan)
Assessed Impact and Resilience Capacity	Based on national policy development and the Company's own strategic development, the Company statistically assessed the fuel costs saved from replacing vehicles with eco-friendly models and the manpower costs reduced through green warehousing. Reporting year(2025) - The introduction of eco-friendly vehicles, or Phase VI vehicles, reduced fuel costs by NT\$11.15 million. In addition, centralized order transportation reduced warehousing operating costs by NT\$2.81 million compared with the previous year, while revenue from green logistics services amounted to NT\$0.14 million. Custom scenario: - The Company will continue replacing vehicles with eco-friendly models. By 2030, estimated fuel cost savings are expected to reach approximately NT\$9.53 million. - The Company will introduce green logistics smart warehouses. By 2030, estimated manpower cost reductions are expected to reach approximately NT\$115.29 million. - The Company will continue providing green logistics services. Related service revenue in 2030 and 2050 is expected to be NT\$0.14 million. For detailed strategies, please refer to the column on Business Model and Resource Allocation.

Sustainability / Climate-Related Risk	Financial Impact	
Risk Description	Reporting Period	Anticipated
Requirements and Regulation of Existing Products and Services	Equipment purchase and replacement: Strategies adopted this year included the introduction of intelligent automatic recycling machines and plastic film recycling equipment, the addition of coffee sealing machines and ice makers to reduce single-use plastic, the promotion of recycled material circulation, and the gradual replacement of high-energy-consuming equipment, such as transportation vehicles, air-conditioning systems, chillers, refrigerators, and lighting, to reduce energy use. The Company also introduced renewable energy equipment and built a digital mobile monitoring center to improve fuel consumption management and transportation monitoring. These measures mainly increased property, plant, and equipment by NT\$3,408.48 million in the current period, and were reflected in operating costs of approximately NT\$572.05 million and cash outflows from investing activities of approximately NT\$927.92 million Raw material procurement: Measures this year included introducing rPET packaging for fresh food products to reduce plastic use, promoting online shopping packaging reduction and circular packaging materials to increase the proportion of recycled materials, fully introducing OPEN iECO® recycled cups, and adopting 100% recycled plastic shopping bags. These measures increased operating costs and cash outflows from operating activities by a combined NT\$233.08 million in the current period Addition of intangible assets: This year, the Company adopted a strategy centered on the addition of intangible assets, introducing an energy management system to monitor operational energy consumption and strengthen the identification and management of energy use. Expenditures related to system establishment and implementation increased intangible assets in the current period, and were reflected in operating expenses and cash outflows from operating activities totaling NT\$0.55 million. Third-party cooperation and engagement: Strategies adopted this year included engaging external consultants to support and introduce carbon inventory operations, assist with preliminary work for IFRS S1 / S2 indicator disclosure, pay monthly usage fees related to in-vehicle systems, and engage professional consultants to introduce carbon reduction projects. These cooperation and outsourcing expenses increased operating expenses and were reflected in cash outflows from operating activities totaling NT\$5.38 million Sales plan-related measures: This year, the Company promoted consumer return visits through OPEN iECO® recycled cups reward incentives, launched long-term promotions for recycled cup rentals, and provided indirect plastic reduction incentives for consumers who bring their own beverage cups. These indirect strategies further help mitigate GHG emissions in response to future GHG regulatory requirements. These measures increased operating costs and were reflected in cash outflows from operating activities totaling NT\$521.40 million	Third-party cooperation and engagement: Short-term strategies will include the introduction of carbon inventory operations. These cooperation and outsourcing expenses increased operating expenses and were reflected in cash outflows from operating activities totaling NT\$2.60 million. The quantified strategic impact only discloses the impact of strategies with a quantifiable basis. Some strategies are not reflected in the disclosed quantified amount because the information required for quantification is not yet available or because they do not involve actual financial expenditure.
	The quantified strategic impact only discloses strategic impacts with a quantifiable basis. Some strategies are not reflected in the disclosed quantified amount because the required information is not yet available for quantification or because they do not involve actual financial expenditure.	

Impact on Financial Position, Financial Performance, and Cash Flows

Sustainability / Climate-Related Risk	Financial Impact	
Risk Description	Reporting Period	Anticipated
Requirements and Regulation of Existing Products and Services	Equipment purchase and replacement: Strategies adopted this year included the purchase of Phase VI vehicles and distribution automation equipment, such as high-efficiency automated guided electric pallet trucks and electronic picking and sorting systems. These measures mainly increased property, plant, and equipment by NT\$984.36 million in the current period, and were reflected in an increase in operating costs of NT\$16.16 million and cash outflows from investing activities of approximately NT\$99.70 million.	Equipment purchase and replacement: Short-term strategies include the purchase of Phase VI vehicles and distribution automation equipment, such as high-efficiency automated guided electric pallet trucks and electronic picking and sorting systems. These measures mainly increased property, plant, and equipment by NT\$492.16 million in the current period, and were reflected in an increase in operating costs of NT\$139.91 million and cash outflows from investing activities of approximately NT\$492.16 million. Internal management: - Short-term strategies include adjusting warehousing locations, including equipment procurement. This is expected to increase short-term property, plant, and equipment by NT\$87.68 million, and be reflected in an increase in operating costs of NT\$4.38 million and cash outflows from investing activities of NT\$87.68 million. - Medium-term strategies include applying for a logistics carbon reduction label, with estimated operating costs and cash outflows from operating activities of NT\$500 - Long-term strategies include introducing an Internal Carbon Pricing system. Logistics personnel who achieve carbon reduction measures may receive bonuses, with estimated operating costs and cash outflows from operating activities of NT\$9.50 million.

· Lifestyle Transition ·

Amid the global transition toward net-zero emissions, companies must not only actively improve the environmental performance of their own operations, but also work with consumers, supply chains, government agencies, and other partners to advance sustainable transformation together. President Chain Store Corporation regards lifestyle transition as one of its key concepts. Through two major approaches— strengthening communication and education for consumers and stakeholders, and enhancing advocacy and cooperation with supply chains and partners— the Company continues to listen to and gather views from internal and external stakeholders. In advancing its net-zero transition plan, President Chain Store Corporation incorporates the concept of a just transition. Through internal training on various sustainability issues, the Company enhances employees' ESG awareness and job skills, while taking social impacts into account throughout the net-zero transition process. It is committed to creating a low-carbon circular ecosystem covering the upstream, midstream, and downstream value chain, and to helping society as a whole move toward a net-zero future.

< Consumer and Stakeholder Communication and Education >

President Chain Store Corporation actively serves as a life partner for the public and is committed to raising consumer and stakeholder awareness of sustainability and climate change issues. Starting from its own operations, the Company promotes the concepts of carbon reduction, plastic reduction, and food cherishing through activities such as the Good Neighbor Funfest, bringing together store personnel, consumers, and partners. In 2025, more than 14,000 events were held, reaching over 130,000 participants and embedding awareness of sustainable living. The Company also values interactive communication with consumers. For example, by promoting OPEN iECO® Recycled Cups renting service and intelligent automatic recycling machines, and by using reward mechanisms, President Chain Store Corporation encourages consumers to actively participate in the circular economy and strengthens their sustainability awareness.

< Supply Chain and Partner Advocacy and Cooperation >

President Chain Store Corporation strictly follows the goals of the Paris Agreement, participates in and reviews relevant industry associations and lobbying activities, ensures that policy directions are aligned with net-zero goals, and transparently discloses participation results to strengthen stakeholder trust. Through cross-sector cooperation, the Company also maintains close communication with government agencies and NGOs to carry out climate education and policy promotion, creating a diverse platform for public dialogue and jointly building social consensus and action toward a low-carbon transition. In terms of supply chain management, President Chain Store Corporation continues to manage and track energy use and carbon emissions matters for all contract manufacturers, and to understand the planning and implementation status of their energy conservation and carbon reduction actions, in order to improve the overall environmental performance of the supply chain. In 2025, contract manufacturers implemented a total of 27 energy conservation and carbon reduction measures, including the replacement of air-conditioning systems, chillers, and lighting. These measures reduced carbon emissions by approximately 360.73 metric tons CO₂e and saved approximately 761,037.73 kWh of electricity. President Chain Store Corporation also encourages suppliers to provide products with low-carbon labels, such as dairy products with the ISO 14067 carbon reduction label, and promotes the brand's sustainability philosophy through regular supplier conferences, with the aim of improving the environmental performance of the overall supply chain.

Climate Metrics and Targets

· Greenhouse Gas Emissions ·

President Chain Store Corporation's main operating sites include stores such as retail stores and shopping centers, as well as administrative facilities such as head office, regional offices and training centers around Taiwan and on outlying islands. We have conducted greenhouse gas inventory in line with ISO 14064-1:2006 since 2017, as well as adopting the updated version of ISO 14064-1:2018 in 2020. We have passed independent third-party certification to ensure the data complies with international standards. Moreover, we have continued to expand the scope of sites on inspection. The scope of the greenhouse gas inspections in 2025 covered 7,468 sites, with the coverage rate of 99.36% for the greenhouse gas inspection boundary.

Operating Sites with ISO 14064-1:2018 Certification in 2025	
Stores (convenience stores and shopping centers)	Offices and training center
7,455	13
7,468 operating sites in total	

Note: The 7,434 stores inventoried in 2025 include the 205 stores that have moved or closed in 2025.

Greenhouse Gas Emissions in 2025

GHG Emissions	Main Source of Emissions	Total Emissions
Scope 1	Refrigerant, marsh gas, company vehicles, CO ₂ for beer on tap	45,413.86
Scope 2	Electricity consumed by stores, the headquarters, shopping centers and regional offices, training center	560,102.17
Scope 3	Including emissions from product procurement, capital goods, upstream electricity emissions, upstream transportation, waste disposal, business travel, employee commuting, and waste disposal of products sold	5,969,764.43
Total Greenhouse Gas Emissions		6,575,280.46

Unit: metric tons CO₂e

Note 1: The GHG inventory was conducted in accordance with the ISO 14064-1:2018 methodology. The organizational boundary was set using the operational control approach. GHG emission factors were based on USEEIO; the electricity emission factor was based on the latest electricity carbon emission factor announced by the Ministry of Economic Affairs at the time of the inventory; the GHG emission factors announced by the Ministry of Environment on February 5, 2024; and the Ministry of Environment's Product Carbon Footprint Information Platform. Global warming potential (GWP) values were sourced from the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC). These inputs and assumptions did not change during the reporting period.

Note 2: For indirect emissions from purchased electricity, the calculation was location-based, using the 2024 emission factor of 0.474 metric tons CO₂e per MWh announced by the Bureau of Energy, Ministry of Economic Affairs, as the parameter for GHG emissions calculation.

Note 3: The GHG inventory covered the following types of gases: carbon dioxide, or CO₂; methane, or CH₄; nitrous oxide, or N₂O; hydrofluorocarbons, or HFCs; perfluorocarbons, or PFCs; sulfur hexafluoride, or SF₆ and nitrogen trifluoride, or NF₃.

Note 4: Biogenic CO₂ emissions amounted to 0.

• Direct Emissions •

The main source of direct emissions from President Chain Store Corporation is the refrigerant leaked from store freezing, refrigeration and air-conditioning equipment. The emissions are calculated based on the refrigerant refill of the equipment warranty system for the refrigerant equipment failure maintenance. The result accounted for 76.90% of the direct emissions, with the proportion of refrigerant not containing ozone-depleting refrigerant as 100%.

• Indirect Emissions •

For the 2025 indirect emissions survey, President Chain Store Corporation conducted an assessment based on the principle of materiality. Material indirect GHG emission sources include emissions from purchased electricity and upstream emissions, purchased goods, capital goods, goods distribution, and waste treatment. Among these, emissions from purchased electricity are the main source of indirect GHG emissions.

The greenhouse gas inventory shows total purchased electricity used by all the inventoried operating locations in 2025 was 118,165.01 MWh, resulting in indirect greenhouse gas emissions of 560,102.17 metric tons of CO₂e, a decrease of 0.8% compared to 2024 emissions. The amount of purchased electricity increased by 3.40% compared to 2024, mainly due to additional freezers, electronic displays, and ice makers in response to changes in the customers' shopping habits during COVID-19 pandemic. President Chain Store Corporation will continue to promote energy saving in stores and offices, carbon reduction in logistics and transportation, as well as evaluating the expansion of photovoltaics or the purchase of renewable energy so as to gradually achieve the reduction target.

Indirect Emission Source		Indirect Emissions (Metric Tons of CO ₂ e)	Percentage of Indirect Emissions (%)
Electricity	Emissions from purchased electricity	560,102.17	8.58%
Purchased products	Emissions from purchased products	5,694,335.58	87.20%
	Capital goods	37,695.45	0.58%
	Upstream emissions from purchased fuel	130,967.10	2.01%
Emissions from upstream transportation and distribution of goods	Diesel used for transportation from the logistics center to the stores	63,151.96	0.97%
Emissions from solid and liquid waste disposal	Waste disposal in the stores	37,058.61	0.57%
Emissions from business travel	Emissions from transportation during employee business trips	1,161.71	0.02%
Emissions from employee commuting	Emissions from transportation during employee commutes	4,057.32	0.06%
Emissions from product end-of-life treatment	Disposal of packaging materials	1,336.69	0.02%
Total		6,529,866.59	100%

• Greenhouse Gas Emission Intensity Metrics and Targets •

Since President Chain Store Corporation's GHG emissions mainly come from electricity use at stores, they are closely related to store size, equipment configuration, and business model, which are ultimately reflected in overall operating revenue. Therefore, President Chain Store Corporation uses emissions per NT\$1 million in revenue as the measure of GHG emissions intensity, and has set its carbon reduction management targets accordingly. For its own operations, the Company uses the Scope 1 and Scope 2 GHG emissions intensity from its 2020 GHG inventory, 2.99 metric tons CO₂e per NT\$1 million in revenue, as the baseline, and has set a medium- to long-term reduction target of 60% by 2035. In 2025, GHG emissions intensity was 2.75 metric tons CO₂e per NT\$1 million in revenue, down 1.75% from the previous year. The Company achieved its 2025 target of reducing GHG emissions intensity by 1.5% compared with the previous year. Going forward, President Chain Store Corporation will continue to improve energy efficiency and optimize operations as it works toward its long-term carbon reduction target.

In terms of value chain management, we are actively improving the inventory items and inventory methods for Scope 3 emissions. In 2025, the Company added the inventory of emissions from capital goods. Going forward, President Chain Store Corporation expects to introduce Science-Based Targets (SBT), strengthen carbon management across the overall value chain, and update its medium- and long-term reduction targets, with the aim of leveraging its influence in the industry to help achieve the net-zero emissions goal.

• Internal Carbon Pricing •

To strengthen carbon reduction management in its own operations, President Chain Store Corporation introduced an Internal Carbon Pricing mechanism in 2024. Using a shadow price to prioritize the management of Scope 2 GHG emissions, and following the carbon fee rate currently announced by the Ministry of Environment, the Company has set its internal carbon price at NT\$300 (USD \$10) per metric ton CO₂e. President Chain Store Corporation takes Internal Carbon Pricing into account for major investments and procurement projects, and conducts cost-benefit analysis accordingly. For example, when assessing the payback period of equipment investments, the Company incorporates Internal Carbon Pricing into the total cost for comprehensive comparison. To ensure that investment projects align with carbon reduction management targets, the Company plans to include Internal Carbon Pricing in management reports going forward to track changes in GHG emissions. Implementing Internal Carbon Pricing also helps the Company consider climate issues in its business strategy and affects key financial planning. Although President Chain Store Corporation is currently not subject to carbon fee collection, implementing Internal Carbon Pricing allows the Company to prepare in advance for potential financial impacts from future regulations.

• Energy Use •

In 2025, the total electricity consumption of all the inspected locations reached 118,165.01 MWh, with the total energy consumption of 4,255,222.20 GJ energy consumption. Purchased electricity accounts for 99.92%. 0.03% of renewable energy was consumed in 2025. Given the operating characteristics of convenience stores, energy consumption includes fuel use by company vehicles and electricity use at operating sites within the Company's own operations, while upstream transportation also accounts for an important share. In 2025, energy consumed by diesel fuel for delivery from logistics centers to stores was mainly diesel-based, totaling 18,980,747.64 liters of diesel, equivalent to 667,089.76 GJ of energy consumption.

In 2025, President Chain Store Corporation installed a 320 kW rooftop solar photovoltaic system at a logistics center to wheel green electricity to the convenience store headquarters building and selected stores. The system officially began wheeling electricity in March 2025, and the Company obtained 335,000 kWh of Renewable Energy Certificates from the Bureau of Standards, Metrology and Inspection, Ministry of Economic Affairs. We are gradually introducing renewable energy and incorporating it into store design. President Chain Store Corporation has already introduced a solar photovoltaic system at the Yawan Store for direct store use. In 2025, the Company further introduced renewable energy use at the Daosheng, Songgao, and Hongtai Stores. Going forward, President Chain Store Corporation will continue to expand the development and use of renewable energy.

Location	Headquarters	Daosheng, Songgao, and Hongtai Stores	Yawan Store
Renewable energy consumption (kWh)	186,401	174,520	3,255

Energy-consuming Equipment	Source of Energy	Unit of Consumption	Consumption	Energy Consumption (GJ)	Percentage of Energy Use (%)
Gas used for company cars	Gas	Thousand liters	60.65	1,979.33	0.05%
Gas used for company cars	Diesel	Thousand liters	3.95	138.71	0.003%
Emergency generator	Diesel	Thousand liters	1.06	37.19	0.0009%
Lawn mower	Diesel	Thousand liters	0.02	0.73	0.00002%
Electricity consumed by operating sites	Purchased electricity	kWh	118,165.01	4,251,860.84	99.95%
Total Energy Consumption ^(Note)				4,254,016.79	100.00%

Note :Total energy consumption does not include self-generated and wheeled renewable energy.

• Energy Efficiency Metrics and Targets •

Since most stores are open around the clock, their electricity consumption pattern is different from that of the headquarters, regional offices and training center. To effectively monitor the electricity consumption of stores and gradually improve their energy efficiency, we set up EUI and reduction targets for stores as well as tracking the progress each month. The electricity intensity reduction target for stores in 2025 was 896.6 kWh/m², a decrease of 0.5% compared to 2024. The actual energy intensity of our stores was 850.82 kWh/m² in 2025, showing an 2.65% decrease from 2024. The main reasons are effective control of electricity consumption and gradual improvement of electricity efficiency, continuous replacement of high-efficiency equipment, and monthly progress tracking.

EUI ^(Note)								
Year	2018	2019	2020	2021	2022	2023	2024	2025
EUI	1,008	962	919	891	833	826	874	851
Percentage of Decrease	-0.30%	-4.56%	-2.96%	-3.05%	-6.46%	-0.81%	5.75%	-2.65%

Note: The EUI of stores is calculated as the electricity consumption per square meter based on the data provided by Taiwan Power Company each month. The EUI for stores in areas without any data from Taiwan Power Company is estimated on the same basis. The two are added to produce the total electricity consumption that month, which is then divided by total floor area before adding up the EUI value of 12 months.

In order to effectively improve the energy efficiency of stores, President Chain Store Corporation has formulated basic requirements for equipment and store environment management for new stores by incorporating energy-saving measures such as heat insulation, energy-saving signboards, lamp reduction, reduction of window area, frequency conversion system and LED lamps, and indoor lighting management, as well as introducing the energy-saving windbreak room depending on the stores. Existing stores actively evaluate the feasibility of introducing various energy-saving measures and gradually replace high-efficiency equipment.

In 2025, President Chain Store Corporation stores successfully saved 95,668,216 kWh of electricity through the energy-saving program, the equivalent of 45,346.74 metric tons of CO₂e indirect emissions. In addition to the replacement of energy-saving equipment, all store employees have been trained to conduct regular inspections on air-conditioning, circulation fans, lighting, refrigerators and freezers, signboard windows and other equipment in accordance with the "Self-Inspections on Store Energy-Saving" to ensure that the equipment can maintain efficiency. We also cooperate with the government and relevant academic institutions to improve the energy efficiency of our stores.

Store Energy-saving and Carbon Reduction Measures and Strategies ^(Note)	
Inverter system: Introducing refrigerators, air conditioners and freezers to improve energy efficiency with an inverter system Store building insulation: Taking advantage of each store's geographical environment and architectural design concepts to reduce solar exposure LED lamps: The introduction of LED lamps saves 43% energy compared to T5 lamps Store lighting management: Changing the configuration of store lamps to reduce the total number of lamps Signboard energy saving: Reducing unnecessary lamps through the intelligent lighting system and the improvement of signboard materials and designs Reducing the window area in the stores: Maintaining energy efficiency by reducing the window area of the store Improving the heat exchange environment: Preventing cold air from leaking by introducing energy-saving windbreak rooms and improving the efficiency of air conditioning	

Note: The "Store Energy-saving and Carbon Reduction Measures and Strategies" applies to all stores to gradually improve overall energy efficiency.

Store Energy-saving and Carbon Reduction Actions

Store Energy-saving Actions		Quantity in 2025	Greenhouse Gas Emission Reduction (Metric tons of CO ₂ e)	kWh Energy Saved (kWh)	GJ Energy Saved (GJ)	Contribution to Energy-Saving Program Results
Inverter system	Inverter air-conditioning	1,666	14,670.94	30,951,350	111,424.86	32.35%
	Third-generation combination refrigerator	4,076	25,635.13	54,082,559	194,697.21	56.53%
	New energy-saving freezer	142	175.38	370,000	1,332.00	0.39%
Energy saving of refrigerators	OSC non-heated glass	2,594	466.15	983,439	3,540.38	1.03%
Reduction in lamp number, LED lamps and indoor lighting management	Arcade lighting energy-saving upgrade	3,811	279.69	590,063	2,124.23	0.62%

Store Energy-saving Actions		Quantity in 2025	Greenhouse Gas Emission Reduction (Metric tons of CO ₂ e)	kWh Energy Saved (kWh)	GJ Energy Saved (GJ)	Contribution to Energy-Saving Program Results
Reduction in lamp number, LED lamps and indoor lighting management	Lighting upgrade in stores	20,724	3,077.21	6,491,994	23,371.18	6.79%
Energy saving for signboards	Energy-saving improvement of horizontal signboard	9,831	724.21	1,527,871	5,500.34	1.60%
Improve heat exchange	Energy-saving windbreak room	107	318.03	670,940	2,415.38	0.70%
Total		42,951	45,346.74	95,668,216	344,405.58	100%

Note 1: Since the grid emission coefficient for 2025 had not been published at the time of the greenhouse gas verification, the coefficient of 0.474 kg CO₂e/kWh announced in 2024 was adopted as the greenhouse gas emission parameter to calculate the amount of carbon reduction.

Note 2: The energy saved from the store energy saving action plan is calculated based on the measured value before and after the improvement of a single equipment for lighting equipment, and the energy saving of non-lighting equipment is estimated by the average cost saving benefit of dynamic tests done in the stores. The annual energy saving is estimated by multiplying the energy saving of each program by the number of equipment replacements per month.

President Chain Store Corporation's commitment to energy conservation and carbon reduction extends beyond its operations. In order to take advantage of opportunities brought by the climate and low carbon, we also actively influence long-term affiliated logistics partners to gradually invest in corresponding management plans or actions. Various energy saving and carbon-reduction methods have been adopted to improve energy efficiency and reduce environmental impact, as well as continuously adapting operations strategies so as to respond to the needs of low-carbon operations and increasing the positive benefits brought about by addressing climate change issues in a timely manner.

Logistics Energy-saving and Carbon Reduction Measures and Strategies	
Introduction of new environmentally friendly logistics vehicles: President Chain store Corporation's affiliated logistics companies plan to phase out 222 phase 4 and phase 5 logistics vehicles from 2024 to 2026, and purchase 279 phase 6 logistics vehicles. Same-time delivery of frozen and refrigerated goods: Since 2021, President Chain Store Corporation's affiliated logistics companies has transform single-temperature layer logistics vehicles into logistics vehicles with two layers of different temperature settings (refrigerated and frozen) to improve loading efficiency Distribution automation: Incorporating automatic distribution equipment to the internal operating environment and equipment of the logistics center, such as efficient automatically guided electric trailers, electronic picking and sorting systems, labor-saving lifting tailgates into vehicles, etc. Not only does this significantly reduce the personnel costs of logistics distribution, but also reduces the workload of personnel picking goods. Energy saving and carbon reduction measures for logistics centers: Introducing carbon reduction measures to affiliated logistics companies to continuously improve the energy consumption of daily operations	

Energy-saving and Carbon Reduction Actions for Logistics Companies

Logistics Company	Energy-saving Action	Greenhouse Gas Emission Reduction (tons of CO ₂ e)	Amount of Energy Saved (kwh)	Amount of Energy Saved (GJ)
UPCC	1. LED replacement: Each light is expected to reduce electricity consumption by 25-26 W after replacement. The calculation is based on the daily operating hours of the replacement location and 365 days of use per year 2. Air-conditioning equipment replacement: In 2025, a total of 10 air-conditioning units were purchased. Based on energy savings statistics, the replacement is expected to save 4,624 kWh	6.82	14,383.00	51.78
Retail Support International	Air-conditioning equipment replacement: Old air-conditioning equipment was replaced at the Zhongli Plant. Total energy savings were calculated based on the number of units replaced, utilization rate, proportion of months after replacement, and energy savings	18.83	39,723.52	143.00
Wisdom Distribution Service Corp.	Replacement of industrial fans with magnetic levitation fans: A total of 26 magnetic levitation fans were added, and 72 one-horsepower industrial fans were removed. Total energy savings were calculated based on the difference in hourly energy consumption between the fans, assuming approximately 240 days of use per year	51.22	108,057.00	389.00
Total		76.87	162,163.52	583.78

Note 1: UPCC and Retail Support International replaced old air-conditioning equipment and calculated the energy saved based on the difference in energy consumption before and after the replacement and decommissioning of the air-conditioning equipment. The formula for calculating energy consumption is the number of equipment (unit) * hours of use * use rate * number of months.

Note 2: Since the grid emission coefficient for 2025 had not been published at the time of the greenhouse gas verification, the coefficient of 0.474 kg CO₂e/kWh announced in 2024 was adopted as the greenhouse gas emission parameter to calculate the amount of carbon reduction.