



Mercuries & Associates Holding, Ltd.



2025 Sustainability Report

Living Sustainability

Robust Governance

Co-creation of Values

Social Co-Good

Environmental Action

Contents

Preface

About the Report	002
Message from the Chairman	004

01

Living Sustainability Building a Co-Good Living Circle	006
1.1 Ecosystem positioning: Cross-industry collaboration for sustainable values	007
1.2 Strategic blueprint: The contribution to sustainability of each business	009
1.3 Performance results: Sustainability performance metrics and results	010
1.4 Stakeholders: Transparent communication and engagement mechanism	016

02

Robust Governance Deepening Integrity and Resilience	022
2.1 About the organization: Synergistic value of diverse businesses	023
2.2 Governance body: Sound decision-making and supervision	025
2.3 Operational performance: The financial foundation of operational resilience	034
2.4 Risk management: Enhancement of the Group's operational resilience	035

03

Co-creation of Values Practicing Sustainable Routine Operations	038
3.1 Responsible finance: Expanding the influence of sustainable investment	039
3.2 Safe food: Protection of food safety and quality	041
3.3 Professional medicine: Enhancement of R&D and quality management	045
3.4 Quality retail: Protection of the family in every step	049
3.5 Technology empowerment: Building trusted digital services	051
3.6 Safe home: Protection of a healthy and sustainable living space	053
3.7 Co-good of partners: Building a sustainable and resilient supply chain	056

04

Social Co-Good From Talent Development to Community Engagement	062
4.1 Diversity and inclusion: Building an organizational culture of equality	063
4.2 Labor-management harmony: Building a trust-based partnership	067
4.3 Empowering careers: Creating Diverse Growth Pathways	071
4.4 Healthy workplace: Creation of a safe and secure working environment	070
4.5 Caring in action: Building a sustainable public welfare ecosystem	079

05

Environmental Action Towards Green Operations	086
5.1 Climate governance: Actions to drive the net zero transformation	087
5.2 GHG inventory: Data-driven carbon reduction	092
5.3 Resource sustainability: Resource management, recycling, and reuse	094
5.4 Environmental excellence: A comprehensive environmental management system	097

Appendix

Appendix 1: GRI Index	099
Appendix 2: Comparison Table of SASB Sustainability Accounting Standards Disclosures (FN-IN for Insurance Industry)	104
Appendix 3: Sustainability Disclosure Indicators of "Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies"	105
Appendix 4: Climate-related Information of "Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies"	107
Appendix 5: Greenhouse Gas Inventory Third-Party Reasonable Verification Report	109
Appendix 6: Statement of Verification of ESG Report	111



About the Report

This report is the 2025 Sustainability Report (ESG Report) published by Mercuries & Associates Holding, Ltd. (hereinafter referred to as Mercuries or the Company). We have prepared and published our sustainability report annually since 2016. This report is the Company's 10th sustainability report, and the previous edition was published in August 2025.

Basis for Preparation

This report was prepared in accordance with the GRI Standards 2021 issued by the Global Sustainability Standards Board (GSSB) and verified at the AA1000AS v3 Type 1 Moderate Level of Assurance (AA1000AP Account Ability Principles). It complies with the disclosure requirements of the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" amended on May 5, 2025.

In addition, in line with the Action Plan for Sustainable Development of TWSE/TPEX Listed Companies (2023) issued by the Financial Supervisory Commission, the businesses under Mercuries have begun disclosing sustainability indicators and enhancing sustainability information disclosure in accordance with SASB standards. Currently, the disclosures made in accordance with the SASB standards is based on our main business under "FN-IN Insurance." For detailed information, please read the 2025 Sustainability Report of the Company.

Reporting Period

This report presents the sustainable development achievements and data of the Company for 2025 (January 1 to December 31, 2025), including material topics, stakeholders, management policies, implementation plans, and management performance. To enhance the integrity and comparability of the information, some performance data have been traced back to the past two years. During the reporting period, there were no significant changes to the Company's size, structure, or ownership. The reporting period of the financial statements is the same as this report. The reporting period for the Company's financial statements is consistent with the sustainability reporting period of this report, covering January 1 to December 31, 2025.

Report Boundary

The disclosure scope of this report is defined based on the Company and the subsidiaries stated in the consolidated financial statements. It outlines the Group's sustainability management policies, the establishment of systems, and the annual implementation results in the areas of Environment (E), Social/Human Rights (S), and Governance (G). It also covers relevant sustainability issues and performance at the headquarters, key operating sites of the Company, and main operating subsidiaries.

The scope of this report covers the Company and 11 subsidiaries engaging in substantial operations, including Mercuries Life Insurance Co., Ltd., Mercuries Insurance Agency Co., Ltd., Mercuries F&B Co., Ltd., Simple Mart Retail Co., Ltd., Mercuries Data Systems Ltd., SCI Pharmtech Inc., Mercuries Home Furniture Co., Ltd., Mercuries General Media, Inc., Sanhui Co., Ltd., Mercuries & Associates, Ltd., and Mercuries Liquor & Food Co., Ltd. The disclosures in this report are based on the operations in Taiwan.

The remaining subsidiaries included in the consolidated financial statements have limited impact on the Group's environmental, social, human rights, and governance aspects because they have not yet engaged in substantial operating activities or are investment holding companies, and therefore are not included in this report. Overall, the scope of disclosure in this report is not entirely consistent with the scope of the consolidated financial statements, but it covers the Group's major operating entities and is sufficient to reflect the overall sustainable development performance and impact.

The listed subsidiaries included Mercuries Life Insurance Co., Ltd., SCI Pharmtech Inc., Mercuries Data Systems Ltd., Mercuries F&B Co., Ltd., and Simple Mart Retail Co., Ltd. These companies have prepared and published independent sustainability reports separately. For more information on the sustainability performance, please refer to the ESG section on the official website of the respective companies or their published sustainability reports.



This report discloses the Group's overall governance and management structure and summarizes the important sustainability issues and management results of each subsidiary to present the overall sustainable development strategy and implementation effectiveness of the Group.

- Address of head office: No. 145, Section 2, Jianguo North Road, Zhongshan District, Taipei City (hereinafter referred to as Jianbei Building)
- Addresses of stores: Please refer to the dedication section for location of stores on the official website of each brand.

- Official website of Mercuries Life Insurance Co., Ltd.: www.mli.com.tw
- Official website of SCI Pharmtech Inc.: www.sci-pharmtech.com.tw
- Official website of Mercuries Data Systems Ltd.: <https://www.mds.com.tw>
- Official website of Mercuries F&B Co., Ltd.: <https://www.mfb.com.tw/>
- Official website of Simple Mart Retail Co., Ltd.: <https://www.simplemartretail.com/>

Management and Review of the Report

Internal Audit:

This report was compiled by the Sustainable Development Office of Mercuries & Associates Holding (hereinafter referred to as the ESG Office) in accordance with domestic and international reporting standards and the regulations issued by the Financial Supervisory Commission, based on data and information provided by each subsidiary, to demonstrate the Company's overall performance on sustainability topics in corporate governance, environment, society, and human rights.

The collection, measurement, and calculation methods for all data and information comply with local regulations. The completed report is reviewed and confirmed by the ESG Office and each business department, and then issued according to the resolution and approval made by the ESG Committee and the Board of Directors.

External Assurance:

This report was verified by BSI Group Singapore Pte. Ltd. Taiwan Branch in accordance with the GRI Standards 2021 and AA1000AS v3 Type 1 Moderate Level of Assurance. Please refer to the verification statement at the end of this report for the scope, method, and results of the verification.

To enhance the transparency and credibility of the sustainability information disclosure, the Company has established an external verification mechanism for sustainability reports. The ESG Office is responsible for planning and executing this process, and regularly reports the progress to the ESG Committee. The Committee selects an external entity as the third-party verification unit, and the verification results and key findings are reported to the Board of Directors to strengthen the governance oversight and the quality of the information disclosure.

Information recompilation:

The total remuneration of the Mercuries Life Insurance Co., Ltd. for 2023 and 2024 was re-calculated. The re-compiled data is disclosed in "2.2 Governance body: Sound decision-making and supervision."

Contact Information

The ESG Report of the Company is published regularly in August each year. Past reports can be found and downloaded from the "Sustainable Development" section of the Company's website. If you have any suggestions or advice regarding this report, we warmly welcome you to contact us through the following approach:

Mercuries & Associates Holding, LTD./ESG Office

- Company address: No. 145, Section 2, Jianguo North Road, Zhongshan District, Taipei City
- Contact Person: Manager Lin, Jin-Ji
- Tel.: (02)2503-1111 #2503
- Email: jay.lin@mercuries.com.tw
- Official website of Mercuries: www.mercuries.com.tw





Message from the Chairman

The 30th United Nations Climate Change Conference (COP 30) this year marked a key milestone for the 10th anniversary of the Paris Agreement, symbolizing a shift in global climate governance from commitment to "implementation." The meeting focused on strengthening ecological protection of the Amazon rainforest, achieving a doubling of climate adaptation funding, and promoting the NDC 3.0 (Nationally Determined Contributions) as a new carbon reduction target. In addition, this meeting established the institutional framework for the next 10 years regarding the adaptation metrics, the institutionalization of the nature-based solutions, the expansion of just transition, and the resilient finance. From the climate finance roadmap to global adaptation metrics, from Amazon's TFFF (Tropical Forest Forever Facility) to the Belém Action Mechanism (BAM) centered on social protection, these show that global governance has moved from "commitment" to "implementation" and is gradually forming a blueprint for resilient governance that is fair, scientific, and operable.

The Company will pay more attention to the Belém Action Mechanism (BAM), centering on "just transition," by integrating social protection into our climate action, broadening the definition of just transition, and supporting all communities impacted by climate disasters. This will involve provision of financial assistance and knowledge sharing to build a resilient social protection system for the implementation of social justice.

"Pursuit for Sincere Services, Innovation, Excellence, and Social Co-prosperity" is a corporate business philosophy and core values always adopted by the Company. We have integrated E (Environment), S (Social), and G (Governance) into our business philosophy and core values to fulfill our corporate social responsibilities and promoting social justice.



Environmental aspect (E):

We implemented the GHG inventory for the Company and all subsidiaries in 2025, and completed the third-party verification for the Company in April 2026. In addition to implementing greenhouse gas inventories, the Company made climate-related financial disclosures in accordance with the IFRS Sustainability Disclosure Standards, including management information on governance, strategy, risk management, metrics, and goals.

Social aspect (S):

We improved the quality of corporate services, built safe, equal, and diverse labor–management relations and environment, actively supported sports events and cultural promotion in the long term, and continued to pay attention to public issues concerning children, disadvantaged groups, and the elderly. The Company received the Sports Activists Awards for 17 consecutive years in 2025.

Governance aspect (G):

We maintained a sound financial structure, dealt with customers honestly and trustworthily, strengthened risk management, and focused on diversified operations for steady growth.

The Company has disclosed sustainability metrics for many years. Disclosing information on various sustainability-related risks and opportunities allows investors to understand the Company’s investment value and sustainable competitiveness. In addition, we take net zero emissions as our goal and formulate response strategies proactively to mitigate climate change.

Looking ahead, the Company is well positioned for success with a robust operational foundation, steady investment strategy, and flexible diversification. We will work with all subsidiaries to create maximum value and economic benefits, and realize our vision of corporate sustainable development and social responsibility.

Chen, Shiang-Li,

Chairman of Mercuries & Associates Holding, Ltd.



1

Living Sustainability

Living Sustainability Building a Co-Good Living Circle

- 1.1 Ecosystem positioning: Cross-industry collaboration for sustainable values
- 1.2 Strategic blueprint: The contribution to sustainability of each business
- 1.3 Performance results: Sustainability performance metrics and results
- 1.4 Stakeholders: Transparent communication and engagement mechanism



1.1 Ecosystem positioning: Cross-industry collaboration for sustainable values

Sustainable Positioning of Mercuries

Since the establishment in 1965, the Company has consistently upheld the core values of “integrity, innovation, and service” and served the daily lives of the people in Taiwan through diversified business operations. In the face of the global trend of sustainable development and the continuous improvement of the international regulatory standards, we deeply understand our key role in promoting the industry’s sustainability transformation. The Group integrates six core businesses of responsible finance, safe food, professional healthcare, quality retail, technology empowerment, and secure living to create a sustainable living ecosystem with a synergistic effect. Through capital allocation, governance integration, and resource sharing, we generate cross-industry sustainable values.

Under this ecosystem structure, the head office does not directly intervene in the daily operations of the subsidiaries, but serves as a “strategy integrator” and a “value amplifier” for the Group. It is responsible for establishing a consistent sustainable development vision and defining strategic directions for the Group, strengthening sustainability governance and risk management mechanisms, promoting group-level sustainability performance management and information disclosure, and building a cross-company resource sharing and knowledge exchange platform to assist each business unit in the improvement of ESG management efficiency while ensuring continuous growth. Through this governance and support framework, we are able to integrate the Group’s resources, amplify the achievements in sustainability, and continue to move steadily toward the long-term vision of becoming a sustainable investment holding company.



**Value Amplifier
Strategy Integrator**

Sustainable Living Ecosystem: Six Core Values Integral to the Daily Life

"Sustainable Living Ecosystem" is our differentiating strategy compared to traditional holding companies. We have built a complete value chain based on six core areas, integrated it in the daily lives of the people. Through business synergy and resource integration, we have truly implemented our sustainability commitments in every aspect of life.





Responsible finance | Driving green transformation with capital strength

Mercuries Life Insurance Co., Ltd. guides capital flows to sustainable industries by adhering to the Principles for Responsible Investment (PRI). Through ESG investment portfolio and allocation and the development of climate resilience insurance products, the Company helps society build a long-term financial safety net and drives the industry toward a low-carbon economy. **Mercuries Insurance Agency Co., Ltd.** focuses on professional property insurance agency service. It, provides risk management solutions for SMEs and individual customers to enhance societal resilience.

Safe food | From farm to table: a sustainability commitment

Mercuries F&B Co., Ltd. focuses on chain restaurant operations, implements ingredient traceability management, local sourcing, and waste reduction initiatives, and establishes new green catering standards. **Mercuries Liquor & Food Co., Ltd.**, as an international ingredient supplier, controls food safety and environmental standards at the source. Through transparent supply chain management and optimized cold chain logistics, it guarantees that every bite of food represents the quality and responsibility.

Professional medicine | Safeguarding health and sustainability through science and rigor.

SCI Pharmtech Inc., as a pharmaceutical manufacturer, upholds the high standards of GMP processes and ISO 14001 environmental management certification. It is dedicated to research and development of green processes and implementation of energy-saving and carbon reduction initiatives, setting a sustainable manufacturing benchmark in the global API supply chain. SCI Pharmtech responds to the dual expectations of society for health and the environment with scientific expertise and professionalism.

Quality retail | A sustainable service network rooted in communities

Simple Mart Retail Co., Ltd. provides daily necessities and green consumption options through a network of retail outlets in urban and rural areas, embodying the expectation of co-prosperity among communities. **Mercuries & Associates, Ltd.** and **Sanhui Co., Ltd.** are implementing a circular economy business model through the shoe brands, such as “Family Shoemart,” and redefine the sustainable responsibility in the retail industry with the transition from product durability design to recycling and reuse programs.

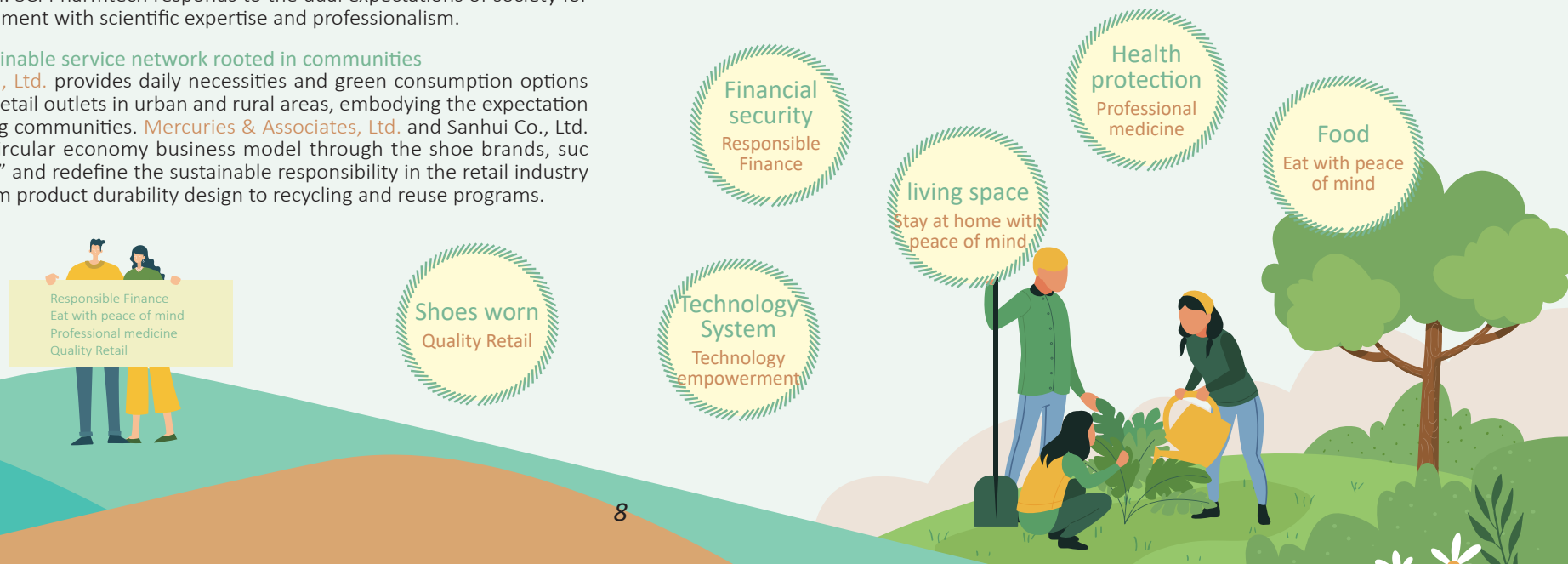
Technology empowerment | Accelerating sustainability transformation with digital tools

Mercuries Data Systems Ltd. develops a carbon management platform, an energy monitoring system, and a supply chain traceability solution to help internal and external enterprises improve operational efficiency, strengthen information security, and accelerate the digital sustainability transformation process to drive industry upgrades through technological innovation.

Safe home | Creating a healthy and sustainable living space

Mercuries Home Furniture Co., Ltd. provides integrated system furniture and interior design services using low-formaldehyde, environmentally friendly building materials and energy-saving design principles. The company protects family health by focusing on living environment and achieves a perfect combination of green building practices and sustainable living aesthetics.

This ecosystem extends across core industries for the lives of the people and deeply embeds sustainability values into daily life: from the shoes people wear (quality retail), the spaces they live in (safe homes), and the food they eat (safe food), to health protection (professional medicine), financial protection (responsible finance), and technology systems (technology empowerment) that support them. Each business unit focuses more on sustainable practices in their respective expertise fields to cumulatively form the overall sustainability impact of the Group.





1.2 Strategic blueprint: The contribution to sustainability of each business

With a "sustainable living ecosystem" as the core, the Company makes the advantage of an investment holding company to investigate the sustainable practices across six core areas of responsible finance, safe food, professional medicine, quality retail, technology empowerment, and safe home. Currently, each subsidiary independently develops its own sustainability strategy and implementation plan based on its business characteristics and market positioning, thereby establishing professional advantages and deepening the practices in their respective fields. Looking ahead, the Group possesses the potential of cross-industry synergy in areas such as the group-wide application of carbon management systems, resource linkage between ESG investments and green supply chains, and the extension of transparent traceability technology across the businesses. These are strategic opportunities currently being evaluated by the head office with the aim of creating greater sustainability synergy through integration on a step-by-step basis.



Matrix of Sustainability Contributions in Six Areas

Core Area	Business Entity	Industry Positioning	Sustainability Role	Contribution to Ecosystem
Responsible finance	Mercuries Life Insurance	Insurance and asset management	Sustainable finance leader	It guided NT\$399.451 billion of funds to ESG targets through responsible investment, provided climate resilience insurance products, and drove the green transformation of the industry.
	Mercuries Insurance Agency	Property insurance agency	Guardian of risk management	It provides professional agency services for auto insurance and corporate property insurance for SMEs and individual customers (only one complaint received in 2025), and strengthens the resilience of our sustainable operations.
Safe food	Mercuries F&B	Chain restaurant services	Advocate of green catering	It operates 426 stores, increases the proportion of locally sourced ingredients to 82% (with 100% domestic sourcing for vegetables, fruits, and meat), establishes a food safety traceability system, and promotes the implementation of the green catering standards.
	Mercuries Liquor & Food	Food import and export trade	Integrator of sustainable supply chains	It completed 124 food safety tests with a 100% pass rate, and ensured the stability of the cold chain logistics through a quality inspection and supply chain monitoring mechanism. There were no food safety incidents throughout the year thanks to the maintenance of a sustainable and reliable food supply chain.
Professional medicine	SCI Pharmtech	API Manufacturing	Quality and environment benchmark	In addition to manufacturing in compliance with GMP and ISO 14001 standards, the company has obtained 30 international patents and developed 6 products that have passed carbon footprint verification to establish an ESG benchmark in the pharmaceutical industry.
Quality retail	Simple Mart Retail	Retail outlet	Community sustainability supporter	It operates 818 stores across urban and rural communities, provides daily living services and supports local industries and sustainable consumption through the promotion of green products and 93.29% local procurement.
	Mercuries & Associates / Sanhui	Footwear retail channel	Advocate of circular consumption	The "Family Shoemart" and other brands has 3.3 million app members. The companies promote the Single-shoes Bank (serving 418 people) and recycle shoes to achieve the goal of circular economy.
Technology empowerment	Mercuries Data Systems	IT services	Enabler of digital sustainability	With the core function in system integration and financial automation, it has deeply participated in the construction of critical infrastructure in finance, public security, transportation, energy, and healthcare. The company served over 6,000 enterprises in their digital transformation efforts throughout the year. With a network of more than 20 service locations across Taiwan and 24/7 operation and maintenance services, Mercuries Data Systems provides highly reliable IT services and achieves a customer satisfaction rate of 94.44%.
Safe home	Mercuries Home Furniture	System furniture and interior design	Green building practitioner	In 2025, the company completed 3,462 free design projects. It used low-formaldehyde building materials and energy-saving designs to create healthy and sustainable living spaces.
Sustainability communication	Mercuries General Media	Media content agency	Communicator of sustainability values	It acts as an agent of NHK and other premium channels to promote environmental awareness and sustainable living through audiovisual content.



1.3 Performance results: Sustainability performance metrics and results

For the Company, 2025 was a key year to deepen the sustainability transformation and establish the direction. We continued to refine our existing sustainability management foundation and steadily advanced a number of specific initiatives in governance, responsible investment, climate action, supply chain management, social engagement, and digital sustainability to enhance our overall performance in the environment (E), society/human rights (S), and governance (G). These initiatives are the result of coordinated planning at the investment control level and the joint participation of all business groups. Through the policy and direction set by the Board of Directors and the ESG Committee, the coordination mechanism of the ESG Office, and the implementation by subsidiaries in their operations, we have gradually established a promotion structure that operates both top-down and bottom-up. This has made sustainability an integral part of the Group's business management and ensured its continued implementation in daily operational activities.

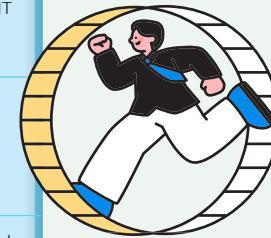
The achievement data presented below covers the sustainability actions and performance of all subsidiaries referred to in the consolidated financial statements, namely Mercuries Life Insurance Co., Ltd., Mercuries Insurance Agency Co., Ltd., Mercuries F&B Co., Ltd., Mercuries Liquor & Food Co., Ltd., Simple Mart Retail Co., Ltd., Mercuries & Associates, Ltd., Sanhui Co., Ltd., Mercuries Home Furniture Co., Ltd., SCI Pharmtech Inc., Mercuries Data Systems Ltd., and Mercuries General Media, Inc.

Group ESG Performance Summary (by material topics and core areas)

Aspect	Material Topic	Core Area	Group Performance and the Contribution of Subsidiaries to Core Areas
G Governance	Corporate sustainability governance	Group	- In 2025, the board held seven meetings with an average attendance rate of 99%, and the ESG Committee reported to the Board of Directors four times throughout the year. - The Audit Committee held 5 meetings with a 100% attendance rate. - Independent directors occupy 40% of the board members, and all have expertise in ESG, finance, or industry. 100% of the Board of Directors completed sustainability and professional development training (8.1 hours per person).
	Ethical management and legal compliance	Group	- No major violations were reported, and there were no significant food safety or environmental violations that led to product recalls. - The Group establishes the "Ethical Corporate Management Best Practice Principles" and "Implementation Rules for the Whistleblowing System" and provides anonymous reporting and comprehensive protection mechanisms. - Each subsidiary conducts regular legal compliance self-assessments and incorporates regulatory updates into daily training.
	Risk management	Group	- Identify and cover five climate-related risks (extreme weather, digital finance and innovation, financial market volatility, geopolitics, food safety) and two climate opportunities (artificial intelligence, ESG trend and talent rise). - Complete the climate-related financial disclosure (TCFD) assessment and 1.5°C and 4°C scenario analysis.
	Operational performance	Responsible finance	- Group level: Consolidated operating revenue was NT\$160.4 billion; net income was NT\$755 million; EPS was NT\$0.71. - Mercuries Life Insurance: Investment in positive-listed industries (ESG excellent enterprises, green bonds, etc.) reached NT\$399.451 billion. The new contract mobile insurance adoption rate was 98.34%, reducing paper consumption by 4.48 million sheets throughout the year. The number of people served by AI customer service automation reached 680,000, a 7% increase year-over-year, and customer satisfaction was 81.7%. - Mercuries Insurance Agency: 2025 Key performance: Only one complaint was filed to the deliberation center, and 100% of cases were closed; promotion of green insurance products for electric vehicles and solar energy.
E Environment		Technology empowerment	- Group level: There were no major information security incidents, and all employees have completed information security education and training. - Mercuries Data Systems: Obtained ISO 27001 and BS 10012 dual certifications, with 100% coverage. Serve 6,000 corporate customers and achieve an overall satisfaction rate of 94.44%.
	Climate change response strategy	Group	- Group level (parent company): Scope 1: 1.0184 tons of CO₂e; Scope 2: 71.1474 tons of CO₂e; Scope 3: 15.1566 tons of CO₂e. - The annual carbon reduction target is set at 1%, with the ultimate goal of achieving net zero carbon emissions by 2050.
	Energy management	Group	- Simple Mart Retail: replace with energy-saving equipment and introduce an electronic price tag system, resulting in savings of 15 million kWh per year and a reduction of 7,300 tons of carbon emissions. - Mercuries F&B: The introduction of inverter air conditioners and LED upgrades has saved 2 million kWh/year and reduced carbon emissions by 948 tons. - Mercuries Life Insurance: 13,748 kWh of solar power was generated for self-use, and it obtained ISO 50001 energy management system certification.



構面	重大主題	核心領域	集團整體績效與各核心領域子公司貢獻
	Waste and water resource management	Professional medicine Safe food	- SCI Pharmtech: Establish a solvent recovery and recycled water circulation system to promote circular manufacturing in the pharmaceutical industry. Process solvents can be reused 3–5 times, and water resources are reused an average of 2.5 times, reducing the water footprint by 39%. - Mercuries F&B: Introduce black soldier fly technology to transform food waste into protein feed.
	Surplus food management	Safe food	Mercuries F&B: The meal assistance program distributed 26,959 meals in 2025.
	Sustainable product packaging	Quality retail Safe home	- Mercuries & Associates: Shopee Mall has received 76,396 ratings, with a 96.38% 5-star rating rate. - Mercuries F&B: 7 FSC suppliers account for approximately 55% of our total paper packaging purchases, helping reduce illegal logging, protect ecosystems, and enhance our environmental image and market competitiveness. - Mercuries Home Furniture: Low-formaldehyde boards have been implemented across the entire product line, with the priority on using FSC-certified wood and plant-based coatings.
	Product quality and food Safety	Safe food Professional medicine Quality retail Safe home	- Mercuries F&B: Its central kitchen has passed FSSC 22000 and HACCP certification; ingredients are 100% traceable; 82% local procurement rate (100% domestic vegetables, fruits, and meats). - Mercuries Liquor & Food: Act as an agent for international brands and conduct supplier evaluation and source management. - SCI Pharmtech: A solid foundation built on 30 international patents, 21 GMP products, and 11 certified systems. - Simple Mart Retail: The pass rate of the government sampling and internal spot check reached a high level (government sampling has a 98.9% pass rate). - Mercuries & Associates: Product inspection has yielded a 100% pass rate for four consecutive years; promotion of MIT Fucheng shoes and eco-friendly shoe models. - Mercuries Home Furniture: 100% material inspection pass rate, 3D rendering similarity ≥90%.
	Talent development and remuneration & benefits	Group	- Number of employees: 22,151. - Welfare investment: The total subsidy for domestic and foreign travel reached NT\$9 million. - Talent cultivation: The total training hours exceeded 400,000 hours (19 hours per person), and the total investment exceeded NT\$40 million. - Gender equality: 80% of employees returned to work after parental leave.
	Occupational safety and health	Group	- Zero fatalities from major occupational accidents. Over NT\$14.95 million has been invested in occupational safety and health. - Mercuries F&B, Simple Mart Retail, Mercuries Data Systems, and SCI Pharmtech have received ISO 45001 certification.
	Supply chain management	Group	- There were more than 2,000 suppliers and none of them had significant compliance violations. - Local procurement: 82% for Mercuries F&B, 97% for Simple Mart Retail, and 95% for Mercuries Home Furniture - Green procurement: Mercuries Life Insurance reached NT\$16.15 million.
	Social welfare	Group	- Annual total investment: Over NT\$9.4 million. - Sports: NT\$937,000 (Taiwan Masters Golf, Teeball, etc.) Care for children and the disadvantaged: Over NT\$2.7 million (including shoe voucher sponsorship, meals, and collaboration with TFCF). Academic culture: NT\$500,000 (financial education, food culture promotion). Volunteer: NT\$5.3 million (ecological conservation, blood donation, micro-insurance).





International certifications and awards

Sustainability-related Certification					
Certification	Certification Body	Applicable Subsidiaries	Scope of Certification	Year of First Acquisition	Continuous State
ISO 50001 Energy Management System	BSI (British Standards Institution)	Mercuries Life Insurance Nahua Headquarters	Environment (E) – Energy management	2024	Effective (2024.11.27–2027.11.26)
ISO 14001 Environmental Management System	BSI (British Standards Institution)	Mercuries Life Insurance Nahua Headquarters	Environment (E) – Environmental Management	2016	Effective (2025.12.25–2028.12.24)
ISO 46001 Water Efficiency Management System	BSI (British Standards Institution)	Mercuries Life Insurance Nahua Headquarters	Environment (E) – Water Resource Management	2025	Effective (2025.11.23–2028.11.22)
Greenhouse gas inventory under GHG Protocol	PwC	Mercuries Life Insurance locations across Taiwan	Environment (E) – Carbon Emission Management	2022	In effect
ISO 27001:2022 Information Security Management System	BSI (British Standards Institution)	Mercuries Life Insurance system	Governance – information security	2014	Effective [2025.12–2028.12]
BS 10012:2017 Personal Information Management System	BSI (British Standards Institution)	Mercuries Life Insurance locations across Taiwan	Governance- information security	2018	Effective [2024.09-2027.09]
FSSC / ISO 22000:2018 Food Safety Management System	SGSTaiwan Limited	Mercuries F&B's central kitchen	Social/Human Rights(S) – Food Safety	2019	Valid until 2028.07.20
HACCP Food Safety Control System	SGSTaiwan Limited	Mercuries F&B's central kitchen	Social/Human Rights (S) – food safety	-	Valid until 2028.07.20
TQF Taiwan Quality Food Certification	TAF	Mercuries F&B's central kitchen	Social/Human Rights(S) – Food Safety	-	Valid until 2026.09.08
ISO 50001:2018 Energy Management System	BSI (British Standards Institution)	Headquarters of Mercuries & Associates and Family Shoemart stores	Environment (E) – Energy management	2017	Continue to pass (2025)
ISO 14044 Life Cycle Assessment	BSI (British Standards Institution)	SCI Pharmtech	Environment (E) – Green Operations	2025 (one product passed verification)	Effective (2 years)
ISO 14067 Product Carbon Footprint	BSI (British Standards Institution)	SCI Pharmtech	Environment (E)- Green Operations	2023 2025 (a total of 5 products passed verification)	Effective (2 years)



Sustainability-related Certification

Certification	Certification Body	Applicable Subsidiaries	Scope of Certification	Year of First Acquisition	Continuous State
Carbon Disclosure Project (CDP) Rating B	CDP (Carbon Disclosure Project)	SCI Pharmtech	Environment (E)- Green Operations	2025	Continue to pass (annual update)
ISO 50001 Energy Management System	ARES International Certification	SCI Pharmtech	Environment (E)- Green Operations	2025	Continue to pass (annual update)

Recognized by sustainability awards

Award	Awarding Body	Applicable Subsidiaries	Sustainability Aspect	Award Year	Description
Buying Power: Incentives for Procurement of Social Innovation Products and Services	-	Mercuries Life Insurance	Environment (E)	2025	Value Creation Award

Sustainability-related Certification

Certification	Certification Body	Applicable Subsidiaries	Scope of Certification	Year of First Acquisition	Description
Trial of the Carbon Reduction and Commuting Excellence Unit Labeling System for Businesses	-	Mercuries Life Insurance	Environment (E)	2025	Gold Label
Asia-Pacific Climate Leaders 2025	Statista	Mercuries Life Insurance	Environment (E)	2025	Climate Leading Enterprises
Insurance Quality Award	-	Mercuries Life Insurance	Social/Human Rights(S)	2025	Excellent brand recognition, top-performing agents, and excellent claims service.
Sports Activist Awards	Ministry of Sports	Mercuries Life Insurance	Social/Human Rights(S)	2025	Gold Award, Long-term Sponsorship Award, Bronze Award
Sports Enterprise Certification	Sports for All Agency, Ministry of Education	Mercuries Life Insurance	Social/Human Rights(S)	2025	Sports enterprise



Sustainability-related Certification					
Certification	Certification Body	Applicable Subsidiaries	Scope of Certification	Year of First Acquisition	Description
Faith, Hope & Love Awards of Insurance	-	Mercuries Life Insurance	Social/Human Rights(S)	2025	Social responsibility, contributions to education, professional awards, etc.
The National Brand Yushan Award	-	Mercuries Life Insurance	Social/Human Rights(S)	2025	Best Product, Top Brand
Taiwan Sustainability Action Awards	-	Mercuries Life Insurance	Social/Human Rights(S)	2025	Bronze – Elderly Care Program
CommonWealth Taiwan Top 2000	CommonWealth Magazine	Mercuries Life Insurance	Governance (G)	2025	Top 10 Financial Institutions
Taiwan Corporate Sustainability Awards	TCSA	Mercuries Life Insurance	Governance (G)	2025	Platinum Level for Sustainability Report
JinYeh Award from Taipei City	Department of Labor, Taipei City Government	Simple Mart Retail	Social/Human Rights(S)	2025	Friendly enterprises
Senior Citizen Friendly Enterprise Certification	Department of Labor, Taipei City Government	Simple Mart Retail	Social/Human Rights(S)	2025	Senior-friendly
ESG for Culture Impact Award	Taiwan Creative Content Agency	Mercuries & Associates Holding	Social/Human Rights(S)	2025	Resource Assistance Award
Epidemic Prevention Alliance Bronze Award	Ministry of Health and Welfare	SCI Pharmtech	Social/Human Rights(S) – Employee Health	2021 2025	Continue to pass (annual update)
EcoVadis Bronze Medal	EcoVadis	SCI Pharmtech	Environment (E): Environmental management and green operations Social/Human Rights(S)(S): Labor and human rights, supply chain responsibility Governance (G): Business ethics and corporate governance	2025	Continue to pass (annual update)



Service Quality and Talent Development Award

Award	Awarding Body	Applicable Subsidiaries	Award Year	Description
TCFA Service Award Certification	Taiwan Chain Stores and Franchise Association	Mercuries F&B, Simple Mart Retail – Simple Mart, Mercuries & Associates – Family Shoemart, Mercuries Home Furniture	2025	Service Gold Award
TCFA Outstanding Store Manager Award	Taiwan Chain Stores and Franchise Association	Kai-Jie Tang, Manager of the Cheng-Kung Store at Tonkatsu	2025	Outstanding Store Manager
TCFA Service Angel Award	Taiwan Chain Stores and Franchise Association	Development of new business for Mercuries Beef Noodle and Mercuries F&B	2025	Service Angel
2022 Happy Enterprise Award	1111 Job Bank	Mercuries F&B, Mercuries Home Furniture, SCI Pharmtech, Mercuries Data Systems	2025	Gold Award
TTQS Talent Development Quality Management System	Workforce Development Agency, Ministry of Labor	Mercuries F&B	2025	Quality of talent development
JinYeh Award from Taipei City	Department of Labor, Taipei City Government	Mercuries F&B, Simple Mart Retail	2025	Multiple jobs
Taipei City Middle-aged and Senior-Friendly Enterprise Certification for 2025	Department of Labor, Taipei City Government	Simple Mart Retail	2025	Multiple jobs
2025 “Top 100 Age-Friendly Companies” Award	Business Weekly	Mercuries Data Systems	2025	“Top 100 Age-Friendly Companies” Award

Product Quality and Innovation Awards

Award	Awarding Body	Applicable Subsidiaries	Award Year	Description
Best Pizzerias in Asia-Pacific 2025	50 TOP PIZZA	BANCO, Mercuries F&B	2025	Asia’s Best Pizza Restaurant

※ Note: Taiwan Chain Stores and Franchise Association (TCFA).

※ For award records of other subsidiaries, please refer to their respective websites or sustainability reports.



1.4 Stakeholders: Transparent communication and engagement mechanism

Identification of stakeholders and communication

Through discussion with the ESG Committee and various business units, and with reference to the stakeholder groups in the industry, the Company identified eight categories of major stakeholders in accordance with the five aspects of the AA1000 SES Stakeholder Engagement Standards: dependency, responsibility, tension, influence, and diverse perspectives. These stakeholders are shareholders/directors, customers, employees, suppliers, government agencies, media, communities and neighborhoods, and public welfare organizations. This identification has been reviewed and approved by the Board of Directors.

The Company prioritizes the rights and opinions of the stakeholders and establishes open and diverse communication channels and mechanisms. In addition to disclosing relevant information in the “Stakeholder” section of the Company’s website, stakeholders may provide their opinions and suggestions on sustainability issues through paper-based or online questionnaires, so that the Company can collect representative feedback.

For the Company, the main purpose of stakeholder engagement is to identify and confirm major sustainability issues, understand potential risks and opportunities, and provide an important basis for sustainability strategy planning, management policy formulation, and follow-up of performance. To ensure engagement is substantive, the Company designs appropriate communication approaches for different stakeholders and collects feedback through continuous and regular interactions. The ESG Office compiles and analyzes this feedback. The results of stakeholder engagement are regularly reported to the ESG Committee for review and submitted to the Board of Directors, enabling the highest governance unit to monitor stakeholders’ concerns and understand development trends. This information serves as a key input for identifying material topics, assessing risks and opportunities, and adjusting sustainable strategies, thereby strengthening overall sustainability governance and decision-making quality.

Stakeholder	Issues of Concern	Engagement Method	Engagement Frequency
Shareholder	Sustainability governance, operational performance, ethical management, legal compliance, risk management, responsible investment, response strategies against climate change	Annual shareholders’ meeting, Board of Directors/Functional committees, annual report, and financial statements, MOPS	Annually/quarterly/immediately
Customer	Product quality and food safety, service quality and customer satisfaction, information security and personal data protection, product and service innovation, sustainable packaging	Diversified media marketing, in-store service, customer service hotline/customer mailbox, customer satisfaction survey	Immediately/irregularly
Employee	Employment relations, remuneration and welfare, workplace safety and health, talent development and training, employee diversity and equal opportunity, labor rights, grievance and communication mechanisms	Labor Relations Committee/Occupational Safety and Health Committee, internal website (EIP website, email), shop audit and training, occupational physician/nurse health consultation, Employee Welfare Committee, employee performance interview	Quarterly/monthly/irregularly
Supplier	Supplier sustainability management, local procurement, energy and resource management, product quality and food safety, product marketing and labeling, waste and water resource management	Supplier evaluation, supplier management platform (SCM), factory visit and meeting, phone and email	Annually/irregularly/immediately
Government agency	Legal compliance, energy and environmental management, labor relations, workplace safety and health, waste and water resource management	Official correspondence, meeting with competent authorities, audit and safety inspection, formulation and amendment of laws and regulations, workplace audit/safety inspection	Irregularly
Public welfare organization	Social welfare, community engagement, surplus food management, biodiversity, labor rights	Charity event and service, relief for major social incidents, event website, and external communication mailbox.	Irregularly/immediately
Media	Operational performance, ethical management, product/service and digital innovation, public welfare and social engagement, legal compliance, product marketing and labeling.	Press conference, press release, MOPS, external communication mailbox, phone number	Irregularly/immediately
Community and neighborhood	Local procurement, waste and water resource management, surplus food management, biodiversity, community engagement	Community visit, charity event, external communication mailbox, phone number	Irregularly/immediately

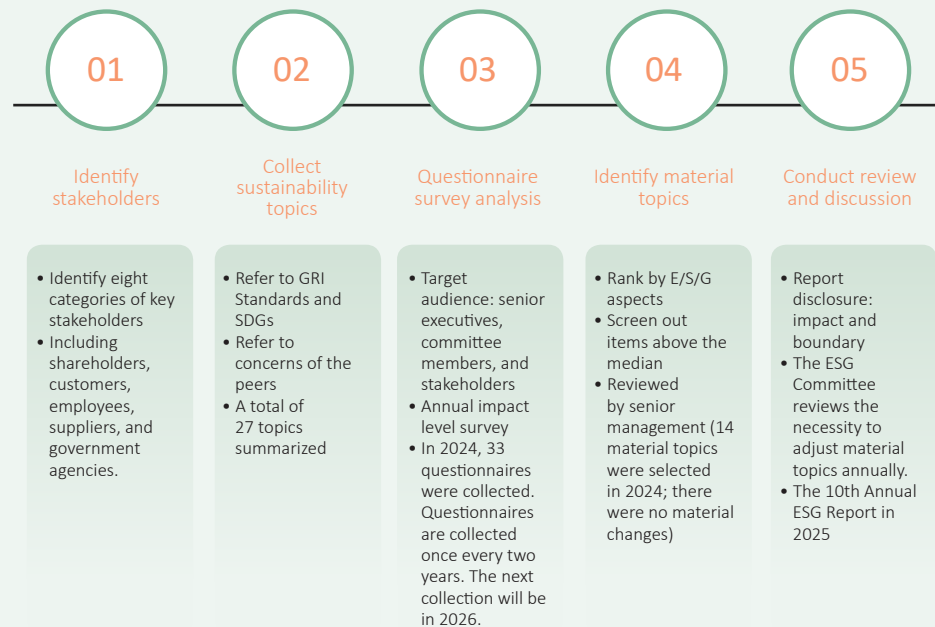
Note: The primary venue for engagement between board members and shareholders is the shareholders’ meeting.



Ranking of material topics

The ESG Committee of the Company follows the eight reporting principles of the GRI Standards 2021 (accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability) and the AA1000 Accountability Principles (inclusivity, materiality, responsiveness, and impact) to prepare the sustainability report. The identification process of material topics includes five steps of stakeholder identification, collection of sustainability issues, questionnaire survey analysis, ranking of material topics, and regular review.

The Company conducts materiality assessment in accordance with the GRI 3: Material Topics standard. As there are currently no applicable sector-specific standards, we identified 27 sustainability issues covering the three aspects of environment, society/human rights, and governance based on actual and potential impacts and with reference to the issues that other domestic companies in the industry were concerned about, the United Nations Sustainable Development Goals (SDGs), and international sustainability trends.



The Company collects stakeholders' opinions through paper-based and online questionnaires every two years. In 2024, a total of 33 valid questionnaires were collected. Senior executives, ESG Committee members, department heads, and stakeholders evaluated the impact of the 27 issues, and finally identified 14 material topics. In addition, considering the Company's long-term investment in sports and public welfare activities, senior executives reviewed and included "social welfare and community engagement" in the disclosure of material topics. All material topics have been reviewed and approved by the Board of Directors. The management policy for each topic are detailed in the relevant chapters of this report.

G			E			S		
Ranking	G Governance	Ranking change	Ranking	E Environment	Ranking change	Ranking	S Society/Human Rights	Ranking change
1	Operational performance	○	1	Energy management	○	1	Labor-management relations and communication	○
2	Corporate sustainability governance	○	2	Waste and water resource management	○	2	Employee remuneration and welfare	○
3	Ethical corporate management	○	3	Climate change response strategies	○	3	Talent development and training	○
4	Legal compliance	○	4	Surplus food management	○	4	Product quality and food safety	○
5	Risk management	○	5	Sustainable product packaging	○	5	Occupational safety and health	○
6	Information security and personal data protection	○	6	Biodiversity	○	6	Employee diversity and equal opportunity	○
7	Responsible investment	○				7	Labor rights	○
8	Product/service and digital innovation	○				8	Product marketing and labeling	○
9	Local procurement	○				9	Service quality and customer satisfaction	○
10	Supplier sustainability management	○				10	Social welfare and community engagement*	○
11	Grievance and communication mechanism	○						

※ Topics marked with color are the material topics for this year. Topics marked with "*" are the topics that the Company discloses voluntarily.

※ The ranking change reflects the difference between the questionnaire surveys in 2024 and the previous year. Legend: "○" indicates the same ranking as the previous period; "▲" indicates a higher ranking than the previous period; "▼" indicates a lower ranking than the previous period; "-" indicates a new topic.



Material Topics and Management Approach Table

Aspect	Material Topic	Importance to Mercuries and Description of Impact Categories	Corresponding GRI Standards	Corresponding Chapter of This Report
Governance	Operational performance 	- Operating performance is the foundation for the growth of the Company. Good operational performance can increase profit and improve production capacity. It also enhances the Company's market position and attracts external investment. - Actual positive impact: The Company reported positive profit in 2025, with consolidated operating revenue of NT\$160.4 billion, net profit after tax was NT\$755 million, and EPS was NT\$0.71.	GRI 201-1	2.3 Operational performance: The financial foundation of operational resilience
	Corporate sustainability governance 	- The Company's sustainability governance strategy will affect the corporate image, operational risks, and future competitiveness of the Company. Through the establishment of the ESG Committee and the formulation of a sustainable development strategy and management model, the Company can reduce the impact of risks related to the environment, society/human rights, and governance, thereby achieving long-term sustainability. - Actual positive impact: In 2025, the Company received the ESG for Culture Award of Influence.	GRI 2-9, 2-12	2.2 Governance body: Sound decision-making and supervision
	Ethical corporate management 	- We operate the business with honesty, transparency, and fairness, respect the rights and interests of the shareholders and stakeholders, and observe laws, regulations, and business ethics. - Actual positive impact: The Company establishes the "Ethical Corporate Management Best Practice Principles" and "Implementation Rules for the Whistleblowing System" and provides anonymous reporting and comprehensive protection mechanisms. No major integrity violations occurred in 2025. - Actual negative impact: In 2025, the Group experienced a total of 44 general regulatory violation cases, resulting in approximately NT\$29.44 million in fines.	GRI 2-15, 2-26	2.3 Operational performance: The financial foundation of operational resilience
	Legal compliance	- Compliance with laws and regulations can prevent a company from incurring legal liabilities and losses resulting from illegal activities. By maintaining legality and strictly adhering to regulations and ethical standards, the Company can protect the legitimate rights and interests in competition. - Actual positive impact: In 2025, the Company and all subsidiaries did not experience major violations involving work stoppages, business closures, or significant losses due to environmental or food safety violations. - Actual negative impact: In 2025, the Group experienced a total of 44 general regulatory violation cases, resulting in approximately NT\$ 29.44 million in fines.	GRI 2-27	2.4 Risk management: Enhancement of the Group's operational resilience
	Risk management	- Through proactive risk identification and assessment ,the Company has formulated corresponding management strategies to reduce the impact of risks and protect the development and interests of the Company. - Actual positive impact: The Company establishes the "Ethical Corporate Management Best Practice Principles," and "Implementation Rules for the Whistleblowing System" and provides anonymous reporting and comprehensive protection mechanisms. No major integrity violations occurred in 2025. The Company identified 5climate-related risksand2 opportunitiesand completed 1.5°C and 4°Cscenario analyses to optimize the responsible investment portfolio and strengthen the financial resilience.	GRI 2-12, 3-3	2.4 Risk management: Enhancement of the Group's operational resilience
Environment	Climate change response strategy 	The growing awareness of net zero carbon emissions has prompted governments worldwide to establish energy regulations and policies that require businesses to address climate change proactively. If failing to manage energy use effectively and complete greenhouse gas inventory and verification in a timely manner, the Company may face pressure and risks imposed by policies and regulations.	GRI 302-1, 302-3, 302-4, 305-1~305-5	Chapter 5 Environmental Action Toward Green Operations
	Energy management 	- Only by formulating appropriate climate change response strategies, implementing energy and supplier management, and actively participating in green and low-carbon development can the Company reduce climate risks and enhance sustainable competitiveness. - Actual negative impact: Refer to Chapter 5 for details on energy use and GHG emissions.	GRI 302-1, 302-3, 302-4	
Environment	Waste and water resource management 	- The businesses under the Company include daily necessities, catering, and pharmaceuticals. These make this topic one of the important environmental issues we are facing. In addition to complying with local environmental protection regulations, we must find ways to improve resource utilization and reduce waste. - In 2020, the Company and SCI Pharmtech worked with the Veolia Group to establish Framosa Co., Ltd. Responsible for handling waste solvents generated from API manufacturers in Taiwan, with an annual treatment capacity of 23,000 tons, to realize the vision of circular economy. - Actual positive impact: Framosa Co., Ltd., a company established together with the Veolia Group, has the capacity to treat 23,000 tons of waste solvents annually; SCI Pharmtech's water resource recycling and reuse contributed to a reduction of the water footprint by 39%. - Actual negative impact: Refer to Chapter 5 for details on waste and use of water resources.	GRI 303-1~303-3, 306-1~306-3	5.3 Resource sustainability: Resource management, recycling, and reuse



Aspect	Material Topic	Importance to Mercuries and Description of Impact Categories	Corresponding GRI Standards	Corresponding Chapter of This Report
Environment	Surplus food management	- Mercuries F&B and Simple Mart stores operate under the Company. The treatment of the surplus food generated from the operations must comply with relevant regulations of the Environmental Protection Bureau to avoid any negative environmental impacts. Conversely, proper treatment of surplus food can be an opportunity for the companies to fulfill their social responsibilities. This can be achieved through food banks and partnerships with friendly stores, ensuring that surplus food is put to good use. - Actual positive impact: In 2025, Mercuries F&B's meal assistance program distributed 26,959 meals; Simple Mart Retail donated food to a total of approximately NT\$574,000 under its cherish food project and realizes waste resource utilization using the black soldier fly technology.	No specific GRI metrics (self-defined material topic)	4.5 Caring in action: Building a sustainable public welfare ecosystem
	Labor-management relations and communication	- Maintaining good labor-management communication and a competitive salary and welfare policy is critical for the Company to create a happy workplace. In addition to reducing labor disputes and improving employee satisfaction, these practices indirectly boost employees' morale and productivity, enhance overall work performance, and foster mutual success and growth for an enterprise and its employees. - Actual positive impact: In 2025, 30 complaints from the employees were accepted at the Group level. They were discussed at the labor-management meeting or investigated confidentially by relevant functional committees, resulting in a 100% case closure rate.	GRI 402-1	4.2 Labor-management harmony: Building a trust-based partnership
	Employee remuneration and welfare	Actual negative impact: In 2025, the new hire rate at the Group level was 24.9% and the turnover rate was 22.4%, reflecting the challenges of workforce mobility in the service industry.	GRI 401-2	4.2 Labor-management harmony: Building a trust-based partnership
	Talent development and training	- The Company offers a variety of education and training programs tailored to its business operations, helping employees enhance their work skills and develop professional expertise. This, in turn, improves work performance and fosters innovation, ultimately driving the company's growth and competitiveness. - Actual impact: In 2025, the total investment in education and training at the Group level exceeded NT\$40million, with total training hours surpassing 400,000 hours (19 hours per person).	GRI 404-1	4.3 Empowering careers: Creating Diverse Growth Pathways
3.2 Society/Human Rights	Product quality and food safety	- Businesses are obligated to ensure consumer health and safety. The Company utilizes product quality management processes, substandard product removal processes, food monitoring mechanisms, and a food safety traceability tracking system to effectively manage and stabilize product quality. In this way, the risk of loss due to recall of products can be reduced, product competitiveness enhanced, and corporate reputation improved. - Actual positive impact: 100% traceability management of finished products output from the central kitchen; 100% pass rate of Mercuries & Associates' products for four consecutive years; and 33 international patents of SCI Pharmtech. - Actual negative impact: In 2025, Mercuries F&B and Simple Mart Retail experienced 10 and 6 general regulatory violation cases, respectively, related to food hygiene and product labeling.	GRI 416-1, 416-2, 417-2	3.2 Safe food: Protection of food safety and quality 3.3 Professional medicine: Enhancement of R&D and quality management 3.4 Quality retail: Protection of the family in every step 3.6 Safe home: Protection of a healthy and sustainable living space
	Occupational safety and health	- Employees are the most important assets of the Company. Providing a healthy and safe workplace and pursuing zero occupational accidents are our obligations. The Company regularly makes workplace risk assessment and improvement on a regular basis to reduce accidents, and actively implements an occupational safety and health management system to foster a safe and friendly working environment. - Actual positive impact: In 2025, the Group did not have significant occupational accidents and fatalities. The total investment in occupational safety and health exceeded NT\$14.95 million, and all four business units have obtained ISO 45001 certification. - Actual negative impact: In 2025, 38 cases of non-commuting work-related accidents and 1 case of musculoskeletal disorder were reported.	GRI 403	4.4 Healthy workplace: Creation of a safe and secure working environment
	Public welfare and social care	- Public welfare and social care are the social responsibilities that all businesses should prioritize. Based on the spirit of "taking from society and giving back to society," the Company has long sponsored public welfare activities, organized corporate volunteer teams, and held sports events to promote a culture of sports in society. The Company integrates social responsibility into the operational strategy and culture, establishes a positive corporate culture, promotes social harmony and stability, and works to eliminate social inequality. - Actual positive impact: Over NT\$9.4 million was invested in public welfare events in 2025 (including NT\$ 2.7 million for child welfare and NT\$ 5.3 million for volunteering activities). 22,000 people benefited from micro-insurance.	No specific GRI metrics (self-defined material topic)	4.5 Caring in action: Building a sustainable public welfare ecosystem



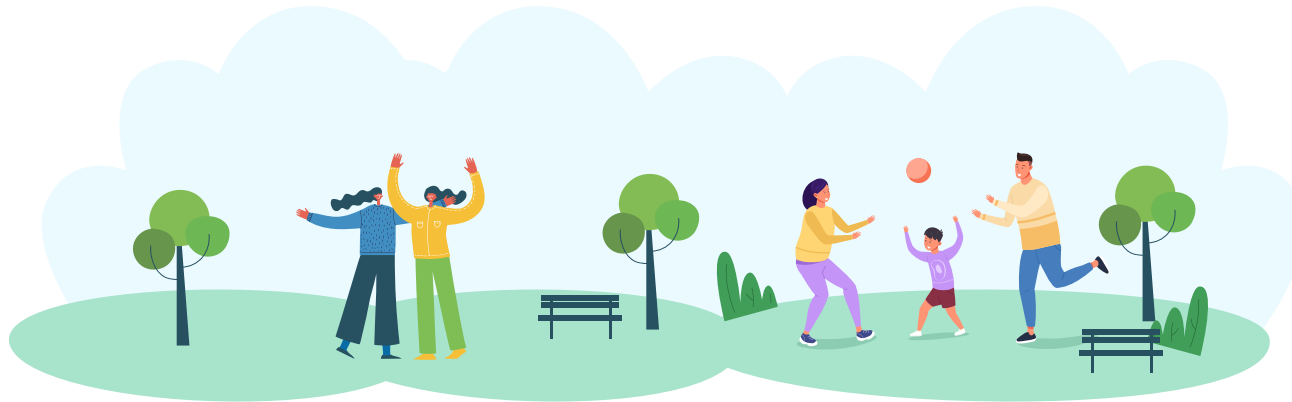
Matrix of Material Topics and Impact on Stakeholders

Aspect	Level of impact on stakeholders ● Direct impact; ○ Contributing impact; ▲ Business impact							
	Employee	Shareholder/ Director	Customer	Supplier	Government Agency	Public Welfare Organization	Media	Community and Neighborhood
Governance	○	●	▲	○	○			
	○	●	▲	○	○			
	○	●	▲	○	○			
	●	●	▲	○	○			○
	●	●	▲	○	○			
Environment	○	●		▲	○			
	○	●	▲	○	○			○
	○	●	▲	○	○	○		○
		●	▲	○	○	○		○





Aspect	Level of impact on stakeholders ● Direct impact; ○ Contributing impact; ▲ Business impact							
	Employee	Shareholder/ Director	Customer	Supplier	Government Agency	Public Welfare Organization	Media	Community and Neighborhood
Society/Human Rights	●	●			○		○	○
	●	●			○		○	○
	●	●			○			
	○	●	●	○	○		○	
	●	●		○	○		○	
	○	●			○	●	○	●





2

Robust Governance

Deepening Integrity and Resilience



- 2.1 About the organization: Synergistic value of diverse businesses
- 2.2 Governance body: Sound decision-making and supervision
- 2.3 Operational performance: The financial foundation of operational resilience
- 2.4 Risk management: Enhancement of the Group's operational resilience



2.1 About the organization: Synergistic value of diverse businesses

About the organization

Established in 1965, Mercuries & Associates Holding, Ltd. (formerly known as Mercuries & Associates, Ltd.) has grown from a trading company to a comprehensive service enterprise group with over 1,500 stores and over 20,000 employees after more than 50 years of diversification. The business of the Company now encompasses food, clothing, housing, and transportation that people in Taiwan need. In addition to the core business, the Company is dedicated to social welfare by establishing the Taiwan Masters Golf Promotion Foundation, Taiwan Slow-Pitch Softball Association, and Foundation for Chinese Dietary Culture, among others, and sponsoring numerous sports events and humanities education funds.

On January 1, 2015, the Company officially transitioned to rename as an investment holding company, demonstrating that the Group is willing to invest resources and is committed to sustainable operations. The major investments include life insurance; retail of daily necessities, food and beverage; pharmaceuticals; information services; and so on. Currently, no products or services have been prohibited in any market.





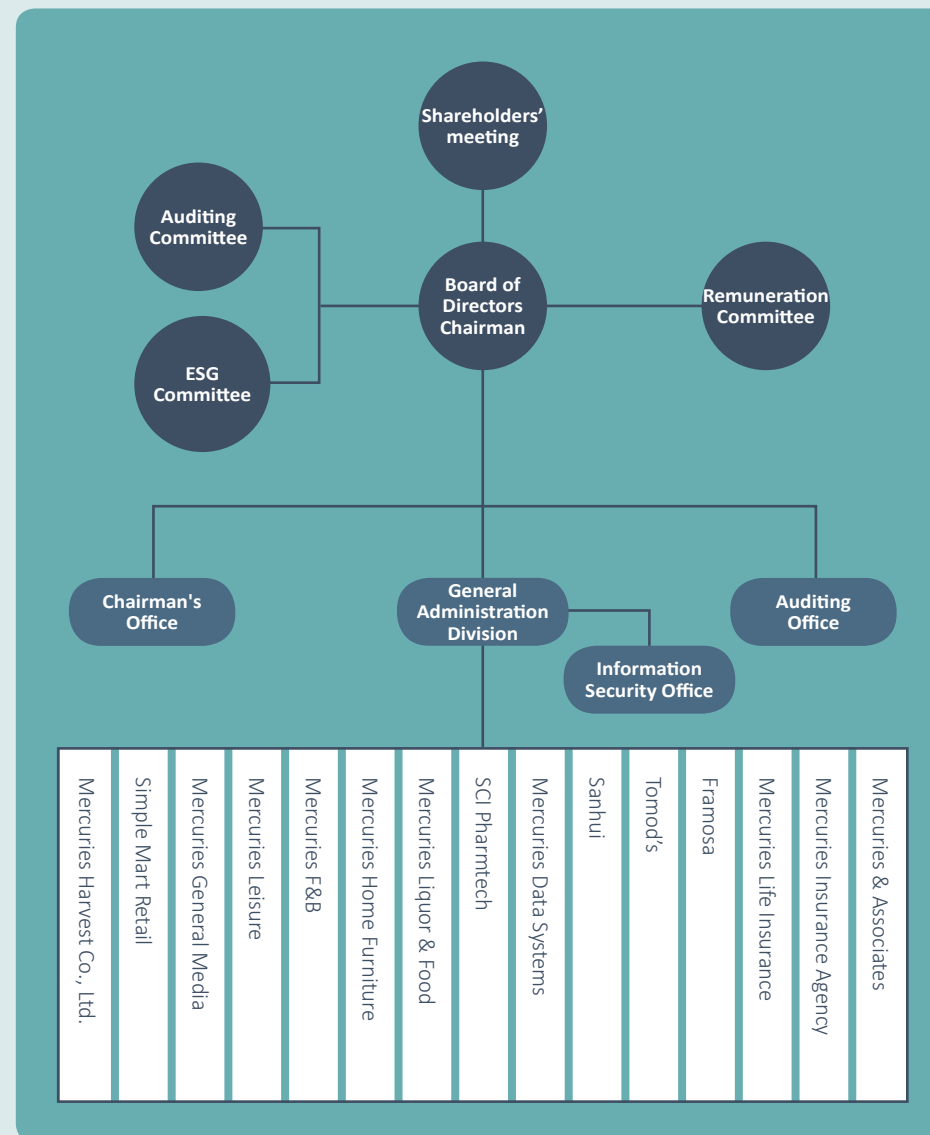
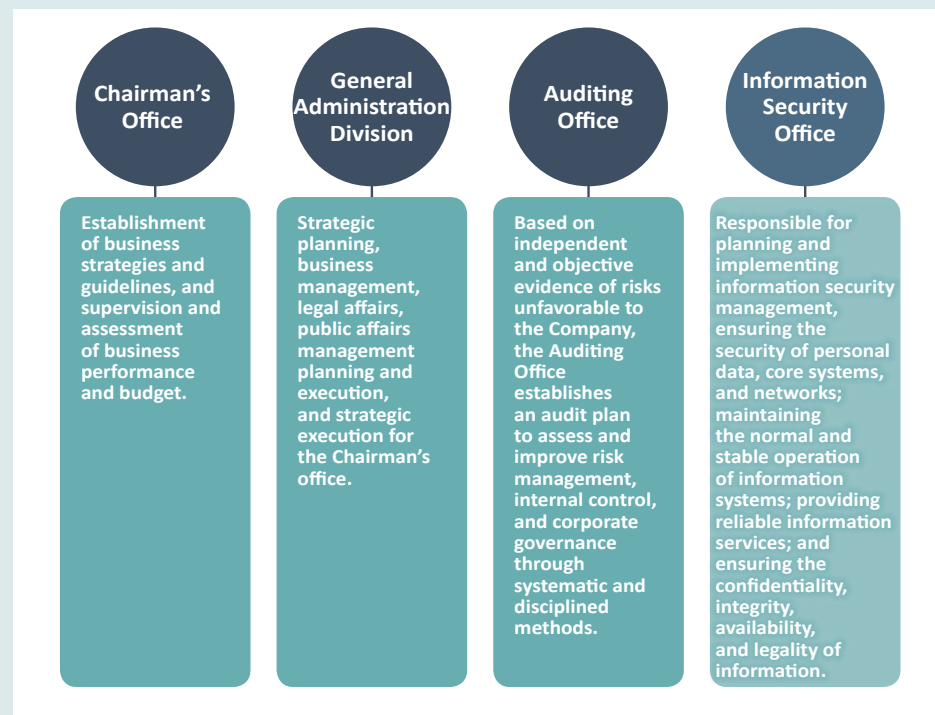
Industry	Percentage in Revenue	Subsidiary	Main Product / Brand	Country of Operation	Service Market	2025 Changes in operational value chain
Life insurance	77.86 %	Mercuries Life Insurance Co., Ltd.	Product: Insurance Brand: Mercuries Life Insurance	Taiwan	Taiwan	No significant changes
Retail of daily necessities, food and beverage	16.44 %	Mercuries & Associates, Ltd.	Products: Sale of shoes Brand: Family Shoemart, En Route	Taiwan	Taiwan	9 new stores (including e-commerce business) and 7 stores closed
		Sanhui Co., Ltd.	Product: Sale of shoes Brand: Adidas	Taiwan	Taiwan	Established on March 31, 2025, with 21 new stores
		Mercuries F&B Co., Ltd. and subsidiaries	Product: F&B sales Brand: Mercuries Beef Noodle, Napoli Pizza and Fried Chicken, Tonkatsu, Mercuries Donburi, Pin Chuan Lan, Banco, Mercuries Cloud Kitchen, Mercuries Beef Noodle PLUS+, 33 Fried Chickem, etc.	Taiwan Japan	Taiwan Japan	34 new stores and 12 stores closed.
		Simple Mart Retail Co., Ltd. and subsidiaries	Product: Department stores and supermarkets Brand: Simple Mart, Simple Mart Green, OFFICE Mart, Go Simple Mart, Tomod's, Happypet, etc.	Taiwan	Taiwan	In 2025, Simple Mart added 29 new stores and closed 27 stores, resulting in a total of 812 stores. The proportion of the franchised stores increased to 37% (up 10% from 2024), and the total number of brand stores reached 841.
		Mercuries Home Furniture Co., Ltd.	Product: Interior design and renovation Brand: Mercuries Home Furniture	Taiwan	Taiwan	8 new stores and 5 stores closed
Information service	4.10 %	Mercuries Data Systems Ltd. and subsidiaries	Product: Software and hardware design and sales Brand: Mercuries Data Systems	Taiwan Nanjing, China	Taiwan China	No significant changes
Pharmaceuticals	0.82 %	SCI Pharmtech Inc. and subsidiaries	Product: Pharmaceutical R&D and sales Brand: SCI Pharmtech	Taiwan	Europe, the US, Japan, South Korea, and Taiwan	The Guanyin Plant began construction in 2022. It is expected to start trial production in 2026.
Other businesses	0.78 %	Mercuries Liquor & Food Co., Ltd., Mercuries General Media, Inc., and so on	Product: Food, beverage, and multimedia Brand: Mercuries Liquor & Food, Mercuries General Media, Inc., among others	Taiwan	Taiwan	No significant changes



2.2 Governance body: Sound decision-making and supervision

Governance body

The Company is an investment holding company with main investments in life insurance, retail of daily necessities, catering retail, pharmaceutical manufacturing, and information services, among others. The Company expands business through vertical integration and diversified management, and assist subsidiaries in resource integration. The Company's governance mechanism is formulated and operated by the Board of Directors, Audit Committee, Chairman's Office, General Administration Division, Information Security Office, and Auditing Office according to their respective powers and responsibilities. The powers and responsibilities of each unit are as follows.

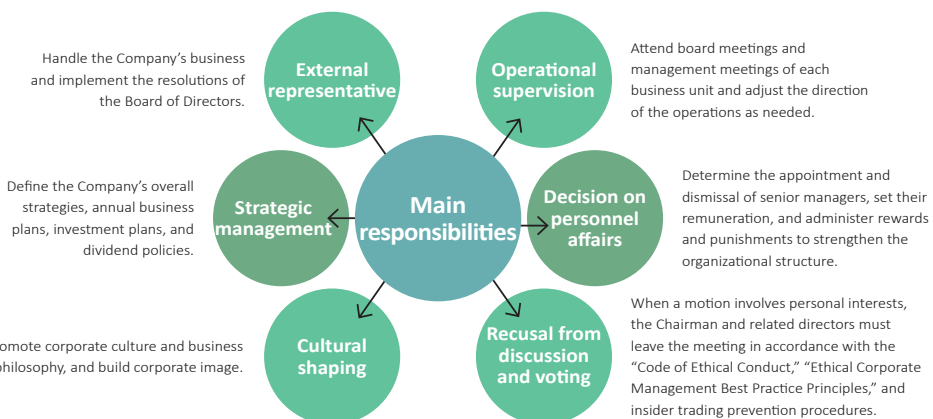




Composition and duties of the Board of Directors:

The Board of Directors is the top governance unit of Mercuries & Associates Holding, and the representative of stakeholders is chairman Chen, Shiang-Li. The Chairman also concurrently serves as the President and has experience in managing various business units, strong leadership and decision-making abilities, crisis management skills, and an understanding of international markets. The Chairman is elected by the Board of Directors. The Chairman joined the Company in 1998 as the Director of the General Affairs Office and has participated in the business management for over 20 years. He is familiar with all of the Company's investments and possesses extensive experience. He has no record of disciplinary actions, demonstrates professional competence, and has a strong understanding of corporate governance. In addition, one independent director was added as required by regulations to enhance the independence of the Board of Directors and mitigate conflicts of interest.

Main responsibilities:



Election and diverse composition of directors: Election mechanism:

The candidate nomination system is adopted and implemented in accordance with the Company Act, the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and the Company's Regulations Governing the Election of Directors. Independent directors and non-independent directors are elected at the same time, and the elected quota is calculated separately. Also, disclosed cumulative voting is adopted. Those with more votes will be elected. In addition to nominating and electing directors in accordance with the law, to strengthen the Board of Directors' oversight of sustainable development, the Company assesses candidates' ability to address organizational impact, including their understanding of and management experience related to environmental issues (such as climate change and energy management), social/human rights issues (such as employee rights and occupational safety), and governance issues (such as legal compliance and ethical management). This ensures that the Board of Directors can effectively supervise the management of key topics and associated risks. The current director selection guidelines has not yet included environmental, social, and human rights impact management.

Diversity of composition:

The members of the Board of Directors comprise professionals from the management teams, business administration specialists, and financial and accounting professionals. Leveraging diverse expertise, they develop governance strategies from stakeholders' perspectives, oversee management, review business performance, prevent conflicts of interest, ensure legal compliance, and actively pursue ESG strategies to improve the sustainability value and competitiveness of the Company.

The Board of Directors currently consists of 10 directors, including four independent directors representing 40% of the total for a term of three years. There is one female director (10%). The Board of Directors holds at least one meeting each quarter and convenes extraordinary meetings whenever necessary. In 2025, a total of seven board meetings were held, with an average attendance rate of 99% (including attendance by proxy), demonstrating good governance performance. None of the board members belonged to a disadvantaged social group.

Continuing education of directors

In addition to integrity and extensive experience, the members of the Board of Directors regularly participate in continuing education courses to enhance their knowledge of operations and risk management, and maintain their professional expertise and core competencies. Continuing education results in 2025: The number of participants: 10; total education hours: 81; average hours per person: 8.1. The continuing education of directors covers issues including corporate governance, sustainable development, risk management, financial accounting, legal compliance, and AI and digital transformation. The courses are provided by the Securities and Futures Institute, Taiwan Stock Exchange, Accounting Research and Development Foundation, and other professional institutions. Through the continuous education mechanism, the Board of Directors has strengthened its decision-making and supervisory capabilities in the economic, environmental, and social areas, and enhanced its understanding of climate change and sustainability-related regulations (such as IFRS Sustainability Disclosure Standards) to ensure that the Company's sustainability strategy is forward-looking and resilient.

The Board of Directors' competencies encompass economic, environmental, and social/human rights aspects, enabling effective oversight and response to impacts arising from the Company's material topics. The Board of Directors has strengthened its governance over financial, risk, and sustainability issues through the work division and the operation of the functional committees, such as the Audit Committee and the Remuneration Committee. In addition, the Board of Directors has members experienced in business administration, independent directors, who represent the Company's management perspectives, and an external oversight mechanism to ensure that the interests of the stakeholders (such as shareholders and investors) are appropriately reflected and protected.

Independent directors serve a **three-year term**. total education hours: **81**

Continuing education results in 2025:

The number of participants: **10**





List of Directors of Mercuries & Associates Holding, Ltd.

Title	Representative unit	Name	Gender	Main position at present	2025 Continuous education hours	Competence		
						Economy	Environment	Society/Human Rights
Chairman	Natural person	Chen, Shiang-Li	Male	Chairman & President of Mercuries & Associates Holding	9	●		●
Director	ShangLin Investment Co., Ltd.	Chen, Shiang-Chung	Male	Chairman of Mercuries Data Systems Ltd.	6	●		●
Director	ShangLin Investment Co., Ltd.	Chen, Shiang-Feng	Male	Chairman of Simple Mart Retail Co., Ltd., Mercuries F&B Co., Ltd., Mercuries & Associates, Ltd.	6	●		●
Director	Shuren Investment Co., Ltd.	Wong, Wei-Chyun	Male	Chairman of SCI Pharmtech Inc.	12	●	●	●
Director	Shuren Investment Co., Ltd.	Cheng, I-Teng	Male	Director of Dynacard Co., Ltd. and Sunhawk Vision Biotech, Inc.	12	●		●
Director	Mega Prosper Investment Limited	Li, Chien-Hsiung	Male	Chairman of Mega Prosper Investment Limited	6	●		●
Independent director	Natural person	Lee, Mao	Male	Chairman of Allter Technology Co., Ltd.	9	●		●
Independent director	Natural person	Tseng, Yu-Chiung	Female	Part-time professional technician at associate professor level of Ming Chuan University	6	●		●
Independent director	Natural person	Liu, Po-Liang	Male	Chairman of Chuan An Technology Property Co., Ltd.	9	●		●
Independent director	Natural person	Chao, Yuen-Chi	Male	Chairman of Concord Asia Finance Ltd. and independent director of Primasia Securities Co., Ltd.	6	●		●

※ The term of this Board of Directors is from June 21, 2024, to June 20, 2027.

※ All members of the Company's Board of Directors are citizens of the Republic of China. There is one female director, and all members are over 50 years old. None are from disadvantaged social groups or represent stakeholders. The members' expertise covers key areas such as operational performance in terms of the material topics, corporate sustainability governance, surplus food management, product quality, and food safety.

※ On March 4, 2026, Shuren Investment Co., Ltd. replaced Cheng, I-Teng with Weng, Tsui-Chun as its representative.



Auditing Committee

The Auditing Committee of the Company consists of four independent directors and is responsible for supervising the Company's affairs, including the fair presentation of financial statements; the selection and dismissal of certified public accountants; the independence and performance of CPAs; the effectiveness of internal controls; compliance with laws and regulations; control of existing or potential risks; and other powers conferred by law. In 2025, the Auditing Committee held a total of five meetings, with an average attendance rate of 100% (including attendance by proxy).

Remuneration Committee

The Company has established a remuneration committee that meets at least twice a year. The committee comprises four independent directors and is primarily responsible for assisting the Board of Directors in developing the Company's overall compensation, remuneration, and welfare policies by making use of the professional and objective assessment capabilities of the independent directors. It also supervises and reviews the performance of the Company's senior management and their remuneration plans. A total of two meetings were held in 2025, with an average attendance rate of 100% (including attendance by proxy). The current compensation system for the Company's senior management and directors is mainly based on the Company's overall operating performance, financial results, and market standards, and is regularly reviewed and

Independent Directors of the Audit Committee

4 people

2025 Audit Committee

5 times

Audit Committee attended

100%

Independent Directors of the Remuneration Committee

4 people

2025 Compensation Committee

2 times

Remuneration Committee attended

100%

recommended by the Remuneration Committee. The operating performance and corporate governance issues that stakeholders are concerned about have been indirectly reflected in the remuneration assessment considerations. In the future, the Company will continue to strengthen the connection between the stakeholder feedback and sustainability performance metrics, and will assess the feasibility of incorporating them into the remuneration system to enhance the governance transparency and ensure alignment with the ESG efforts.

Annual Remuneration Ratio of Mercuries & Associates Holding and important subsidiaries^{Note 1}

Company Name	Item	2023	2024	2025
Mercuries & Associates Holding	Annual total remuneration ratio ^{Note 2}	12.19	8.25	11.68
	Annual total remuneration change ratio ^{Note 3}	-0.08	-0.03	6.08
Mercuries Life Insurance	Annual total remuneration ratio	17.22	17.58	13.88
	Annual total remuneration change ratio	1.58	1.22	-5.33
Mercuries & Associates	Annual total remuneration ratio	19.93	16.38	15.18
	Annual total remuneration change ratio	1.63	-10.32	-0.48
Mercuries F&B	Annual total remuneration ratio	17	15	13.28
	Annual total remuneration change ratio	-0.04	-6.5	-4.21
Simple Mart Retail	Annual total remuneration ratio	20.49	20.04	20.81
	Annual total remuneration change ratio	2.16	0.76	1.61

※ Note 1: In accordance with the definition in paragraph 2 of Article 2-1 of the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, the important subsidiaries of Mercuries & Associates Holding include Mercuries Life Insurance Co., Ltd.

※ Note 2: Formula of "Annual total remuneration ratio": [Annual total remuneration of the individual with the highest remuneration in the organization] ÷ [Median of the annual total remuneration of all employees (not including this individual with the highest remuneration)]

※ Note 3: Formula of "Rate of change in annual total remuneration": [Increased percentage of the annual total remuneration of the individual with the highest remuneration in the organization] ÷ [Increased percentage of median of the annual total remuneration of all employees (not including this individual with the highest remuneration)]



Remuneration policy for the highest governance body and top management:

Highest governing body:

The Company's directors do not receive salary, but are reimbursed for travel expenses for their attendance at the board meeting and receive directors' remuneration distributed in accordance with the Company's Articles of Incorporation and approved by the Board of Directors, with a report to the shareholders' meeting. (The remuneration shall not exceed 1% of the current year's pre-tax net profit, and shall be allocated after deducting any accumulated losses.) Remuneration for independent directors is authorized by the Board of Directors and determined based on each director's level of participation in and contribution to the Company's operations, with reference to prevailing industry standards.



Board of Directors



Independent Directors

Senior management:

The remuneration for managers includes fixed compensation (including base salary, food allowance, and job allowance, among other items) and variable compensation (year-end bonus). Managers are eligible to participate in the distribution of employee bonuses as outlined in the Company's Articles of Incorporation and approved by the Board of Directors. The remuneration of the managers is linked to their individual contribution, management performance, and the Company's operational performance. After review by the Remuneration Committee, it is submitted to the Board of Directors for approval. Except for the above, there are no sign-on bonuses or recruitment incentives, termination payments, clawback mechanisms, or retirement benefits. Currently, the Company has not yet linked specific performance metrics in the environmental and social/human rights aspects (such as greenhouse gas reduction, employee welfare, or supply chain management) with senior management remuneration. However, ESG-related issues have been gradually incorporated into business management and performance review processes, and internal management mechanisms have been strengthened to enhance the follow-up and disclosure of sustainability performance. In the future, the feasibility of incorporating sustainability performance into the remuneration system will be assessed based on the development of the corporate governance and the promotion of the sustainability strategy.



Manager



Contributions, performance, and ESG outcomes

Operation Management Committee

The Company has established an Operations Management Committee that convenes meetings once a month. The members of this committee are the top managers of each business unit and brand. The main responsibilities of the Company are to assist in evaluating the industry status, planning operating strategies, reviewing the annual budget fulfillment rate, coordinating cooperation among departments, and promoting related plans. In 2025, a total of 12 meetings were held by the business units with contents containing discussion of store expansion plans of each brand, comparative analysis of monthly operating revenue, expenses, and net profits and description of the conditions in the same trade, to realize the function of supervising the operating performance.

ESG Committee

We believe that excellent governance is the fundamental guarantee for sustainable development. For this, we have established the "Corporate Sustainable Development Best Practice Principles" on August 12, 2016 and set up the ESG Committee under the Board of Directors as the Group's highest decision-making and supervisory body for sustainable development. This not only demonstrates the Board of Directors' strategic commitment to sustainable development, but also establishes the sustainability governance as a core element of the Group's operations.

The Company has established a "ESG" section on the website as a platform for real-time inquiries and interactive responses to ensure transparency in sustainability information. This section provides downloads of past sustainability reports, ESG-related policies, action plans, and performance data, and is updated regularly to ensure that stakeholders have timely access to the latest sustainability information.





ESG Governance Framework and Features

Level	Organization	Responsible Person	Core Competency	Operating Frequency	Governance Highlights
Highest Supervisory Level	Board of Directors	-	Supervision and guidance on sustainable development	Four submissions per year	Decision-making authority: The Chairman serves as the ESG Committee Chair to ensure that the sustainability governance receives top-level attention.
Decision-making Level	ESG Committee	Chair: Chairman of the Board of Directors	• Formulation of sustainability policies • Resolution of major motions • Procedure review and approval • Supervision of ESG issues and risk management	Report to the Board of Directors four times a year.	Depth of implementation: The Vice President serves as the chief sustainability officer, and department heads participate to ensure policies are implemented effectively. International alignment: International standards such as GRI, SASB, TCFD, and IFRS are observed.
Coordinating Level	ESG Office	Chief Sustainability Officer	• Coordinate ESG-related matters • Ensure efficient collaboration and execution across companies and departments.	Permanent unit	Smooth horizontal collaboration: The ESG Office coordinates collaboration across companies and departments to ensure efficient execution.
Professional Advancement Level	Three project teams	-	In-depth management and implementation of sustainability policies	Permanent unit	Clear vertical responsibilities: Board of Directors → ESG Committee → ESG Office → three project teams, a clear four-level structure of work division.



Responsibilities of the three project teams

Project Team	Date of Establishment	Core Mission	Main Responsibilities	2025 Achievements
Sustainability Implementation Team	After 2016	The coordinator of the sustainability information and human rights management	Sustainability information management and transparent disclosure • Establish sustainability information management policy • Observe GRI, SASB, and TCFD and other international standards • Align with IFRS Sustainability Disclosure Standards Enhancement of governance and stakeholder communication • Observe corporate governance laws and regulations • Plan education and training • Maintain a stakeholder communication mechanism	The Company continued to align with international standards
Greenhouse Gas Inventory and Reduction Promotion Team	May 2022	The driving force behind climate actions Leading the Group toward Science-Based Targets and net zero emissions.	Establishment and optimization of the environmental management system • ISO 50001 energy management • Ensure compliance with environmental protection laws and international standards Greenhouse gas inventory and verification • Conduct Scope 1, 2, and 3 verification • Entrust a third-party certification agency to conduct independent verification Climate transition and resource efficiency improvement • Formulate carbon reduction action plans • Implement energy transformation, waste reduction, and water resource management Identification of climate risks and opportunities • Conduct regular climate risk assessment • Explore business opportunities in green finance and low-carbon products	The Company completed Scope 1 and 2 inventory and verification.
IFRSs Sustainability Disclosure Implementation Team	November 2024	An international pioneer Ensuring compliance with IFRS Sustainability Disclosure Standards from 2026.	Transition of standards and update of internal controls • Promote transition of standards (IFRS S1 and S2) • Update the IFRS International Control Manual for Sustainability Information • Ensure the integrity of data collection, verification, and reporting processes. Education, training, and capacity building • Plan and organize systematic training • Enhance the organization's IFRS sustainability standards capabilities • Ensure accurate and timely execution of relevant tasks	In 2025, standards were transitioned and international controls were updated. Personnel education and training, along with capacity building, were planned and organized. New standards will be officially implemented from 2026.



Ethical governance mechanism and result

Governance Aspect	Management Mechanism	2025 Achievements
Recusal by conflict of interest	- To prevent and mitigate conflicts of interest, the Company supervises and manages them according to the following requirements: (1) When sending out the board meeting notice and agenda, the Company includes the statement “If you have a conflict of interest in any of the motions, please recuse yourself” at the bottom of each page of the agenda to remind directors to be mindful of any motions from which they should recuse themselves. During the discussion of each motion, the Company’s corporate governance officer will ask directors with conflicts of interest, their related parties, and any personnel not involved in the matter to leave the meeting. (2) The Company regularly supervises the highest governing unit and personnel who, due to their business relationships, are aware of relevant information, urging them to carefully comply with the Company’s regulations and avoid conflicts of interest. (3) The Company promptly forwards letters, notices, or legal regulations issued by the competent authority regarding compliance requirements for directors and insiders. - The Company discloses the contents of the conflict of interest to stakeholders in its annual report every year, including (1) the concurrent positions held by directors and managers in the Company and other companies; (2) the top 10 shareholders of the Company and information on their relationships with each other or as spouses or relatives within the second degree of kinship; and (3) the number of shares held by the Company, the directors and managers of the Company, and the businesses directly or indirectly controlled by the Company in the same investee, along with the consolidated shareholding ratio.	- Effective operation of the mechanism - Complete disclosure in the annual report
Communication of major incidents	In the event of a critical major incident, managers will immediately report possible solutions to the highest governing body and submit them to the Chairman for approval in accordance with the Company’s internal control system. Every quarter, CPAs communicate with the Board of Directors regarding governance matters and the impact of the change or application of the financial accounting standards on the Company’s financial and business affairs, in accordance with the Statement of Auditing Standards No. 62 “Communication with the governing body of the auditee” and other auditing standards.	In the current year, one key material event was reported to the highest governing body: the major business decision on the merger of the subsidiary Mercuries Life Insurance into E.SUN Financial Holding Co., Ltd. The proposal has been submitted to the Board of Directors for review, and its potential impact on the Company’s business strategy, financial structure, risk management, and stakeholders has been assessed and monitored. Otherwise, there were no major regulatory violations, major occupational safety incidents, major information security incidents, or other negative impacts on stakeholders in the current year.
Performance evaluation	The Company executes performance evaluation for each director, each functional committee, and the Board of Directors independently once every year according to “Rules for Performance Evaluation of Board of Directors.” Self-evaluation through the filling of questionnaires is adopted as the evaluation method, with contents covering (1) understanding of the Company’s targets and missions; (2) understanding of the directors’ and functional committees’ responsibilities; (3) participation in the Company’s operation; (4) management and communication of internal relations; (5) election, expertise, and continuing education of directors and functional committees; (6) composition and structure of the Board of Directors and functional committees; (7) improvement in the Board of Directors’ and the functional committees’ decision-making quality; (8) internal control; and (9) other items.	The Company has established a mechanism for the annual performance evaluation of the Board of Directors and each functional committee, regularly reviewing the operational performance of the highest governance unit and its effectiveness in overseeing the Company’s operations and sustainable development issues. The 2025 performance evaluation results of the Board of Directors and all functional committees were excellent or higher, indicating the Board of Directors demonstrated good operational effectiveness in supervising the Company’s operations and managing economic, environmental, and social issues. These results were used as an important reference for continuously improving the Board’s operations and strengthening the sustainable governance mechanism. The current board performance evaluation items have not yet included management of environmental, social, and human rights impact management.
Ethical corporate management	It is stipulated in “Ethical Corporate Management Best Practice Principles” established by the Company that the Company’s directors, managers, employees, appointed persons, or those with substantial control over the Company shall not, during the process of commercial practices, directly or indirectly provide, promise, require, or accept any illegitimate interests, or adopt other unethical acts that violate the principles of integrity, legality, or fiduciary duty in order to acquire or sustain their interests. The targets of the aforesaid acts include public officials, political candidates, political parties or party members, as well as any public and private enterprises or institutions and their directors (council members), supervisors, managers, employees, substantial controllers, or other stakeholders.	Policies were applied to the entire organization.
Ethical corporate management	- The Company has established the “Code of Ethical Conduct” that explicitly requires its directors and managers to consistently promote ethical principles and encourages all personnel to immediately report any suspected or actual violations of laws, regulations, or this Code to their manager, the internal audit supervisor, or other appropriate personnel. To encourage employees to report illegal activities, the Company has established the “Implementation Rules for the Whistleblowing System,” which allows for anonymous reporting and assures employees that the Company will do its best to protect the safety of whistleblowers from retaliation. The reported party shall not retaliate against the reporting personnel in any way. If the reporting personnel experiences retaliation, threats, or harassment, they should immediately report to their supervisor or other appropriate personnel, and the Company will take appropriate measures immediately. - The design and establishment of the grievance mechanism are mainly based on relevant laws and regulations and the Company’s internal governance needs. During its operation, feedback is collected from internal employees, contractors, and suppliers through employee opinion surveys, experience in handling grievances, internal and external audit results, and supplier communication. This feedback is used to continuously review and optimize the operation of grievance channels, improving the mechanism’s accessibility and effectiveness.	- Smooth whistleblowing channels - Comprehensive protection mechanism
Grievance mechanism	The Company has established commitments, rules, methods, procedures, and bylaws regarding corporate governance, and made them available on the official website of the Company for stakeholders to inquire. The top management responsible for approving these regulations is the Board of Directors. The aforesaid documents are reviewed, or added (amended) every year according to laws and regulations, or based on the Company’s operational needs, and the policy applies to all activities and business relationships of the organization.	Information transparency and disclosure



Corporate Governance Related Rules and Regulations

- Articles of Incorporation
- Corporate Governance Best Practice Principles
- Sustainable Development Best Practice Principles
- Ethical Corporate Management Best Practice Principles
- Code of Ethical Conduct
- Implementation Rules for the Whistleblowing System
- Rules of Procedure for the Shareholders' Meeting
- Regulations Governing the Election of Directors
- Rules of Procedure for Board of Directors Meetings
- Regulations Governing the Finance and Business
- Operations between Related Parties
- Diversity Policy of Members of the Board of Directors
- Rules of Procedures of the Audit Committee
- Procedures for Endorsement Guarantee
- Procedures for Acquisition and Disposal of Assets
- Procedures for Loaning Funds to Others
- Code of Ethics Governing Procurement Personnel
- Rules of Procedures of the Remuneration Committee
- Information Security Policy
- Procedures for Handling of Major Internal Information
- and Prevention of Insider Trading

Please visit the company website for query or download of more information



External organizations:

The Company and subsidiaries actively participate in the affairs of external organizations and hold important positions to promote development of the industry and social welfare. The fields of participation include social welfare, food culture, sports, franchise industries, and information security. Through exchanges among industries and public welfare initiatives, we fulfill our corporate social responsibility and enhance the Group's influence.

External Organization	Position	Participating Company
Criminal Investigation and Prevention Association, R.O.C.	Vice Chairman	Mercuries Data Systems Ltd.
Taiwan Masters Golf Promotion Foundation	Chairman	Mercuries Life Insurance Co., Ltd.
Foundation for Chinese Dietary Culture	Chairman	Mercuries Life Insurance Co., Ltd.
Taoyuan County Mercuries Welfare and Charity Foundation	Chairman	Mercuries F&B Co., Ltd.
Taiwan Slow-Pitch Softball Association	Chairman	Mercuries Life Insurance Co., Ltd.
Taiwan Chain Stores and Franchise Association	Honorary Chairman	Mercuries Life Insurance Co., Ltd.
Taiwan Chain and Franchise Association	Executive Consultant	Mercuries F&B Co., Ltd.
Taiwan Chain and Franchise Association	Director	Mercuries & Associates, Ltd.



2.3 Operational performance: The financial foundation of operational resilience

Financial performance

In 2025, the Company's paid-in capital was NT\$11.1 billion and consolidated operating revenue reached NT\$160.4 billion, a 21% decrease from 2024. Although the life insurance business benefited from the recovery of the global capital market and the realized profit from equity investments increased compared to the previous year, exchange rate fluctuation between the NTD and the USD resulted in substantial exchange loss. As a result, the Company's net profit after tax attributable to the parent company in 2025 was NT\$755 million, a 50% decrease compared to the prior period, with the earnings per share of NT\$0.71. The return on assets (ROA) based on parent company only financial statements was 3.62% and the return on equity (ROE) based on parent company only financial statements was 4.66%.

The financial performance for the last three years is shown in the table below. For detailed financial reports, please refer to the MOPS or the Investor section of the Company's website (www.mercuries.com.tw).

Item	Unit	2023	2024	2025
Paid-in capital	NT\$100 million	112	112	111
Consolidated operating revenue	NT\$100 million	1,663	2,025	1,604
Net profit after tax attributable to the parent company	NT\$100 million	-28.74	15.18	7.55
Earnings per share after tax (EPS)	NT\$	-3.09	1.42	0.71
ROA based on parent company only financial statements	%	-12.55	6.69	3.62
ROE based on parent company only financial statements	%	-21.23	9.04	4.66

※ The financial reporting period is January 1 to December 31 of the year.

Paid-in capital in 2025

11.1 billion yuan } decrease from 2024
21%

Consolidated operating revenue

160.4 billion yuan

Net profit after tax attributable to the parent company in 2025

755 million yuan } Compared to the previous period, this recession
50%

Earnings per share (EPS)

0.71 yuan

Return on Assets (ROA)

3.62%

Return on Equity (ROE)

4.66%

Generation and allocation of direct economic value

Item	2025 (NT\$100 million)	Source of Data
I. Direct economic value generated		
Revenue	1,604	Consolidated operating revenue
II. Economic value allocated		
Operating cost	1,443	Income statement (operating cost + operating expense)
Employee remuneration and welfare	134.09	Personnel expense
Payment to contributor	14.72	Cash dividend + interest expense
Payment to government	5.86	Income tax expense
Community investment	0.20	ESG data
III. Economic value retained	6.13	



2.4 Risk management: Enhancement of the Group's operational resilience

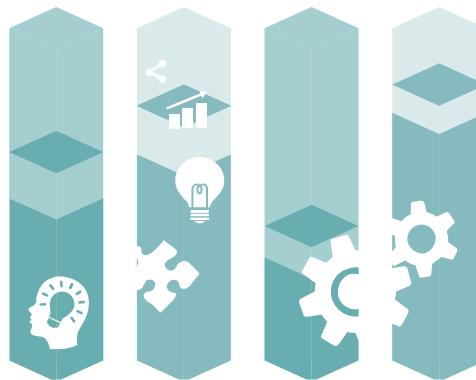
Real-time monitoring and a quick response to risks are crucial for stable business operations. The overall risk management policy of the Company covers the parent company and all subsidiaries (Mercuries Life Insurance Co., Ltd., Mercuries Insurance Agency Co., Ltd., Mercuries F&B Co., Ltd., Mercuries Liquor & Food Co., Ltd., Simple Mart Retail Co., Ltd., Mercuries & Associates, Ltd., Sanhui Co., Ltd., Mercuries Home Furniture Co., Ltd., SCI Pharmtech Inc., Mercuries Data Systems Ltd., and Mercuries General Media, Inc.) Control measures are established for different industries, and the impact of risks on the enterprise is reduced through elimination, transfer, and mitigation of risks.

The risk management is carried out by each company's risk management unit in accordance with the trading authority approved by the Board of Directors. Through close communication with the business operation department, these units identify, evaluate, and mitigate various risks, and actively explore opportunities to increase corporate resilience and achieve sustainability governance.



Communicate with various operational departments, identify, assess, and approve transaction authority, and implement risk management plans;

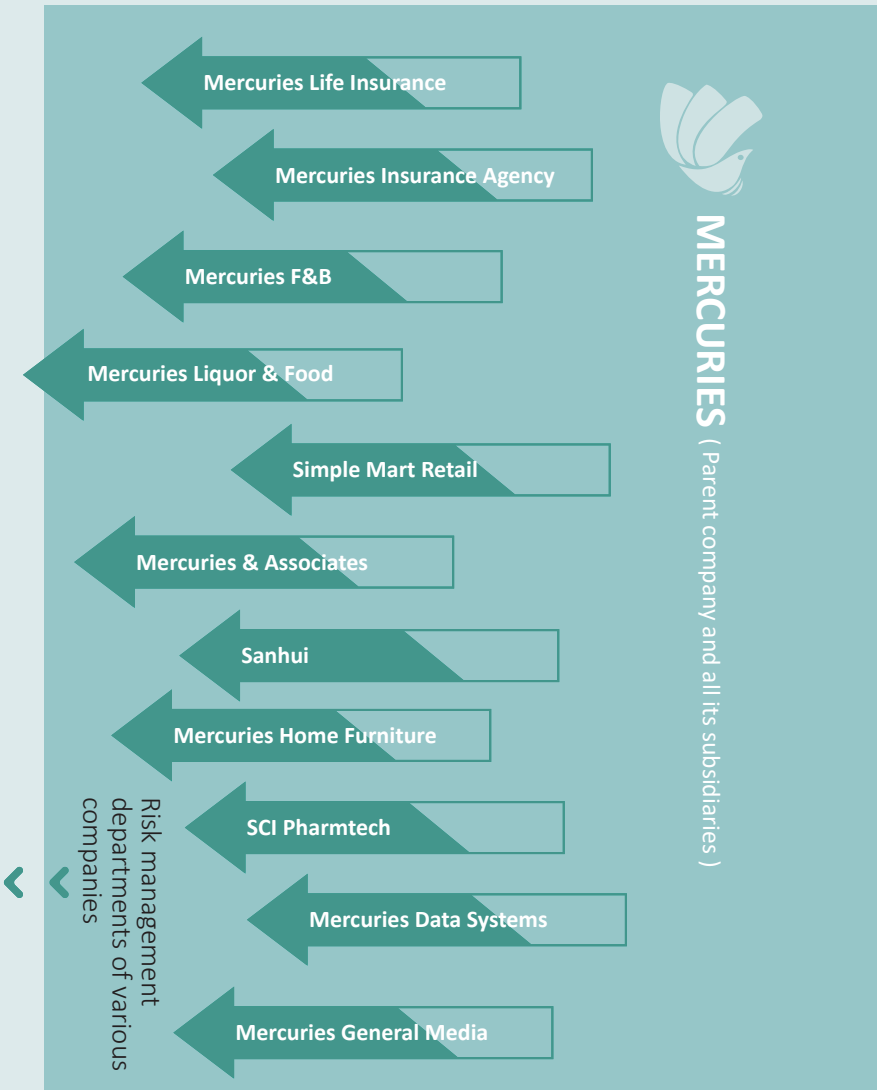
Board of Directors



Develop corresponding control measures

Reduce risk by eliminating, transferring, and mitigating risk

Reduce various risks based on the characteristics of different industries





Summary of major risk identification and control strategies

Risk Type	Main Risk Characteristics	Core Controls	Subsidiary Involved	2025 Performance and Goals
Financial risk	- Exchange rate - Interest rate - Credit - Liquidity - Operational risk	- Limit management and risk monitoring - Hedging with derivative financial instruments - Management of assets and liabilities - Establishment of rules and internal controls	Group	- Credit risk management: ESG factors are incorporated into credit risk assessments. We strengthen the monitoring of industries with high carbon emissions and carry out scenario analyses. Responsible investment is used to optimize the investment portfolio and ensure compliance with regulatory requirements. - Liquidity risk management: We establish a robust liquidity management mechanism, balance liquidity and profitability in the allocation of assets and liabilities, maintain a ratio beyond the statutory standard, report to the Board of Directors regularly, and incorporate climate risks into stress testing. - Operational risk management: Information security and climate risks are incorporated in the management and ESG-related process controls are strengthened. The three lines of defense for internal control operate effectively, with self-assessment of risks conducted and improvement made on a regular basis.
Climate and natural disaster risk	- Extreme weather (flood, typhoon) - Personnel injuries resulted from earthquake - Property loss - Supply chain disruption	- Taking out commercial property/inventory/business interruption insurance - Establishment of emergency response and disaster recovery plans - Daily self-inspection and maintenance - Establishment of a 24-hour emergency reporting system - Remote backup and diverse supplier networks	Group	- Risk assessment: Identification of five climate-related risks and two opportunities and completion of the 1.5°C and 4°C scenario analyses - Emergency drill: Each subsidiary holds emergency drills on a regular basis every year.
Information security and privacy risk	- Hacking - Ransomware - Data breach - System failure - Personal information leakage	- Establishment of a dedicated information security unit (Information Security Office) - Formulation of a cybersecurity protection plan - Formulation of information security incident reporting and response procedures. - Periodic vulnerability scanning and penetration testing - Introduction of an EDR threat detection platform and SOC threat management system - Establishment of off-site redundancy and backups in the IDC data center to enhance information security resilience. - Joined TWCERT (Taiwan Cyber Security Alliance) - Periodical education and training and social engineering drills	Group	- The Company provides 3 hours of annual education and training on personal data protection and information security, to a total of 128 employees for this year, and distributes information security dissemination materials periodically to enhance information security awareness among employees. - The Company conducts email social engineering drills every year. In 2025, a total of 510 emails were sent to test 170 users. The result showed an open rate of 5.30% and a click rate of 1.76%. Information security education and training were conducted again for the employees who did not pass the drill. 31,665 hours of information security training were performed by Mercuries Life Insurance for its office and field personnel. - The investment budget that the Mercuries Life Insurance prepared for information security accounted for 14.48% of the overall IT budget. - Throughout the year, Mercuries Data Systems blocked approximately 1.05 million high-risk attacks. - SCI Pharmtech implemented MasterControl, an electronic document management and signature system, to strengthen the quality document management and electronization processes. The Company installs the LabWare LIMS laboratory information management system to improve the integrity and management efficiency of laboratory data. - In 2025, there were no major information breaches across the Group.
Operational risk	- High product homogeneity - Price competition among peers - Cross-industry impact - Fixed cost pressure on stores	- R&D of new products and private brands - Innovative service model - CRM data analysis and member relationship management - Economies of scale to reduce costs - Technology upgrade (POS, ERP, SCM) - Logistics automation and warehouse optimization	Simple Mart Retail Mercuries F&B Mercuries & Associates Sanhui	- R&D of products: Mercuries F&B's central kitchen produces a total of 207 finished products. - SCI Pharmtech has more than 8 products under development. - Private brand: The OEM evaluation rate for Simple Mart Retail was 94.9%.
Market transformation risk	- Impact of e-commerce and food delivery platforms - Diverse payment methods - Changes in consumption habit	- Development of online platforms (GoMeiLian, Mercuries Card) - Online Merge Offline (OMO) - Partnership with food delivery platforms (Uber Eats, FoodPanda) - Upgrade of payment equipment and promotion of electronic payment and ticket	Simple Mart Retail Mercuries F&B	- Membership: Mercuries & Associates has 3.3 million app members - Food delivery and logistics: 26.6% of the online shopping orders of the Mercuries & Associates are picked up in-store.
Food and product safety Risk	- Non-compliant product quality - Supply chain risk - Legal compliance risk - Damage to reputation	- Establishment of group-level product safety standards - Self-inspection and spot check - Standardized procedures for handling defective products - Strict supplier evaluation and selection - Taking out product liability insurance - Establishment of a central kitchen (Mercuries F&B)	Mercuries F&B Mercuries Liquor & Food SCI Pharmtech Simple Mart Retail	- Inspection performance: Mercuries F&B voluntarily monitored 2,850 samples for health, with a 100% pass rate. Simple Mart Retail's pass rate of the spot checks conducted by the government was 98.9%. - Food safety records: No major food safety incidents were recorded at Mercuries Liquor & Food and Mercuries F&B. - There were more than 2,000 suppliers and none of them had significant compliance violations. - Supplier assessment: The supplier assessment rate of Mercuries F&B, Mercuries Data Systems and SCI Pharmtech was 100%.



Summary of major risk identification and control strategies

Risk Type	Main Risk Characteristics	Core Controls	Subsidiary Involved	2025 Performance and Goals
Human resource risk	- High employee turnover rate - Decline in service quality - Low employee satisfaction - Labor disputes	- Improvement of the talent cultivation system and systematic training - Gradual improvement of employee welfare and satisfaction - Establishment of a labor-management grievance mechanism and periodical convention of labor-management meetings.	Group	- Training performance: The Total training hours exceeded 400,000 (an average of 19 hours per person), with a total investment exceeding NT\$40 million. - Welfare investment: Domestic and international travel subsidies totaled over NT\$9 million.
Occupational safety and health risk	- Occupational injury - Work-related accident - Occupational disease - Loss of working hours - Damage to reputation	- Implementation of ISO 45001 Occupational Health and Safety Management System certification - Periodic hazard identification and risk assessment - Periodic occupational safety and health training - Daily self-inspection and regular audit - Formation of an emergency response team and implementation of periodic drills - Periodic working environment measurement (CO₂, water quality)	Group	- Certification and performance: Mercuries F&B, Simple Mart Retail, Mercuries Data Systems, and Simple Mart Retail have obtained ISO 45001 certification. - Statistics of occupational accidents: The Group has experienced zero fatalities from major occupational accidents.

Internal control system

Internal Control System Mercuries & Associates Holding has set up an Auditing Office under the Board of Directors. The auditors shall carry out internal audits and internal control self-evaluations according to the Company's "Detailed Rules for the Implementation of Internal Audit" and "Procedures for the Self-evaluation of the Internal Control System," utilizing the five effectiveness criteria (control environment, risk evaluation, control activities, information and communication, and monitoring) outlined in the Regulations Governing the Internal Control System of Public Companies to periodically review and evaluate the performance and effectiveness of the Company's internal control system each year. Based on the materiality of the risks and the judgment of necessity, the Company formulates an audit plan for the following year and submits it to the Audit Committee and Board of Directors for approval.

Penalties: Compliance with environmental, economic and social/human rights regulations: In 2025, the Company and all subsidiaries experienced no significant violations of environmental, economic, social/human rights, or food safety related laws and regulations during the operations. However, some general regulatory violations occurred during the daily operations, totaling 44 cases throughout the year, with a total fine amount of NT\$29,436,876. Among them, 26 violations related to labor laws and regulations, financial supervision, personal data protection, occupational safety and health, and fire safety, with the majority concerning labor and financial supervision issues at Mercuries Life Insurance. Two violations of environmental laws and regulations (Waste Disposal Act) primarily involved waste management and sewage discharge. Sixteen violations of food safety-related laws and regulations were minor deficiencies in on-site or product management, such as environmental and equipment hygiene, food expiration date, and product labeling. All violations have been rectified and fines paid as required by the competent authorities. We continue to reduce the risk of violations by strengthening the internal control system, optimizing operating processes, improving attendance and salary management mechanisms, enhancing education and training, and reinforcing internal management mechanisms.

Year	Number of violations (total)	Total amount of fines (NT\$)	Significant monetary penalties ^{Note 1} /number of incidents (cases)	Amount of major penalties (NT\$)	Significant non-monetary penalties ^{Note 2} /number of incidents (cases)
2024	36	35,463,520	0	0	1
2025	44	29,436,876	0	0	0

Note 1: "Significant monetary penalties" refer to the situations where the amount of fines for a single case or accumulated fines in a year reaches a specific materiality threshold. For Mercuries Life Insurance, the materiality threshold is NT\$3 million or more in consideration of its business characteristics. For other subsidiaries, the materiality threshold is NT\$ 1 million or more.

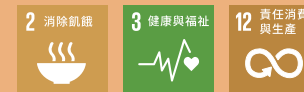
Note 2: "Major non-monetary penalties" refer to the penalties imposed by the competent authority, such as work stoppage, business suspension, permit revocation or cancellation, or incidents with a significant impact on operations, reputation, or personnel safety.



3

Co-creation of Values

Practicing Sustainable Routine Operations



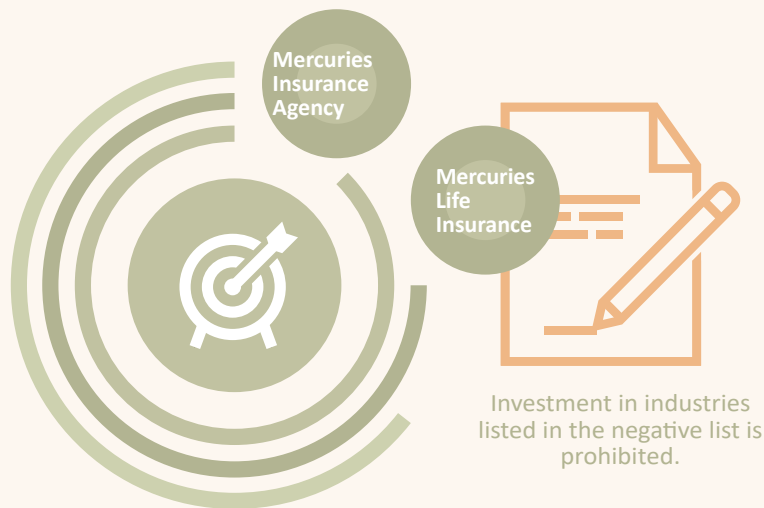
- 3.1 Responsible finance: Expanding the influence of sustainable investment
- 3.2 Safe food: Protection of food safety and quality
- 3.3 Professional medicine: Enhancement of R&D and quality management
- 3.4 Quality retail: Protection of the family in every step
- 3.5 Technology empowerment: Building trusted digital services
- 3.6 Safe home: Protection of a healthy and sustainable living space
- 3.7 Co-good of partners: Building a sustainable and resilient supply chain



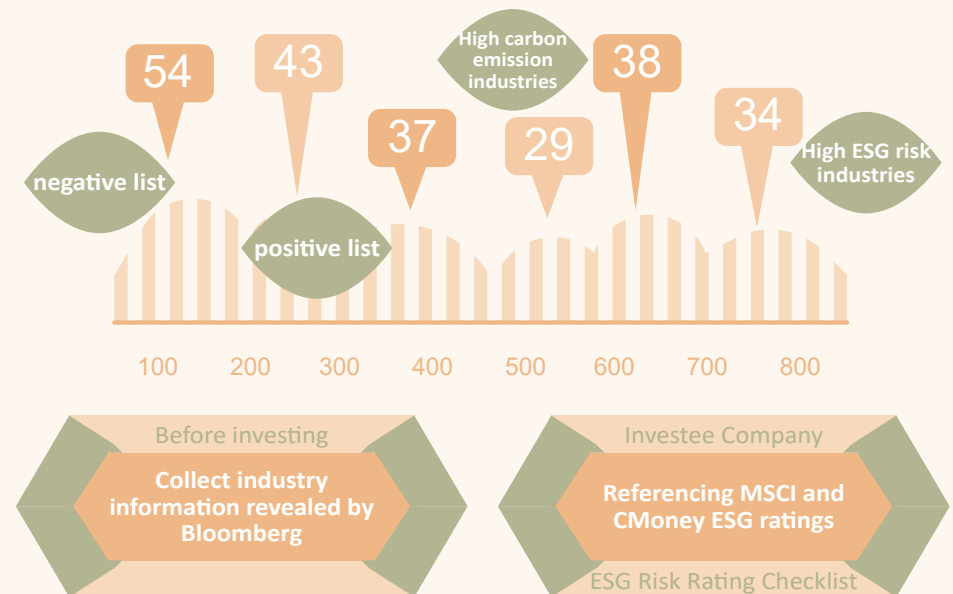
3.1 Responsible finance: Expanding the influence of sustainable investment

The financial industry is a key player in promoting sustainable development. The Company actively demonstrates its core functions through the subsidiaries of Mercuries Life Insurance and Mercuries Insurance Agency and integrates sustainability into business operations and investment decisions, thereby realizing the influence of sustainable finance.

In order to comply with TWSE's Stewardship Principles for Institutional Investors and the Principles for Responsible Investment (PRI) of the United Nations, Mercuries Life Insurance has established specific procedures in its "Responsible Investment Standards." When analyzing and assessing an investment, information on the investee's ESG performance and other relevant factors must be taken into account. In the meantime, investment in the industries on the negative list is prohibited while investment in the industries on the positive list is encouraged to realize the principles of responsible investment.



ESG-integrated investment principles: Before investing, we collect industry-specific information disclosed by Bloomberg to determine whether the target is a company on the negative list or positive list, or belonging to a high carbon emission or high ESG risk industry. In addition, we refer to the MSCI and Cmoney ESG ratings and, if no rating is available, complete an ESG risk rating checklist based on the investee's sustainability report and other public information to assess its sustainable development performance and use the result as a basis for making investment decisions.





Mercuries Life Insurance – Four Strategic Positioning Pillars of Sustainable Finance

Summary Table of Major Risk Identification and Control Strategies			
Pillar	Strategic Positioning	Implementation Approach	2025 Key Achievements
Responsible investment and climate action	As the core engine of sustainable finance, Mercuries Life Insurance actively leverages the influence of a financial institution to direct funds to the companies that positively contribute to the environment and society, and assists investees in their low-carbon transformation to jointly address the challenges of climate change.	- Develop insurance products for all ages and ethnicities, and promote financial literacy education in communities and schools. - Make long-term effort to establish a widespread, accessible micro-insurance service network across Taiwan.	- Invest NT\$399.451 billion in the industries on the positive list. - Quantify climate risks: Complete carbon inventory for investment portfolios, with total emissions of 2,611,129.09 tCO₂e (90.84% coverage). - Exercise shareholders' influence: Attend shareholders' meetings of 61 listed companies (100%), issued 102 climate engagement questionnaires to understand the progress of low-carbon transformation and the difficulty encountered by investees.
Financial inclusion	Mercuries Life Insurance firmly believes that financial services should be democratic and inclusive, and is committed to breaking down barriers to access so that people of all ages and ethnicities and in all regions can enjoy fair and quality financial protection.	- Develop insurance products for all ages and ethnicities, and promote financial literacy education in communities and schools. - Make long-term effort to establish a widespread, accessible micro-insurance service network across Taiwan.	- Expand financial education coverage: 57 financial education activities were held throughout the year, with over 8,732 participants. - Strengthen protection of the disadvantaged: Over 22,000 people were covered by micro-insurance, with over NT\$5.33 million of premiums donated. - Remote area services: 103 financial service access points have been established in remote areas across Taiwan.
Fair treatment of customers and customer experience	Treating customers fairly is the core of the corporate culture and the foundation for establishing long-term trust with customers. Be committed to protecting the rights and interests of every customer, especially seniors and vulnerable groups, and continuously optimize the service process to enhance customer satisfaction.	- Establish a three-level fair customer treatment governance framework supervised by the Board of Directors, driven by a dedicated unit and with the participation of all employees. - Through comprehensive education and training, the concept of treating customers fairly has been internalized as a standard for the employees to serve customers. - Establish a special protection mechanism for elderly policyholders, such as mandatory audio recording and dedicated follow-up.	- Recognized for protection of customer's rights: The complaint rate was the third lowest in the industry, and the ombudsman rate was the fourth lowest in the industry. - Earn high customer trust: Customer satisfaction reached 81.7%, up from the previous year; the 13-month policy renewal rate reached 95.84%. - Fair treatment of customers: 100% of directors, senior executives, and employees completed relevant education and training.
Digital finance and innovation	Digital innovation is a key driver of improved service efficiency, optimized customer experience, and environmental sustainability. Embrace technology and create more convenient and secure financial services for customers through digitization, mobility, and smart solutions.	- Promote mobile insurance application and electronic policies by integrating diverse authentication approaches. - Integrate and optimize the "Forgot Password" function in the app. - Provide the "Easy Protection" function and exclusive product recommendations on the official website. - Introduce big data and AI prediction technology in the Mobile Office app to develop systems such as "Product-to-Customer Matching, Traffic Recovery, and New Customer Recommendation" to accurately provide recommendation lists for sales personnel.	- Remarkable digital performance: The mobile insurance application rate of new contracts reached 98.34%. The online membership increased by 49.04% compared to the previous year. - Implement environmental sustainability: 4.48 million sheets of paper were saved throughout the year. - Innovative technology applications: The number of automated service users reached 680,000, a 7% increase year-over-year.



Mercuries Insurance Agency – Sustainable Practices of an Insurance Broker

As a professional insurance agency under Mercuries & Associates Holding, the company realizes sustainable finance through three aspects: I. Responsible investment and climate resilience: Mercuries Insurance Agency provides climate-resilient insurance (commercial fire insurance, business interruption insurance, climate disaster project insurance) and green industry project insurance (such as electric vehicle insurance, solar renewable energy insurance) to help businesses establish risk protection mechanisms and promote supply chain sustainability transformation. II. Fair treatment of customers and ethical selling: Ensure insurance information is transparent, establish a complete risk assessment and rapid complaint handling mechanism, provide friendly care for elderly customers, strengthen KYC (Know Your Customer) and suitability analysis, and prevent financial exploitation. III. Green operations and digital transformation: Promote mobile and paperless insurance procedures to reduce carbon emissions and operating costs, and improve service efficiency through digital platforms. Mercuries Insurance Agency is committed to connecting corporate clients with the insurance market, driving the sustainability transformation of the insurance industry, and creating long-term value for society.

Aspect	Core Contents	Customer value	Social Value	2005 Key Performance
Responsible investment and climate resilience	Climate resilience insurance/green industry project/supply chain sustainability management	Establish a climate risk protection mechanism	Promote corporate sustainability transformation	Promote new energy vehicle insurance and solar renewable energy insurance, which has grown rapidly.
Fair treatment of customers and ethical selling	Transparent communication/risk assessment/grievance mechanism/protection of vulnerable groups/fraud prevention education	Enhance sales quality and trust	Protect vulnerable groups	Fair customer treatment training: - 36 training hours for office personnel (12 participants) - Training completion rate 100% Grievance to the deliberation center: - 1 case, case closure rate: 100%. (Type; business solicitation dispute/doubt)
Green operations and digital transformation	Mobile / paperless insurance application/low-carbon operations	Simplify insurance application process	Reduce carbon emissions and costs.	The four property and casualty insurance partners have adopted a paperless application procedure for their vehicle insurance policies, thereby significantly reducing carbon emissions.

3.2 Safe food: Protection of food safety and quality

The Group's business encompasses retail (Simple Mart Retail), catering (Mercuries F&B), and food trading and distribution (Mercuries Liquor & Food). We understand that food safety is the cornerstone of the Group's sustainable operations and consumer trust. Through the three major business entities of Mercuries F&B, Simple Mart Retail, and Mercuries Liquor & Food, the Group has established a complete food safety management chain spanning food import and export, central kitchens, retail channels, and catering services. From international procurement sources to consumers' tables, full traceability and risk control are implemented to protect consumer health in accordance with the highest standards. The Group's mission is to provide customers with safe, secure, and healthy products and services. We require all business entities to comply with food safety and health regulations and strictly manage customer's health through multi-level risk management and audit systems.

Food safety management framework

The Group has established dedicated management mechanisms in each business entity. A complete food safety protection network has been formed through multiple control measures, including international certification standards, supplier management, product inspection, and shop audits.

Business Entity	Management Level	Core Responsibility
Mercuries F&B	The Chairman serves as the chair of the cross-departmental Food Safety and Environmental Health Committee, integrating the food supply, central kitchen, store operation, and quality assurance lab to ensure food safety policies are thoroughly implemented.	Mercuries F&B integrates the food supply, central kitchen, store operation, and quality assurance lab to ensure food safety policies are thoroughly implemented.
Simple Mart Retail	A Three-level quality management system	Supplier self-management → procurement and acceptance → self-inspection for strict control of retail channels.
Mercuries Liquor & Food	Supply chain end-to-end control	Implement full traceability and risk control from international procurement sources to distribution channels.

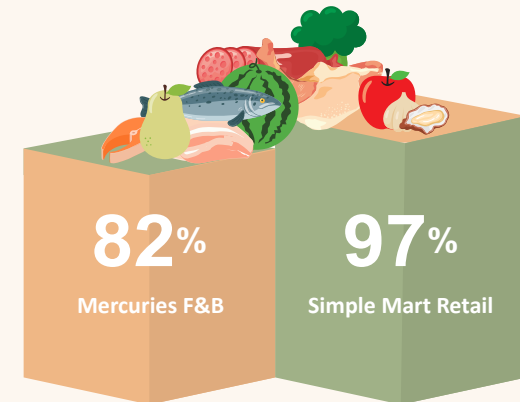


Food safety management mechanisms and international certification – aligning with international standards to enhance trust.

Business Entity	Certification	Coverage	Certification Status	Remarks
Mercuries F&B – Central Kitchen in Dayuan	FSSC 22000 ISO 22000:2018	100% of products produced	The system certification was renewed in June 2025	Expiry date: 2028.07.20
	HACCP	100% of products produced	Renewal was approved in June 2024	Expiry date: 2028.07.20
	TQF	100% noodle products	Renewal was approved in July 2025.	Expiry date: 2026.09.08
Mercuries F&B – Central Kitchen Lab	ISO/IEC 17025	Inspection capability	Valid until 2026	
	ISO/IEC 17043 capability testing	Microorganism testing items	QC personnel passed the test between August and December 2025.	Items such as “Total bacterial count (AOAC 990.12),” “Coliform group (AOAC 991.14),” “Escherichia coli (AOAC 991.14),” “Salmonella,” “Listeria monocytogenes,” and “Enterobacteriaceae”

Local procurement ratio

Business Entity	Local Procurement Ratio in 2025	Local Procurement Ratio in 2024	Local Procurement Ratio in 2023	Remarks
Mercuries F&B	82%	80.7%	-	100% of vegetables, fruits, and meat are domestically produced.
Simple Mart Retail	97%	94.05%	94.62%	Local procurement amount: NT\$11,342,255,886



Local procurement ratio (domestic products) in 2025



Product traceability, inspection, and monitoring

To achieve effective traceability at all stages from incoming raw materials to product delivery, Mercuries F&B records basic information on raw materials, products, and suppliers through its internal ERP system. The system also provides functions such as purchase and sales, traceability management, order verification, TAP registration, and uploading of data to the public cloud. Systematic management not only reduces

manual and paper-based work, but also strengthens the traceability of raw materials. In 2025, the central kitchen produced a total of 207 finished products, all of which were traced and tracked in accordance with the Regulations on Traceability and Follow-up of Food and Relevant Products.

Business Entity	Inspection Type	Inspection Item/Sample	Pass Rate	Inspection Item
Mercuries F&B	Self-inspection of raw materials	27 items/700 samples	100%	Pesticide residue, veterinary drug, heavy metal, etc.
	Self-monitoring of hygiene	431 sampling points/2,850 samples	100%	Microorganisms, cold chain temperature control, etc.
	Third-party independent testing	38 types of raw materials + 131 types of finished products + 7 water quality tests / 212 samples	100%	All items
Simple Mart Retail	Third-party independent testing	161 product testing items	100%	Pesticide residues (149 items), veterinary drug (40 items), heavy metal, aflatoxin, preservative, etc.
	Spot check by health bureau	662 products	98.8%	Food additive, food microorganism, food contaminant and toxin, etc.
Mercuries Liquor & Food	Self-inspection/customs clearance	124 cases	100%	Alcohol: Methanol + Lead + Sulfur Dioxide + Ethanol Distribution channel needs/self-inspection Ingredient: Microorganism/Heavy metal/Preservative/Eight major nutrition labeling

Inspection:

- **Self-testing of raw materials:** 700 samples were taken from 27 raw materials for testing, covering the ingredients for Mercuries Beef Noodle, Napoli Pizza and Fried Chicken, Mercuries Donburi, and other brands.
- **Self-monitoring of hygiene:** A total of 431 sampling points were inspected, of which 207 were finished product sampling points (representing 88% of all finished products produced by the central kitchen in 2025), and a total of 1,333 self-inspections were conducted to ensure that the process and storage environment met hygiene standards
- **Third-party independent testing:** A total of 38 types of raw materials (accounting for 9.4% of all raw materials used by the central kitchen in 2025), 131 types of finished products (accounting for 56% of all finished products produced by the central kitchen

- in 2025), and 7 water quality tests were conducted by a third-party impartial unit with 212 samples, and the results were 100% qualified.
- The cost of the Mercuries F&B lab accounted for approximately 0.13% of the net food sales revenue for the year.
- Distribution of government random inspections for Simple Mart Retail in 2025: 101 in Keelung City, 41 in Taipei City, 61 in New Taipei City, 29 in Taoyuan City, 14 in Hsinchu City, 5 in Hsinchu County, 21 in Miaoli County, 140 in Taichung City, 13 in Changhua County, 5 in Nantou County, 6 in Yunlin County, 80 in Chiayi County, 38 in Tainan City, 57 in Kaohsiung City, 17 in Pingtung County, and 34 in Yilan County, totaling 16 counties and cities.



Operational management: Standardized operations to ensure quality

Business Entity	Management Mechanism	2025 Performance
Mercuries F&B	Central kitchen: Automated production line, independent quality assurance laboratory, cold chain logistics and distribution. store QSC inspection: Monthly random inspection of stores and five-level evaluation across various brands.	- Central kitchen ensures consistent meal quality - In 2025, a total of 5,166 store QSC audits were conducted (a 6.6% increase from the previous year), with an average monthly audit rate of 98.93%. The total number of stores with an A+ or A evaluation result accounted for 35.08% of all the audited stores.
Mercuries Liquor & Food	Imported product source management: The company strictly selects foreign manufacturers and requires qualified inspection reports. Rigorous warehouse and logistics control: Professional warehousing and distribution center with temperature control management in respective regions.	- Ensure compliance of products with Taiwan's food safety regulations - Achieve precise purchase, sales, and inventory management with batch traceability through the ERP system
Simple Mart Retail	Private brand (OEM) quality control: Strict quality control procedures, including on-site auditing, ingredient testing, and label compliance review.	- In 2025, 68 imported food products underwent self-inspection and 58 private brands were inspected, with a 98.1% pass rate.

Overview of compliance and performance: Compliance status of food safety regulations in 2025

Business Entity	Violation Item	Number of Violations	Handling Results	Major Food Safety Incidents	Non-compliance Incidents
Mercuries F&B	Violation of the Act Governing Food Safety and Sanitation	10 cases	9 cases passed re-examination, and one case was fined NT\$60,000.	0 cases	The violations of Mercuries F&B primarily concerned the issues of "on-site management improvement," such as the sanitation of the environment and equipment, storage of personal belongings, food expiry date labeling, and storage and route layouts. No products were removed from shelves. No non-compliance incidents occurred in 2025, demonstrating the effectiveness of continuous improvement.
Simple Mart Retail	Product labeling errors and expired products	6 cases	The products were immediately removed from shelves and a comprehensive inspection of expiration dates in stores was conducted. Corrections were made within the time limit as required by the competent authority, and the cases were fined NT\$130,000.	0 cases	As for product labeling errors and expired products, there were no major food safety incidents in 2025 thanks for continuous improvement.
Major food safety incidents are defined as those involving food safety risks that, in accordance with the requirements of the "Act Governing Food Safety and Sanitation," require notification to the competent authority, trigger product recalls, result in food poisoning incidents, or have a significant impact on consumer health.					

Customer service and complaint handling: Customer service and complaint handling performance in 2025

Business Entity	Total Service Cases	Number of Customer Complaints	Case Closure Rate	Customer Satisfaction/ e-commerce Five-Star Rating	Remarks
Mercuries F&B	50,095 cases	67 cases	100%	83% (Mercuries F&B, Napoli Pizza and Fried Chicken)	Through multiple channels, including the official website, LINE, and telephone. Customer complaints from Mercuries F&B decreased by 4% compared to 2024, and all cases have been resolved and followed up on.
Simple Mart Retail	21,138 cases	7 major customer complaints	100%	96 points	Complaints accounted for 3%. Classification of Simple Mart Retail's customer response cases in 2025:647 complaints,7 customer complaints, 54 commendations,10,869 inquiries,9,295 reporting cases,222 suggestions, and 44 other cases; enhancing communication with customers.





3.3 Professional medicine: Enhancement of R&D and quality management

R&D and innovation: Building core competitiveness

The Company understands that the core competitiveness of the pharmaceutical industry stems from continuous R&D and innovation. Every year, SCI Pharmtech invests a percentage of its revenue in R&D activities, with R&D expenditures reaching NT\$37.81million in 2025. It focuses on developing specialty APIs with high technical barriers and added value. The R&D strategy focuses on high-growth fields such as neurological diseases, anti-tumor drugs, and medical applications of cannabis. Strategic cooperation with international pharmaceutical companies is deepened through the CDMO (Contract Development and Manufacturing Organization) model. Through years of technological development, SCI Pharmtech has established 30 international patent portfolios covering major markets such as the United States, the European Union, and Japan, creating a legal protection barrier for its product technology and long-term competitive advantages for the Group.

R&D Key Performance in 2025		
Indicator	Data	Strategic Significance
R&D Budget	NT\$37.81 million	Focusing on cannabidiol (CBD) series, nervous system drugs, anti-tumor drugs, and CDMO projects.
International patent	30 patents obtained	15 in the US, 8 in the EU, 4 in Japan, 1 in Canada, and 2 in Taiwan
GMP-approved products	21 items	Covering high-value treatment areas such as the nervous system, cardiovascular, and ophthalmology.
Products under development	8 or more	Benserazide API (for Parkinson's disease) Iron sucrose API (Iron supplement for iron deficiency anemia) LDX-OAc Intermediate (for ADHD) B Project API (radioactive isotopes for oncology) CDMO-HMTM API (for Alzheimer's disease) CDMO-X project API (for narcolepsy) Tapinarof API (for psoriasis) Rimegepant API (for migraine)

R&D Expenditure over the last five years					
Year	2021	2022	2023	2024	2025
Amount (NT\$ thousand)	30,347	39,649	49,094	42,680	37,818
Annual growth rate	-30.0%	+30.6%	+23.8%	-13.1%	-11.39%

Note: The decrease in R&D expenses in 2025 compared to 2023 was primarily due to a large, one-time purchase of experimental consumables in 2023 following the disaster. Actually, R&D activities continued at a steady pace.

30 international patents 21 GMP-approved products



R&D Budget 37.81 million



Quality management: International certification ensures product safety.

Quality management is critical in the pharmaceutical industry, as it directly impacts human life and health and allows for no compromise. As a pharmaceutical manufacturer, SCI Pharmtech strictly adheres to international pharmaceutical manufacturing standards and has established a comprehensive, multi-layered quality management system to ensure product safety and consistent quality. In addition to obtaining Taiwan GMP certification, SCI Pharmtech has passed inspections by international authorities including the U.S. FDA, EU EDQM, and Japan PMDA. Its products are sold on all five continents, fully demonstrating the strength of “Taiwan Manufacturing, International Quality.”

In 2025, SCI Pharmtech successfully passed two GMP inspections by the Ministry of Health and Welfare (in April and November), with both inspections revealing no major deficiencies. The company also continued to maintain the validity of various international management system certifications, including ISO 9001, ISO 14001, and ISO 45001. At the same time, SCI Pharmtech actively responded to climate change and sustainable development issues, completing ISO 14064-1 greenhouse gas inventory and ISO 14067 product carbon footprint verification for 5 products in 2024, and introduced ISO 50001 energy management system in 2025. It also completed ISO 14044 product carbon footprint inventory for 1 product, demonstrating the Company’s determination to promote ESG and low-carbon transformation.

Maintenance Status of International Certification in 2025

Certification	Certification Status	2025 Audit Result	2024 Audit Result	Significance to the Group
ISO 9001:2015 Quality Management	In effect	Passed third-party certification	Passed third-party certification	Ensure that the manufacturing process complies with international standards.
Taiwan MOHW GMP	In effect	The last factory inspection was in 2024, and no major deficiencies were found.	Two factory inspections in April and November, and no major deficiencies were found.	Keep Taiwan drug license effective.
US FDA	In effect	Passed multiple factory inspections since 2005.	Passed multiple factory inspections since 2005.	Ensure entry into the US market
EU EDQM	In effect	Passed multiple factory inspections since 2005.	Passed multiple factory inspections since 2005.	Maintain the right to sell in the EU market.
JP PMDA	In effect	Passed multiple factory inspections since 2005.	Passed multiple factory inspections since 2005.	Ensure competitiveness in the Japanese market.
ISO 14001 Environmental Management	In effect	Passed third-party verification	Passed third-party verification	Fulfill environmental sustainability commitment
ISO 45001 Occupational Safety	In effect	Passed third-party verification	Passed third-party verification	Protect workplace safety.
ISO 50001 Energy Management System	Obtained in 2025	Passed third-party verification	Passed third-party verification	Respond to climate change actions
ISO 14064-1 Greenhouse Gas	Obtained in 2024	Completed organization-level verification	Completed organization-level verification (target achieved ahead of schedule)	Respond to climate change actions
ISO 14067 Product Carbon Footprint	Obtained in 2024	5 products passed verification	5 products passed verification	Enhance product environmental competitiveness
ISO 14044 Product Carbon Footprint	Obtained in 2025	1 product passed verification	1 product passed verification	Enhance product environmental competitiveness



Digital transformation: Strengthening management efficiency with technology

In response to the pharmaceutical industry's strict requirements for data integrity, the Company supported SCI Pharmtech in introducing three major digital management systems of LIMS, MasterControl, and SAP ERP to achieve end-to-end digitization from R&D, manufacturing, and quality control to document control. This not only enhances operational efficiency, but also strengthens regulatory compliance and reduces the risk of human error. These are a concrete

Digital Management Platform and Integration Architecture			
System	Time of Introduction	Core Function	Benefits to the Group
LabWare LIMS	June 2021	- Lab sample life cycle management - Instrument calibration and maintenance tracking - Monitoring of reference material expiry date - Electronic signature of test data	100% inspection data traceable - Compliant with FDA 21 CFR Part 11 - Human errors reduced by more than 50% - Paperless lab operations
MasterControl	2019	- Electronic signature of SOP documents - Version control and change tracking - Education and training record management - Electronic application for drug license documents	30% improvement in document review efficiency - Use of the latest SOP 100% compliance with training requirements - Acceleration of the drug license application process
SAP ERP	-	- Order and production scheduling management - Inventory control of raw materials and finished goods - Integration of financial and quality data	- Real-time monitoring of operational status - Optimization of inventory turnover rate - Enhancement of inter-departmental collaboration efficiency
EHS Cloud	-	- Occupational safety and health management - Chemical risk assessment - Environmental monitoring data tracking	- Workplace safety - Compliance with occupational safety and health regulations - Reduction of environmental accident risk
Quantification of the digital investment benefits - Improvement of testing efficiency: After LIMS implementation, testing report turnaround time was reduced by 40%. - Document management optimization: MasterControl reduced the average document review cycle from 7 days to 3 days. - Enhanced compliance: Electronic signatures and audit trails met international audit requirements. - Environmental sustainability: The laboratory's paperless operations reduced paper consumption by more than 100,000 sheets annually.			

implementation of the Group's digital transformation strategy in the medical field. It is worth noting that SCI Pharmtech activated the LabWare LIMS system in June 2021 to integrate laboratory sample, personnel, instrument, and standard management. This integration achieved 100% traceability of inspection data, complied with the FDA's strict requirements for electronic records, and laid a solid foundation for passing international factory inspections.

Customer satisfaction: Outstanding quality builds market trust.

The Company views customer satisfaction as a key indicator of the competitiveness of its business units. Every year, SCI Pharmtech conducts a comprehensive satisfaction survey for key customers with annual transaction amounts exceeding NT\$1.5 million, covering nine key indicators including quality, delivery time, service, and safety. The survey uses a 1–5 points rating scale. The average satisfaction score over the past five years has remained at 4.8–4.9 (out of 5), the highest possible rating, demonstrating strong customer approval of Asience Corporation's product quality and service.

This achievement not only reflects the effectiveness of ASFH's quality management, but also translates into tangible commercial value: repeat order rate exceeding 90% among highly satisfied customers, which has become a stable revenue source for the Company and is creating long-term value for the Group.

Customer Satisfaction Performance over the Last Five Years					
	2022	2023	2024	2025	2025
Satisfaction (perfect score: 5 points)	-	4.8	4.9	4.8	4.8
Rating range	Year of system establishment	Highest	Highest	Highest	Highest
Number of customers surveyed	-	High-value customers	High-value customers	High-value customers	High-value customers



Quality risk management: Proactive management of challenges and continuous improvement.

The Company requires all business units to honestly disclose operational challenges and establish a systematic improvement mechanism. In 2025, SCI Pharmtech recognized losses due to quality incidents, demonstrating the Group's commitment to high quality management standards. The company has launched a comprehensive improvement plan to strengthen process monitoring, supplier management, and early warning mechanisms, and has taken out product liability insurance amounting to US\$2 million to diversify risks.

Quality Risk Management and Improvement Measures

Item	Status in 2025	Specific Improvement Measures	Expected Benefits
Quality incident handling	Loss on scrap of inventory NT\$35.96 million	- Establish the CAPA (Corrective and Preventive Action) procedure - Strengthen the monitoring of key process parameters - Introduction of the AI quality warning system (under planning)	- Reduce the scrapping rate by 30% - Enhance process stability - Implement real-time anomaly detection
Supplier management	PGA raw material standard exceeding incident (Supplier compensation NT\$10 million)	- Tighten inspection standards for incoming materials - Conduct annual supplier audit - Establish a dual/multiple supplier strategies	- Ensure raw material quality - Reduce supply chain risks - Enhance supply resilience
Risk diversification	Taking out product liability insurance	- Offer US\$2 million in insurance coverage - Cover product liability	- Protect financial security - Enhance customer confidence
Personnel training	Annual education and training	45,189 employees were trained internally 1,393 employees from the Quality Assurance Department were trained 21,732 employees from the Quality Control Department were trained 10,623 employees from the Production Department were trained 260 employees from the Occupational Safety Office were trained 154 employees were trained externally.	- Enhance the quality awareness of all employees - Reduce human errors - Enhance professional capabilities



3.4 Quality retail: Protection of the family in every step

Through the subsidiaries of Mercuries & Associates (about 220 stores of Family Shoemart and En Route) and Sanhui (an agency for sports and outdoor brands, such as Adidas), the Company has established a comprehensive retail management system. In 2025, the Company achieved outstanding results, including a product inspection pass rate of 100%, a store inspection rate of 100%, a customer service case closure rate of 100%, and an e-commerce five-star rating of 96.38%.

Product quality management: Three lines of defense to ensure 100% pass rate.

We have established three lines of defense (source management→process inspection→final control) to ensure that every product meets quality standards. In 2025, Mercuries & Associates inspected 1,150 products, maintaining a 100% pass rate for four consecutive years. Sanhui achieved a 100% pass rate in import inspections and brand standard inspections for the brands it represents, with zero major quality complaints.

Management	Mercuries & Associates's Measures	Sanhui's Measures	2025 Achievements
Source management	Suppliers are required to provide quality assurance certificates, confirmed sample forms, finished product inspection sheets, qualified supplier certificates, and third-party inspection reports.	Collaborate with international brands such as Adidas to ensure product authenticity and quality standards.	100% compliant
Labeling compliance	100% compliant with laws and regulations, and in adherence to the Commodity Labeling Act (including Chinese labeling, place of origin, manufacturing date, and ingredient list) Dual verification conducted by procurement and store personnel.	Customs inspection and labeling compliance check for imported goods	100% compliance
Random inspection	1,150 items were sampled, with a sampling rate of 39.5%. (A total of 2,910 cases)	Regular inspection of retail products	100% qualified
Inspection Item	Material composition, hazardous substances, physical performance, label accuracy	Standard inspection of brands, import inspection	All items qualified
Problem handling	Shop notification → Procurement confirmation → All shops remove from shelves → Return to supplier → Improvement plan	Consumer feedback tracking mechanism	- In March 2025, a retail store reported exposed metal buckles on a children's sandal. The issue was resolved with manual adjustment, so a notice was issued on March 6 asking stores to adjust the buckles to the correct position. Subsequent inspections showed no further issues in any store, and there have been no problems with sales since then. - On July 8, 2025, eight retail stores reported that the decorative buckles on slippers fell off. Procurement personnel verified this issue with in-store checks. As a result, on July 29, these retail stores were instructed to return the slippers to the supplier and discontinue the sale.



Store operation management: 100% audit rate and 100% improvement completion rate.

Mercuries & Associates audited 5,022 store visits (an average of 50 per store per year) across approximately 100 stores, covering seven categories: cashier operations, personnel, facilities, safety, environment, products, and services. Sanhui conducted audits on brand image, product display, and service standards for the brand's exclusive stores. Both companies achieved a 100% audit rate and 100% improvement completion.

Management Aspect	Mercuries & Associates	Sanhui	Inspection Frequency	2025 Achievements
Audit Scale	About 100 stores, with audits conducted at 5,022 locations.	Brand's exclusive stores	-	Audit rate 100%, improvement completion rate 100%
POS/inventory system	Accuracy of cash register forms and handover sheets	Accuracy of purchases, sales, and inventory	Weekly/daily	100% achieved
Personnel management	Labor attendance and shift compliance	Labor attendance and shift compliance	Weekly	100% achieved
Environment/facilities	Water and electricity records, equipment maintenance, cleaning	Cleaning, equipment maintenance, safety inspection	Weekly/daily	100% achieved
Occupational safety	Occupational health and safety inspection, firefighting equipment	-	Monthly	100% achieved
Product management	Inventory check, labeling, and shelf inspection	Product classification, price labeling	Weekly	100% achieved
Brand image	-	Shop decoration, brand signage, visual merchandising	Monthly	Conformance to brand standards
Customer service	Service attitude, complaint handling	Service attitude, product knowledge	Weekly	100% achieved
On-shelf inspection	7 standards of outer packaging, labeling, casing, specifications, matching, price, and anti-theft buckle	Additional checks on brand labels and brand compliance	Each product	100% compliant

Customer service system: 100% case closure rate across all channels + 96.38% 5-star reviews

Mercuries & Associates provides diverse service channels, including the 0800 hotline, the official website mailbox, physical stores, and the LINE official account. In 2025, the company handled 548 cases, achieving a 100% case closure rate. Shopee Mall has received 76,396 ratings, with a 96.38% 5-star rating rate. Sanhui provides comprehensive services through storefronts, brand customer service, telephone, and social media.

Service	Mercuries & Associates	Sanhui	2025 Achievements
Service channel	0800 hotline, official website email, physical store, LINE official account	Retail sales, brand customer service, telephone customer service, social media	Multi-channel coverage
Service commitment	Response within 24 hours (email), instant support (in-store)	Response within 24 hours, instant response during working hours.	100% completed
Number of service cases	548 cases	-	-
Case closure rate	100%	100%	All cases closed
E-commerce evaluation	76,396 ratings on Shopee Mall	Brand's official website and collaboration with e-commerce platforms	-
5-star rating rate	96.38% (73,630 5-star ratings)	-	High satisfaction
Number of APP members	By the end of 2025, a total of 2.65 million downloads and usages were recorded, with a total number of 3.3 million members, an increase of 8.2% year-over-year.	-	Continuous growth
Online shopping and in-store pickup	26.6% (up 2.59% from 2024)	-	-
APP functions	Membership digitalization, electronic invoice, personalized push notification, online shopping and in-store pickup, member points accumulation	Member points, personalized recommendations, online try-on appointments	Full functionality



3.5 Technology empowerment: Building trusted digital services

As the core information service subsidiary of the Company, Mercuries Data Systems has been deeply rooted in the fields of financial automation and system integration for a long time. Its business services cover key infrastructure industries such as finance, transportation, energy, government agencies, and healthcare, providing comprehensive solutions including hardware, software systems, and complete system integration services. With “empowering sustainability with technology” as its core development strategy, Mercuries Data Systems focuses on undertaking various key national system construction projects using its information technology capabilities to help the government and businesses improve operational efficiency and service stability, ensure the continuous operation of public services, and strengthen the resilience and reliability of overall social infrastructure. Through the construction and maintenance of automated financial equipment, Mercuries Data Systems continues to maintain its leading position in the domestic ATM market, helping financial institutions provide real-time, convenient, and inclusive financial infrastructure services, improve financial accessibility in rural areas and among disadvantaged groups, and promote financial inclusion. The company provides 24/7 full-time maintenance services and introduces equipment life extension, component reuse, and resource circulation management mechanisms to reduce the frequency of equipment replacement and the generation of electronic waste. This gradually promotes the circular economy model, reduces environmental burden, and supports environmental sustainability. Mercuries Data Systems continues to invest in information security management and personnel training, maintaining zero major information security incidents in 2025 and achieving 100% employee information security training coverage. Meanwhile, through the customer satisfaction survey mechanism, overall customer satisfaction reached 94.44% in 2025, and service quality and customer trust continued to improve. In 2025, Mercuries Data Systems served 6,000 enterprises to promote digital transformation. Through technology integration and service innovation, the company assisted customers in improving operational efficiency and competitiveness, and simultaneously created diverse economic, social, and environmental value. Mercuries Data Systems is the core engine of Mercuries & Associates Holding’s sustainable development.

Maintain **zero** major cybersecurity incidents

Overall customer satisfaction reached **94.44%**

Serving **6,000** enterprises to drive digital transformation

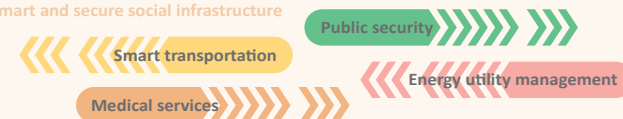


Digital empowerment: Building smart and secure social infrastructure

With system integration as its core competency, Mercuries Data Systems deeply participates in the critical infrastructure of the nation and society as an important means for the Group to promote sustainable development and create social value. The company leverages the expertise in information technology to deliver highly reliable and highly available digital solutions for critical sectors including public safety, smart transportation, energy management, and healthcare, ensuring stable system operation and uninterrupted services.

Field	Major Project Performance	Social Value and Contribution
Public security	National Police Agency’s “Police Wireless Radio System” Coast Guard’s “Shore-based Radar Monitoring System” Fire Department’s “119 Duty Command and Emergency Medical Smart Platform” The Fire Department’s “AI-powered Dispatch System of the National Search and Rescue Command Center, Executive Yuan” Fire Department’s “119 Duty Command and Dispatch System Multi-Site Backup”	Use technology to enhance the nation’s emergency response capabilities and protect the lives and property of the people.
Smart transportation	Taiwan Railway’s “Around-the-Island Communication System” Freeway Bureau’s “Dedicated Digital Wireless Radio Communication System for the Traffic Control Center” Taiwan Railway’s “Automatic Fare Collection System”	Provide a convenient and efficient public transportation experience for the public to promote social mobility.
Energy utility management	Taiwan Power Company’s “User Big Data Platform” Taiwan Power Company’s “New Distribution Engineering Information System” Taiwan Power Company’s “New Electricity Billing System” Taiwan Power Company’s “New Electricity Billing Management System”	Support Taiwan’s smart energy management and the nation’s energy transformation goals.
Medical services	National Taiwan University Hospital’s “Portal Information System”	Optimize medical information processes and improve the efficiency of medical services.

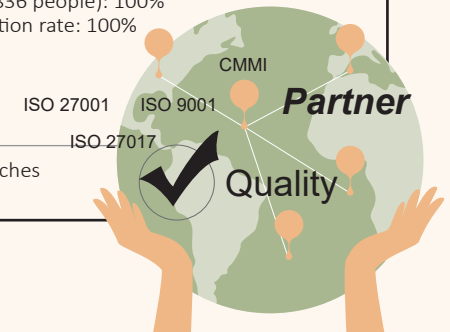
Building smart and secure social infrastructure





Sustainability governance: Building trustworthy service quality in line with international standards

Governance Aspect	Concrete Implementation and International Certification	2005 Key Performance
Quality management	ISO 9001: Ensure quality throughout the entire process, from design to service (ISO 9001: 2015 Quality Management System standard certification). CMMI Level 3: Demonstrate management capability in highly complex software projects (CMMI-DEV V3.0 Level 3 certification).	Target customer complaint rate: $\leq 0.01\%$ (target achieved), i.e. ≤ 3 customer complaints received per month. Spare parts failure rate: $\leq 0.3\%$ (target achieved).
Information security	ISO 27001: Establish a complete information security management system (UKAS/TAF dual certification). Implementation of information security protection: Deploy Firewall, ThreatSonar, AWS WAF, IPS, and ATM whitelist, conduct information security audits and vulnerability scans, and perform backup drills and system recovery tests to ensure robust protection and system stability. ISO 27017: Mercuries Data Systems has implemented and passed certification for the ISO/IEC 27017 cloud service information security control standard, comprehensively enhancing security controls for its cloud environment and personal data processing operations. Mercuries Data Systems continued to strengthen information security governance mechanisms by regularly conducting internal and external information asset inventories, refining access permission management systems, implementing vulnerability scanning and remediation, and increasing the frequency and coverage of information security education and training. This will ensure the confidentiality, integrity, and availability of information assets and personal data, and comprehensively strengthen the information security resilience of corporate operations.	Zero data loss incidents Completion rate of High-risk information security improvement: 100% Completion rate of ISO 27001 information security management and ISO 27017 cloud service information security management training courses for all employees (836 people): 100% Annual backup drill completion rate: 100%
Personal data protection	BS10012: Establish personal data management standards.	Zero customer privacy breaches



Customer-oriented: Establishing long-term partnerships

Service	Service Commitment and Network	2025 Customer Satisfaction Result
Service network	Over 20 service locations across Taiwan Over 300 professional engineers Provision of 24/7 uninterrupted maintenance services.	The total response rate for the customer satisfaction survey was 92.9%, and overall customer satisfaction reached 94.44%. -Satisfaction survey by category: Bank headquarters and branches/non-banks: - Engineering/maintenance satisfaction: 94%; product satisfaction: 94.6%; system software satisfaction: 91.3% - Business service satisfaction: 95%; overall satisfaction rating: 94% Service JDC: - Product services: 90.12%; business services: 98.38%; overall evaluation: 94.92%



3.6 Safe home: Protection of a healthy and sustainable living space

For more than 20 years, Mercuries Home Furniture has been deeply rooted in Taiwan's system furniture and interior design market. Guided by a brand spirit of "enthusiasm, gratitude, and persistence," Mercuries Home Furniture has established a differentiated service model through its three commitments: free measurement, free design, and free on-site supervision. The company has established a four-stage quality control mechanism – from materials to design, construction, and completion – and deliver on its commitment to consumers through the industry's best warranty, transparent pricing, and one-stop service, creating a safe and sustainable home life.

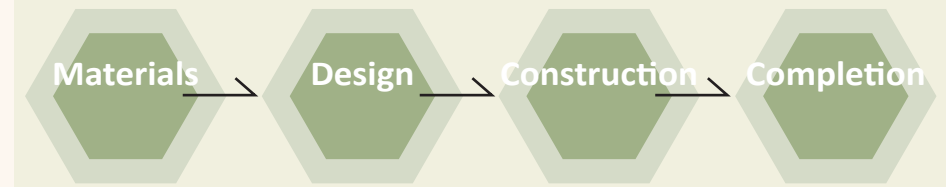
Brand spirit



Three Free Promises



Four layers of quality



Product/Service	Service	Core Advantage	ESG Value Contribution	Product/Service	Service	Core Advantage	ESG Value Contribution
System furniture customization	- System cabinet design - Storage planning - Space optimization - Whole-space applications	- Modular design - Flexible configuration - Rapid delivery - Maximizing space	Circular economy - Modular detachable reorganization - Extended service life - Waste reduction	Individual furniture sales	- Sofa/bed set - Dining chairs - Storage cabinet - Lighting accessories	- Carefully selected quality - Diverse styles - Perfect match	Consumer Protection - Quality selection - Long-term durability - After-sales service
Interior renovation engineering	- Interior design and planning - Ceiling/wall/floor - Water and electricity/masonry - Old house renovation	- One-stop service - Professional supervision - Phase acceptance - Engineering transparency	Sustainable living - Revitalization of old buildings - Use of energy-saving materials - Creation of a healthy environment	3D/VR design services	720-degree rendering 3D spatial simulation - Virtual-reality experience	- High similarity≥90% - Anticipate results in advance - Reduced cognitive dissonance	Digital Innovation - Reduce revision waste - Enhanced decision-making efficiency - Reduced material loss



Four-stage quality management: Dual responsibility for consumer and environmental protection

Mercuries Home Furniture employs a four-stage quality management mechanism of material→design→construction→completion to ensure high standards are met throughout the entire process, from sourcing to delivery and acceptance. This is not only a commitment to consumer quality, but also integrates environmental friendliness and sustainability into the entire product life cycle, fulfilling the dual missions of consumer protection and environmental responsibility within ESG.

Management Level	Management Target	Specific Measures	Quality Goals	Significance in ESG
Level 1 Material Quality	Boards, hardware, and accessories	- Supplier quality certification - Third-party test report - Incoming inspection - Sampling inspection	100% material pass rate	Environmental health
Inspection standard details: ✓ Board and environmental protection: Use EU-certified low-formaldehyde boards to ensure indoor air quality. ✓ Strict inspection: Regularly submit the plates to SGS for inspection to ensure compliance with national CNS standards. ✓ Hardware durability: Hinges withstand≥50,000 open and close cycles, slides withstand≥30,000 push and pull cycles. ✓ Moisture resistance: Expansion rate≤8% ✓ Surface wear resistance: ≥150 revolutions ✓ Adhesives: Low or no formaldehyde				
Level 2 Design Quality	Design plan Space planning	- Yuanfang system cabinet expert software 3D/VR 720 rendering - Design review - Accurate size calculation	- Dimensional accuracy Error≤3 mm - Design satisfaction≥90%	Innovation Efficiency
Design quality highlights: 3D/VR 720-degree renderings achieve a high similarity of ≥90%, reducing discrepancies and minimizing rework and material waste.				
Level 3 Construction Quality	Interior decoration Installation of system furniture	- Professional construction supervision - Construction SOP - Stage acceptance - Quality inspection sheet - Defect improvement tracking	- Construction quality Pass rate≥95% - Secure installation - Stitching smoothness	Engineering Quality
Construction quality assurance: Professional supervision, stage acceptance, timely improvements, and daily cleaning to ensure a transparent and controllable construction process.				
Level 4 Completion and Acceptance	Completed product Function test	- Final acceptance inspection - Function test (door open/close, drawer slide) - Cleaning and tidying - User instructions	- One-time acceptance Pass rate≥95% - Conformance to design drawings	Result Delivery

Five-stage customer service system

Stage	Service Item	Service Commitment	2025 Service Achievements
1. Consultation	On-site measurement and communication on needs Problem diagnosis and preliminary advice	Free measurement No high-pressure selling tactics	20% consultation-to-contract conversion rate 76% customer code generation rate
2. Design	Spatial design, 3D/VR rendering Material selection and transparent pricing	Free design High similarity≥90% Revision until satisfied	3,462 free designs were provided this year. - Contract signing success rate of 33%
3. Construction	Engineering supervision and progress tracking Phased acceptance and problem resolution	Free supervision Progress transparency Daily cleaning	100% phased acceptance rate
4. Completion	Final acceptance and function test Cleaning, tidying, and user instructions	Conformance to design drawings Normal function Environmental cleanliness	Completion stage satisfaction rate of 77.5%
5. After-sales service	Warranty and maintenance services Complaint handling and regular follow-up	Best warranty in the industry Quick response (case registration within 24 hours) Free repair (within warranty period) After-repair telephone survey	90% repair completion rate in 2025 14 days of average repair completion time 97% customer complaint closure rate



Logistics and supply chain management (supporting quality delivery)

Management Aspect	Task	Management Metrics	2025 Performance	ESG Benefits
Purchase acceptance Vehicle management	Inventory, acceptance, and quality inspection Abnormal reaction, supplier evaluation	- Acceptance pass rate$\geq$99% - Abnormality handling$\leq$24 hours	- Correct acceptance rate > 99% (unqualified documents are returned directly) - If there are inspection abnormalities, the procurement unit and the supplier were notified and provided with immediate feedback; the procurement unit and the supplier responded within 8 hours.	Ensure material quality Eliminate defective products
	Cleaning and maintenance, daily safety inspection Route optimization	- Vehicle reliability$\geq$98% - Zero safety incidents	Vehicle reliability rate of 83%	Reduced transportation risks Energy conservation and carbon reduction



Key quality management indicators of Mercuries Home Furniture

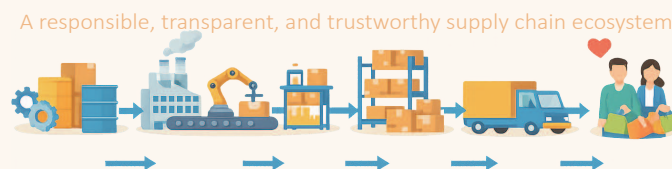
Category	Indicator	2025 Key Achievements
Material quality	Material inspection pass rate	100%
	Purchase acceptance pass rate	$\geq$ 99%
Design quality	Dimensional accuracy	Error $\leq$ 3mm
	Design proposal satisfaction	$\geq$ 90%
	3D rendering similarity	$\geq$ 90%
Construction quality	Construction quality pass rate	$\geq$ 95%
Completion quality	One-time acceptance pass rate	$\geq$ 95%
Logistics efficiency	On-time delivery rate	100% (Arrange cases according to the schedule)
	Cargo damage rate	<1%
	Inventory accuracy	$\geq$ 98% (Mid-period/end-period inventory gain/loss 0.00004%)
	Vehicle reliability rate	83% (6 leased vehicles/3-year lease: In 2025, one accident repair was reported; all vehicles were sent to the dealer for maintenance as per the contract)
Service commitment	保固服務、維修服務	業界最優保固
	In-time andling of abnormalities	$\leq$ 24 hours
	Quick after-sales response	$\leq$ 24 hours



3.7 Co-good of partners: Building a sustainable and resilient supply chain

We uphold the principle of “quality management from the source” and formulate supplier management systems for different industries to ensure the quality, safety, and sustainable development of the supply chain. We have established long-term partnerships with more than 2,000 suppliers, and we actively assist them in standardizing processes and computerizing operations, guided by the principle of “long-term development, coexistence, and shared prosperity,” to improve their production

capacity and product yield. Through strict supplier evaluation, regular audits, corporate ESG responsibility requirements, and regular communication meetings, Mercuries & Associates Holding has established a responsible, transparent, and trustworthy supply chain ecosystem to provide consumers with safe, high-quality products and services.



Overview of Group's supply chain

Sustainable Living Ecosystem	Subsidiary	Number of suppliers	Purchase Amount	Main Procurement	Highlights of Supply Chain Management
Responsible finance	Mercuries Life Insurance	-	Approximately NT\$16.15 million (green procurement)	Information equipment, energy-saving equipment, office equipment, office supplies, green building materials	Promote green procurement policies and require suppliers to adhere to principles of ethical conduct, human rights, and environmental protection.
Safe food	Mercuries F&B	313	Approximately NT\$21.4305 billion	Ingredients, packaging materials, equipment, and services	Ingredient traceability management, food safety management, supplier evaluation system
	Mercuries Liquor & Food	Japanese OEM suppliers 90	Approximately NT\$404.39 million	Agency for Japanese liquors, seasonings, and food ingredients	Brand licensing management, quality management, and cold chain logistics management
Professional medicine	SCI Pharmtech	74 long-term cooperating suppliers	NT\$43.495 million	Raw materials and chemicals	QCDS supplier management system, quality and EHS certification
Quality retail	Simple Mart Retail	468	NT\$11,699,020,000	Food, daily necessities, and private labels	OEM supplier evaluation system, product quality inspection
	Mercuries & Associates	95	Approximately NT\$2.5 billion	Footwear, clothing, accessories	Supplier evaluation system and product quality management
Technology empowerment	Mercuries Data Systems	800	Approximately NT\$422.059 million	Software and hardware, system maintenance, and engineering implementation.	Supplier performance evaluation and service quality management
Safe home	Mercuries Home Furniture	Approximately 100	NT\$190 million	Building materials, hardware, electrical supplies, glass, and wooden flooring	Material safety testing and eco-friendly building material management



Supply chain management and responsible business conduct

The Company adopts a tiered management mechanism to promote supply chain management. Each subsidiary establishes a supplier management system based on its industry characteristics, covering supplier selection, evaluation, and sustainability requirements, and gradually incorporates commitments related to human rights and responsible business conduct. In general, most subsidiaries have established supplier management policies that have been approved by the Board of Directors, general manager, or department head to ensure a solid governance framework. In 2025, no major supplier complaints were received. We continued to optimize the integrity and effectiveness of the complaint mechanism to strengthen supply chain governance and risk management capabilities.

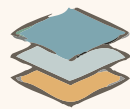
Subsidiary	Policy/System	Human Rights Commitment	Approval Level	Disclosed Y/N	Communication Method	Grievance Mechanism	Grievance Channel	Handling Method	Status
Mercuries Life Insurance	Regulations for the Management of Procurement and Other Operating Expenses/Regulations for Supplier Selection and Management	Yes (ESG evaluation)	Department head	No; this policy is for internal management and not publicly disclosed.	Sign the Integrity and Honesty Commitment	Yes (official website, stakeholder section)	Complaint mailbox	The Legal Compliance Office accepts the case and forms an investigation team.	No
Mercuries F&B	Supplier Management Regulations	Yes (sign the Integrity and Sustainable Development Statement)	Board of Directors	No (confidential business information)	Dedicated personnel for management and coordination	Yes (official website, stakeholder section)	Complaint mailbox	Internal investigation and reply	No actual cases
Mercuries Liquor & Food	No official documents	No	President	No	—	No – Overseas product agency	Hotline	The administrative unit fills out and accept the complaint form – the head of the administrative unit reviews – relevant unit analyzes and investigates – improvement explanation – reply	No
SCI Pharmtech	Supplier management policy/environmental and occupational safety and health management system evaluation procedures for raw material suppliers	Yes (including ethics and human rights statements)	President	Yes (annual report attachment)	Evaluation mechanism	Yes (official website, stakeholder section)	Complaint mailbox	Handle according to the complaint flowchart	No



Subsidiary	Policy/System	Human Rights Commitment	Approval Level	Disclosed Y/N	Communication Method	Grievance Mechanism	Grievance Channel	Handling Method	Status
Simple Mart Retail	Supplier management policy/procurement procedure	Yes (including environmental protection, occupational safety and health, labor rights, and ethical norms)	President/department head	SCM announcement	Internal EIP platform/external supplier platform	Yes (external supplier platform)	Complaint mailbox	After receiving a complaint, the content is confirmed, and an investigation is initiated if necessary, followed by communication with the supplier to clarify the cause.	Four cases were investigated and handled in 2025.
Mercuries & Associates	Supplier assessment and evaluation/supplier contract terms	Occupational safety audit	Department head	No (confidential business information)	Evaluation and assessment/daily communication	No	Communication between telephone purchasing personnel and supervisors at or above the section level.	Direct communication	Mainly cost issues
Mercuries Data Systems	Supplier Sustainability Code of Conduct	Yes (complete human rights clause)	Board of Directors	Yes (official website)	Orders and contract terms	Yes (official website)	Complaint mailbox	After receiving a complaint, the content is confirmed, communication with the supplier is conducted to clarify the cause, and an investigation is initiated if necessary.	No
Mercuries Home Furniture	Procurement process	No	No	No	Email, service hotline	No	No	No	No



Board of Directors



Tiered management



Supplier Management System



Human Rights and Responsibility



Optimize completeness and effectiveness



2025 supplier evaluation system and audit results

Sustainable Living Ecosystem	Subsidiary	Evaluation Frequency	Evaluation Focus	Audit Method	Evaluation Result	2025 Supply Chain Management Result
Responsible finance	Mercuries Life Insurance	Once a year	Integrity, environment, human rights, governance	Document review + on-site audit	Pass/fail	100% of suppliers sign the Integrity and Honesty Commitment, zero suppliers were terminated for violations, and annual assessment coverage reached 100%.
Safe food	Mercuries F&B	Once a year	Quality, delivery, and service	Rating + On-site Audit	Grade A 57% (141 companies), Grade B 39% (96 companies), Grade C requiring improvement 4% (11 companies), Grade D: 1 company (cooperation terminated)	Supplier evaluation rate of 80% (249 suppliers). Zero food safety incidents reported, and all 19 new suppliers passed the audit.
	Mercuries Liquor & Food	Once a year	Brand licensing, quality, and cold chain management	Quality inspection + supply chain monitoring	100% qualified	Distribution rate≥95%, with zero food safety incidents and zero cold chain temperature anomalies.
Professional medicine	SCI Pharmtech	Once a year	QCDS, Quality and EHS	Quantitative scoring + high-risk audit	No further purchases from Grade C supplier	Annual comprehensive evaluation: high-risk audits and 1,135 product inspections, with a 99.9% pass rate.
Quality retail	Simple Mart Retail	Once a year	Quality capability, ESG, finance	OEM factory visit + annual evaluation	Grade A: 62% (37 companies), Grade B: 23% (13 companies), Grade C: 11.7% (7 companies), Grade D: 1.7% (1 company), Grade E: 1.6% (1 company)	• OEM supplier evaluation rate of 94.9% • 98.1% pass rate for self-inspection and testing of products, 62%of suppliers are A-class, and a continuous improvement mechanism is in place.
	Mercuries & Associates	Once a year	Quality and ESG	Evaluation and inspection + product sampling	Grade A 40% (21 companies), Grade B 58% (30 companies)	• 1,150 product samples were inspected, with a 100% pass rate. • Supplier evaluation rate of 54.7% (52 suppliers) • Suppliers who failed to meet standards were terminated from cooperation in December 2025. Remaining outstanding payments were settled as partial deposits had already been withheld for previous shipments.
Technology empowerment	Mercuries Data Systems	Every six months	Quality, delivery, service, cost	Performance rating + supplier audit	100% top-rated suppliers	800 suppliers have signed the Sustainability Code of Conduct Zero defective suppliers
Safe home	Mercuries Home Furniture	Once a year	Cost, lead time, quality, material safety	Document review + third-party inspection	Disqualification of non-conforming suppliers	93 suppliers were evaluated, and 4 non-conforming products have been improved.



Local procurement: Mercuries & Associates Holding prioritizes sourcing products and services from local suppliers to support local economic development

Sustainable Living Ecosystem	Subsidiary	Local Procurement Ratio	Local Procurement Strategy	Benefit
Responsible finance	Mercuries Life Insurance	100% (Percentage of purchases from local suppliers in terms of procurement expenditure of significant operating locations in 2025.)	Prioritize local suppliers and the purchase of environmentally certified products, and promote green procurement policies.	Reduce carbon footprints, support local economies, and increase the proportion of green procurement.
Safe food	Mercuries F&B	82%	Meat products (chicken and pork are 100% locally sourced, vegetables are 100% locally sourced, some beef is imported)	Reduce carbon footprints, support Taiwan's agriculture, and ensure food freshness.
	Mercuries Liquor & Food	-	Japanese brand agency, Taiwan-based warehousing and logistics.	Establish a strong professional brand agency and strengthen local service networks
Professional medicine	SCI Pharmtech	48%	Continue to increase local procurement and balance global supply sources.	Reduce carbon emissions and enhance supply chain resilience.
Quality retail	Simple Mart Retail	97%	Prioritize local suppliers and support Taiwanese manufacturing.	Support local economy and create job opportunities.
	Mercuries & Associates	Men's shoes 90%, Women's shoes 90% Shoes 75%, Slippers 80% Sports shoes 50%, accessories 90%	Promote MIT Smile Mark products and collaborate with the Tainan Leather Products Association to develop "Fucheng Shoes" and establish a dedicated section for the brand.	The proportion of Taiwan-made products increased by 29% in 2024, driving a 5% growth in revenue.
Technology empowerment	Mercuries Data Systems	73%	Diversified software and hardware procurement, with a preference for local services.	Timely technical support and guaranteed service quality.
Safe home	Mercuries Home Furniture	95%	Prioritize local suppliers and consider delivery time and cost.	Shorten delivery times, reduce transportation carbon footprints, and support Taiwan's industry.





Supply chain risk types and control measures

Risk	Major Risk	Group/Subsidiary Control Measures	2025 Management Achievements
Single supplier risk	Over-reliance on a single supplier may lead to supply disruptions, reduced price negotiation power, or increased operational risks.	- Establish a diversified supplier strategy to avoid reliance on a single source. - Continuously develop potential suppliers - Establish a list of key suppliers and a backup mechanism.	Business entities have established a diverse supplier system. For example, Mercuries Data Systems had over 800 suppliers, and Mercuries F&B had 320. SCI Pharmtech's largest supplier accounted for 27.49% of its total supply source, and overall sourcing was diversified. Global procurement effectively reduced the risk of supply disruption.
Regional concentration risk	The supply chain is overly concentrated in a specific region, which may be affected by geopolitics, epidemics, or logistics restrictions.	- Promote local procurement strategies - Multi-regional supply source configuration - Decentralize warehouses and logistics locations	Subsidiaries have increased their local procurement ratios, including 93% for Simple Mart Retail, 82% for Mercuries F&B Co., Ltd., 73% for Mercuries Data Systems, and 48.27% for SCI Pharmtech. Risks were diversified through multiple warehouses and global procurement.
Price fluctuation risk	The price of raw materials, transportation costs, and exchange rate fluctuations may affect procurement costs and product selling prices.	- Implement long-term collaboration and price negotiation mechanism - Conduct regular price comparison and supplier evaluation - Establish a safe inventory system	The annual price negotiation and safe inventory mechanism reduced the impact of short-term price fluctuations on operations.
Quality risk	Unstable supply quality can affect product quality and brand reputation.	- Establish a supplier evaluation system - Conduct product spot check and quality monitoring - Conduct on-site audit of high-risk suppliers	The pass rate of random product inspections across multiple subsidiaries reached over 98%. For example, the pass rate of the random inspection conducted by Simple Mart Retail was 98.1%, and the pass rate of the random inspection conducted by Mercuries & Associates for 1,150 products was 100%. During the high-risk audit, the pass rate of the random inspection conducted by SCI Pharmtech for 1,135 products was 99.9%, and the pass rate of the import inspection conducted by Mercuries Liquor & Food was 100%.
Food safety risk	Food ingredients or processing that do not meet standards may lead to food safety incidents.	- Establish a food safety management system - Conduct supplier inspection report review - Conduct third-party inspection and government sampling	Mercuries F&B and Simple Mart Retail continued to strengthen food safety management, and no major food safety incidents occurred in 2025. SCI Pharmtech cGMP certification, customer audit
Logistics risk	Transportation delays, supply chain disruptions, or insufficient distribution efficiency may affect the supply of goods.	- Establish cold chain logistics and warehouse management - Establish a logistics center and distribution network - Conduct batch tracking and distribution monitoring	Subsidiaries maintained an on-time delivery rate of over 95%, and the supply chain as a whole operated stably.

Through strict supplier management, regular communication and assistance, and a commitment to corporate ESG responsibility, Mercuries & Associates Holding has successfully established a responsible, transparent, and trustworthy supply chain ecosystem. Our long-term partnerships with over 2,000 suppliers not only ensure the quality and safety of goods and services, but also drive the sustainable development of our supply chain. The subsidiaries of the Group have established a differentiated management mechanism based on its industrial characteristics to deepen the influence of "value co-creation." Mercuries Data Systems has demonstrated high standards of control in the information service industry, achieving 100% excellent supplier evaluations and protecting the nation's critical information security. Mercuries F&B has ensured zero major food safety incidents and achieved an 82% local procurement rate through central kitchens and strict traceability audits. Simple Mart Retail, leveraging its retail channel advantages, has established a comprehensive supplier management and product quality control mechanism, with a local procurement ratio of 96.95% and a supplier code of conduct signing rate of 99.15% by 2025. Meanwhile, the product pass rate has remained above 98% through self-inspection and third-party testing, effectively ensuring product safety and strengthening supply chain risk management capabilities. As one of the world's leading pharmaceutical companies, SCI Pharmtech adopts a global procurement strategy and integrates 33 international patented technologies and green processes to ensure supply resilience and environmental friendliness. Mercuries Home Furniture promotes collaboration on eco-friendly materials and 3D digital design to reduce energy consumption and waste during renovations. In addition, Mercuries Life Insurance has directed capital to the sustainable industry with NT\$399.451 billion in responsible investments. Looking forward, the Company will continue to deepen its partnerships, promote supply chain digitalization, and jointly create a safer, more sustainable, and prosperous business ecosystem to fulfill the Company's commitment to social sustainability.



4

Social Co-Good

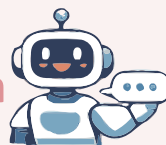
From Talent Development to Community Engagement



- 4.1 Diversity and inclusion: Building an organizational culture of equality
- 4.2 Labor-management harmony: Building a trust-based partnership
- 4.3 Empowering careers: Creating Diverse Growth Pathways
- 4.4 Healthy workplace: Creation of a safe and secure working environment
- 4.5 Caring in action: Building a sustainable public welfare ecosystem



4.1 Diversity and inclusion: Building an organizational culture of equality



The Group is committed to creating a diverse, inclusive, and welcoming workplace environment based on the belief that “people are the most valuable asset of an enterprise.” As of December 31, 2025, the Group employed a total of 22,151 employees, including 59% female and 41% male staff members, reflecting the Group’s progress in gender diversity and equal employment opportunities. The management structure is becoming more diverse, with female employees holding 60% of management positions, demonstrating continuous growth of female participation in corporate management and decision-making roles. In terms of age structure, employees aged 30-50 made up 49% of the workforce, representing the Group’s core talent pool with a combination of professional skills and practical experience; those aged 50 and above comprised 23%, demonstrating the Group’s value placed on senior professional talent and knowledge transfer; and employees aged 30 and below accounted for 28%, reflecting the service industry’s appeal to young professionals and the organization’s vitality. In the future, we will continue to promote diversity and inclusion in its talent strategy, foster a work environment that respects differences and ensures fair development, and attract and retain outstanding talent through a comprehensive talent development and career advancement system. The Group will grow alongside its employees and create long-term value for both the enterprise and society.

The changes in employee numbers during the reporting period were primarily due to operational strategy adjustments at subsidiaries, including increases or decreases in retail locations and optimization of workforce allocation. The overall human resource structure remained stable and did not significantly impact the operations. The number of employees disclosed in this chapter is based on the statistics in Taiwan and includes the subsidiaries referred to in the consolidated financial statements, excluding employees at overseas locations. The Company’s operating locations are leased office spaces. Cleaning, security, and building management services are provided by the building management committee. These personnel are not Company employees; their employment and management are the responsibility of the contracting vendor or building management unit. As the Company does not directly manage staffing, a comprehensive system for tracking non-employee workers has not yet been established. In the future, we will continue to evaluate the feasibility of strengthening the disclosure of relevant information. Compared to the previous reporting period, interviews with the building management unit indicate no significant change in the use of non-employee workers.



59%

Female employees

41%

Male employees

28%

Under 30 years old

49%

30-50 years old

23%

50 years and older

The size and distribution of the Group’s employees by gender

Year	2023		2024		2025	
	Male (Ratio %)	Female (Ratio %)	Male (Ratio %)	Female (Ratio %)	Male (Ratio %)	Female (Ratio %)
Full-time	6,674(72%)	9,966 (76%)	6,538(70%)	9,867 (75%)	6,571 (72%)	9,590(74%)
Part-time	2,573(28%)	3,139(24%)	2,743(30%)	3,367(25%)	2,537(28%)	3,453(37%)
Total	9,247(41%)	13,105(59%)	9,281(41%)	13,234(59%)	9,108(41%)	13,043(59%)
	22,352		22,515		22,151	



Employee structure of each subsidiary in 2025

Sustainable Living Ecosystem	Subsidiary	Male	Female	Total	Main Business
Responsible finance	Mercuries Life Insurance (office personnel)	684	1,155	1,839	Life insurance & finance
	Mercuries Life Insurance (field personnel)	3,209	5,253	8,462	
	Mercuries Insurance Agency	5	7	12	Insurance agency
Safe food	Mercuries F&B (full-time)	659	734	1,393	Restaurant chain
	Mercuries F&B (part-time)	1,955	2,336	4,291	
	Mercuries Liquor & Food	80	28	108	Food trading
Quality retail	Simple Mart Retail (full-time)	741	1,148	1,889	Retail outlet
	Simple Mart Retail (part-time)	508	845	1,353	
	Mercuries & Associates (full-time)	159	822	981	Commodity distribution
	Mercuries & Associates (part-time)	55	254	309	
	Sanhui (full-time)	22	25	47	Shoes and clothing retail
	Sanhui (part-time)	19	18	37	
Technology empowerment	Mercuries Data Systems	626	217	843	Information service
Professional medicine	SCI Pharmtech	213	55	268	Pharmaceutical manufacturing
Safe home	Mercuries Home Furniture	172	145	317	Interior decoration
Sustainability communication	Mercuries General Media	1	1	2	Media agency



Nationality and cultural diversity of Group's employees

Region	Taiwan		China/Hong Kong and Macau		Northeast Asia (Japan and South Korea)		Southeast Asia		Others	
Subsidiary	Number of male employees	Number of female employees	Number of male employees	Number of female employees	Number of male employees	Number of female employees	Number of male employees	Number of female employees	Number of male employees	Number of female employees
Group	8,904	12,925	4	32	1	1	195	82	5	2

Employee age structure

Year	Under 30 (%)	30–50 (%)	Over 50 (%)
2023	7,297(33%)	11,025(49%)	4,030(18%)
2024	7,518(33%)	10,604(47%)	4,393(20%)
2025	6,185(28%)	10,877(49%)	5,089(23%)

Employee gender structure and diversity in management positions

Year	Male Managerial Officer (%)	Female Managerial Officer (%)
2023	2,222(40%)	3,353(60%)
2024	2,271(40%)	3,344(60%)
2025	2,264(41%)	3,275(59%)

Classification by contract type

The “non-fixed-term contract employees” disclosed in this chapter refer to employees who have signed an open-ended labor contract with the Company, corresponding to the “permanent employees” in the GRI Standards. The “fixed-term contract employees” refer to employees who have signed a fixed-term labor contract with the Company, corresponding to the “temporary employees” in the GRI Standards.

Year	Non-fixed-Term Contract		Fixed-term Contract	
	Male	Female	Male	Female
2023	9,230	13,098	17	7
2024	9,269	13,227	12	7
2025	9,076	13,012	32	31

59%
female



Management positions



41%
male



Statistics of new employees by age and gender

Year	2023					2024					2025				
	Male	Female	>30	30-50	<50	Male	Female	>30	30-50	<50	Male	Female	>30	30-50	<50
Group	3,461	4,353	4,903	2,396	515	3,738	4,962	5,334	2,703	603	2,529	2,995	3,240	1,874	410
New employment rate	35.0%					38.6%					24.9%				

※ Total new employment rate (%) = Total number of new employees in the current year ÷ total number of employees at year-end.

Statistics of resigned employees by age and gender

Year	2023					2024					2025				
	Male	Female	>30	30-50	<50	Male	Female	>30	30-50	<50	Male	Female	>30	30-50	<50
Group	331	521	190	489	173	280	412	206	366	120	478	711	434	594	161
Turnover rate	30.6%					34.6%					22.4%				

※ Total turnover rate (%) = total number of turnovers in the current year ÷ total number of employees at year-end.

Statistics on unpaid parental leave

Year	Gender	Number of Qualified Employees	Actual Number of Applicants	Application Rate	Number of Employees Reinstated	Actual Number of Employees Reinstated	Reinstatement Rate ^{Note 1}	Number of Employees Actually Reinstated in the Previous Year	Number of Employees Retained One Year after Reinstatement	Retention Rate ^{Note 2}
2025	Male	275	12	4%	18	13	72%	15	9	60%
	Female	254	72	28%	112	65	58%	56	48	86%
2024	Male	321	18	6%	25	15	60%	6	3	50%
	Female	323	100	31%	104	56	54%	39	28	72%
2023	Male	332	17	5%	11	8	73%	6	3	50%
	Female	331	100	30%	57	45	79%	60	47	78%

※ Note 1: Reinstatement rate = (Number of employees actually returned from unpaid parental leave) ÷ (number of employees expected to return from unpaid parental leave) × 100%

※ Note 2: Retention rate = (Number of employees returned from unpaid parental leave and retained for a full year) ÷ (number of employees returned from unpaid parental leave) × 100%



4.2 Labor-management harmony: Building a trust-based partnership



Salary structure

The Company provides employees with competitive tools and a flexible salary system. The Human Resources Division regularly collects and references salary information from industry peers and hires employees in accordance with the Labor Standards Act, the Act of Gender Equality in Employment, and the Occupational Safety and Health Act. At the same time, to ensure equal pay for equal work, employee salaries are determined based on position, professional ability, seniority, and experience, and to avoid discrimination arising from gender, age, or other factors. Salary adjustments are made flexibly based on quarterly performance evaluations to encourage employees to set work goals and strive for achievements, with performance reflected in salary growth.

In 2025, the parent company and major subsidiaries employed a total of 1,656 non-managerial full-time employees, up 44 (+2.7%) from 1,612 in 2024. The average salary level was NT\$1,041 thousand, an increase of NT\$41 thousand (+4.1%) from NT\$1,000 thousand for the previous year, while the median salary was NT\$886 thousand, up NT\$23 thousand (+2.7%) from NT\$863 thousand for the previous year. Overall, both the number of employees and salary levels have grown steadily, indicating that the Company has continued to optimize the salary structure and gradually improved employee salaries during the business expansion period.

Salary for non-managerial employees

Salary information for full-time employees in non-managerial positions ^{Note 1} (unit: NT\$ thousand)				
Headquarters	Item	2023	2024	2025
Mercuries & Associates Holding and Important Subsidiaries ^{Note 2}	Number of full-time employees in non-managerial positions	1,655	1,612	1,656
	The average salary of full-time employees in non-managerial positions.	914	1,000	1,041
	The median salary of full-time employees in non-managerial positions.	786	863	886
Individual subsidiaries	Item	2023	2024	2025
Mercuries & Associates	Number of full-time employees in non-managerial positions	932	917	930
	The average salary of full-time employees in non-managerial positions.	519	509	522
	The median salary of full-time employees in non-managerial positions.	427	433	449
Mercuries F&B	Number of full-time employees in non-managerial positions	910	1,187	1,236
	The average salary of full-time employees in non-managerial positions.	566	571	559
	The median salary of full-time employees in non-managerial positions.	493	469	480
Simple Mart Retail	Number of full-time employees in non-managerial positions	2,174	2,101	1,959
	The average salary of full-time employees in non-managerial positions.	447	485	506
	The median salary of full-time employees in non-managerial positions.	375	414	441

※ Note 1: “Non-managerial position” means exclusion of managerial officers (as defined in relevant letters from the competent authority).

※ Note 2: The scope of disclosure of important subsidiaries: According to the “Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants,” this includes all full-time employees (non-regular contract personnel) of Mercuries & Associates Holding and its subsidiary Mercuries Life Insurance.



Employee welfare system

Employee welfare: The Group's subsidiaries have developed a range of benefits tailored to their respective industries and corporate cultures.

Subsidiary	Reward System	Family Allowance	Health Promotion	Employee Welfare	Special Measures
Mercuries Life Insurance	Year-end bonus, certificate bonus, long-term service bonus	Marriage, funeral, and childbirth subsidies	Advanced health checkup, EAP, sports day	Employee purchase discounts, travel subsidies	Gym, shuttle bus, massage service
Mercuries F&B	Year-end, profit sharing, performance	Marriage, funeral, and childbirth subsidies	Annual health checkup	Employee meal discount	Part-time employee group insurance
Simple Mart Retail	Year-end bonus, profit sharing, referral bonus	Marriage, funeral, and childbirth subsidies	Free health checkup	Travel subsidies	Dispatched employees covered by group insurance
Mercuries Data Systems	Year-end and certificate bonuses	Marriage, funeral, and childbirth subsidies	Health checkup, psychological counseling	Travel subsidies	Flexible working hours, birthday leave
SCI Pharmtech	Year-end and seniority bonuses	Marriage, funeral, and childbirth subsidies	Health checkup, on-site doctor	Travel subsidies	Free meal, dormitory
Mercuries & Associates	Year-end performance	Marriage, funeral, and childbirth subsidies	Annual health checkup	Employee purchase discount	Overseas employee travel
Mercuries Liquor & Food	Year-end, profit sharing, performance	Marriage, funeral, and childbirth subsidies	—	Employee purchase discounts, travel subsidies	Coffee bar
Mercuries Home Furniture	Year-end and certificate bonuses	Marriage, funeral, and childbirth subsidies	Health checkup subsidies	Employee discount	Domestic and international travel
Mercuries General Media	Year-end and bonus	Marriage, funeral, and childbirth subsidies	—	Group shopping discounts	Group benefits
Mercuries Insurance Agency	Year-end and bonus	—	—	Travel subsidies	Preferred shares
Sanhui	Year-end and performance bonuses	Marriage, funeral, and childbirth subsidies	Annual health checkup	Group shopping discounts	Group management

Summary of employee welfare investment results of each subsidiary in 2025

Type of Welfare	Amount Invested	Number of Beneficiaries	Main Source
Travel benefits	NT\$8,886,142	3,990 people + 134 dependents	Mercuries F&B, Simple Mart Retail, Mercuries & Associates, Mercuries Home Furniture, Mercuries Insurance Agency
Employee shopping discounts	NT\$5,620,000	2,113 people	Mercuries & Associates
Family subsidies (marriage, childbirth, death)	NT\$377,200	159 people	Mercuries Data Systems, Mercuries Home Furniture, Simple Mart Retail



Labor–management communication mechanism

The Group has established a multi-level, diversified labor–management communication mechanism. Through formal platforms such as labor–management meetings, trade unions, and occupational safety and health committees, the Group ensures that employees’ opinions are fully expressed and addressed. In 2025, all subsidiaries continued to collect employee feedback through the above-mentioned mechanisms and diverse communication channels. A total of 49 employee complaints were received throughout the year. All were investigated and addressed, achieving a 100% case closure rate, ensuring employee rights and continuously optimizing the work environment.

Labor–management communication mechanisms at the subsidiaries						
Subsidiary	Labor–management Meeting	Trade Union Organization	Occupational Safety Committee	Communication/Grievance Channel	2025 Grievance Cases	Average Handling Status
Mercuries Life Insurance	Quarterly (4 times a year)	Trade union (Established in 2024)	Quarterly	- Director/assistant manager/vice president meeting meeting - Regional department manager meeting - HR department hotline (office personnel) - HR Mailbox hr_01@mail.mli.com.tw - Business service section in each region (field personnel)	• 4 grievance cases	Follow up on cases monthly until closure, with a 100% annual case closure rate
Mercuries F&B	Quarterly (4 times a year)	None	Quarterly	- Nationwide store manager meeting (4 sessions) - Internal complaint mailbox/hotline	2 grievance cases (labor conditions, shift schedule) 7 improvement proposals	All cases closed
Simple Mart Retail	Quarterly (4 times a year)	None	Quarterly	- Complaint mailbox: webservice@simplemart.com.tw - whistleblowing@simplemart.com.tw - complaints-shop@simplemart.com.tw	23 cases (workplace environment, employee rights, suggestions and opinions)	All cases were closed within 5 days on average.
Mercuries Data Systems	Quarterly (4 times a year)	None	Quarterly	- Employee suggestion box - Improvement proposal section - Anonymous proposals on the internal website	0 cases	—
SCI Pharmtech	Quarterly (4 times a year)	None	Quarterly	- Supervisor’s mailbox - Instant LINE group - HR services	11 cases	—
Mercuries & Associates	Quarterly (4 times a year)	None	Quarterly	- President’s mailbox - Department bulletin board - HR service - Internal complaint mailbox/hotline	0 cases	—
Mercuries Liquor & Food	Quarterly (4 times a year)	None	None	michelle.liu@mlf.com.tw	1 case (labor conditions)	Case closed
Mercuries Home Furniture	Quarterly (4 times a year)	None	Quarterly	- Nationwide store manager meeting (12 sessions) - Internal complaint mailbox/hotline	1 case (labor conditions)	Case closed
Mercuries & Associates Holding	Quarterly (4 times a year)	None	None	3080@mercuries.com.tw - jay.lin@mercuries.com.tw	0 cases	—



Minimum period of advance notice: According to Article 16 of the Labor Standards Act, companies must observe the minimum advanced notice period when terminating an employment contract. The Group observe the requirements of the the minimum advanced notice period without any violations:

Years of Service	Minimum Advanced Notice Period	Group Practice
3 months to 1 year	10 days' notice	Implement in accordance with the law and provide resignation interviews
1 to 3 years	20 days' notice	Implement in accordance with the law and assist with job transition counseling.
3+ years	30 days' notice	in accordance with the law and provide severance pay (at some subsidiaries).

The Company and all subsidiaries respect employees' freedom of association and labor rights. In 2025, only one subsidiary, Mercuries Life Insurance, had a labor union and a collective bargaining agreement. Overall, approximately 47% of the Company's employees were covered by the collective bargaining agreement. The Company continued to monitor labor relations developments within the subsidiaries and evaluate the implementation of relevant systems as appropriate.

Labor law compliance

The Company and all subsidiaries strictly comply with the following laws and regulations to establish a comprehensive labor rights protection system.

Labor Standards Act: Basic labor conditions such as working hours, wages, leave, and pension. **Gender Equality in Employment Act:** Gender equality, parental leave, and prevention of sexual harassment.

Occupational Safety and Health Act: Workplace safety, health management, and occupational disaster prevention.

Labor Pension Act: Labor pension contributions and payment standards.

Employment Service Act: Prohibits employment discrimination and manages foreign workers.

Middle-aged and Elderly Employment Promotion Act: Age-friendly workplaces and re-employment after retirement.

2025 statistics and improvement for non-compliance cases

The Company prioritizes legal compliance and operational governance. Each subsidiary has established internal controls, legal compliance programs, and risk management mechanisms tailored to its industry, regularly reviews operational processes, and strengthens education and training to mitigate the risk of violations. In 2025, the Group experienced a total of 26 regulatory violations, primarily related to labor laws and regulations, financial supervision, and occupational safety management, resulting in a fine of NT\$29,238,476. All cases have been improved and preventive measures have been established, with a 100% annual improvement completion rate.

Subsidiary	Number of Violations	Main Violation Type	Amounts of Fines (NT\$)	Summary of Violation	Improvement Status
Mercuries Life Insurance	18 cases	Labor laws and regulations, financial supervision, and personal data protection	28,548,476	Some agents filed complaints, arguing that renewal commissions for existing policies should be retroactively included in the insurable salary base. This resulted in penalties from the competent authority. There were also cases related to the Gender Equality in Employment Act, the Regulations Governing Business Solicitation, Policy Underwriting and Claim Adjusting of Insurance Enterprises, and relevant personal data protection regulations.	The labor pension contributions have been made, and the related fines have been paid. Improvements have also been made by strengthening the internal control system, revising the sexual harassment complaint handling process, enhancing underwriting education and training, and reinforcing personal information protection measures.
Mercuries F&B	4 cases	Labor conditions, food safety, occupational safety and health	330,000	Failure to pay required additional wages, delayed improvements to food hygiene, and non-compliant pressure vessel management.	The company has optimized the attendance management system, completed improvements to environmental sanitation, and strengthened education and training.
Simple Mart Retail	1 case	Labor conditions	100,000	Failure to pay required overtime wages and violations of statutory regulations.	The company has completed the labor-management mediation, and the management mechanism has been strengthened.
SCI Pharmtech	3 cases	Fire safety, occupational safety and health	260,000	Failure to store items as required. Failure to take relevant equipment explosion-proof measures.	The company has completed the improvement work immediately, and comprehensively reviewed the operation process, strengthened education and training, and enhanced the internal audit mechanism.



4.3 Empowering careers: Creating Diverse Growth Pathways

The Group has continued to deepen the talent development strategy and establish a systematic education and training system. In 2025, the Group invested over NT\$40 million in education and training, with cumulative training hours exceeding 400,000. Of these hours, 171,812 were for general staff male and 216,073 for general staff female; 12,759 hours were for management male and 20,892 for management female. Each subsidiary develops a diversified training system based on its industry characteristics, covering financial professional certifications, catering service quality, food safety management, ISO quality systems, information security, and occupational safety, to continuously improve employees' professional skills and management capabilities. In the future, the Group will continue to strengthen its talent development mechanisms, build a learning organization, support employee career development, and promote the sustainable growth of both the company and its people.

Group employee training hours (by Job and gender)

Category	Total Training Hours of Male Employees	Total Training Hours of Female Employees	Average training Hours (Male)	Total Training Hours (Female)
General position	Approx. 171,812 hours	Approx. 216,073 hours	Approx. 25.1 hours	Approx. 22.1 hours
Management position	Approx. 12,759 hours	Approx. 20,892 hours	Approx. 5.6 hours	Approx. 6.3 hours



400,000 hours of education and training

Investment in education and training exceeded **NT\$40 million**

Investment in training and training features at each subsidiary

Subsidiary	Investment in Education and Training	Features of Education and Training
Mercuries Life Insurance (office personnel)	NT\$14.77 million	Core training, management training, and professional training are planned based on job level and learning goals, and employees are encouraged to obtain international financial certifications such as LOMA.
Mercuries Life Insurance (field personnel)	NT\$22 million	Establish a three-stage training system of “foundation – rooting – promotion,” and provide continuous learning through the Mercuries Digital Academy and MOD platform.
Mercuries F&B	NT\$490,000	TTQS (Talent Development Quality Management System), E33 Catering Academy, QSC Service Quality Evaluation
Mercuries F&B – Central Kitchen	NT\$77,000	HACCP, GHP, allergen management, hazard analysis, food regulations, standard sanitation operating procedures, and microbial testing techniques to strengthen the food safety awareness and professional capabilities of all employees.
Simple Mart Retail	NT\$3.46 million	Reserve talent program, core competency development, internal instructor system
Mercuries Data Systems	Approximately NT\$1,946,000	ISO system education and training, information security certification training
SCI Pharmtech	NT\$422,000	GMP quality management, ISO quality system, and occupational safety training
Mercuries & Associates	Approximately NT\$780,000	Occupational safety training, first aid training
Mercuries Home Furniture	Approximately NT\$ 2.188 million	Store leadership course, sales conference, and various training expense
Mercuries Insurance Agency	NT\$40,000	Audit, legal compliance, anti-money laundering, and insurance professional courses



4.4 Healthy workplace: Creation of a safe and secure working environment

The Group is committed to creating a safe, healthy, and friendly work environment. We continue to strengthen workplace safety and employee health management in accordance with the Occupational Safety and Health Act and international occupational safety management systems. The Group has reduced the risk of occupational accidents and improved employee health and well-being through a variety of measures, including occupational health and safety management systems, risk assessment, education and training, and health promotion activities.

In 2025, the Group invested more than NT\$7.7 million in occupational safety and health, covering safety equipment, health checkups, health promotion activities, education and training, and work environment improvements. There were no major occupational accidents resulting in fatalities throughout the year, and one case of occupational disease (musculoskeletal disorder) occurred. Improvement and management measures have been completed, and the overall occupational safety and health management mechanism remained stable.

ISO 45001 Occupational Health and Safety Management System certification status

The Group is committed to creating a safe and healthy working environment. Each subsidiary has established an occupational safety and health management system based on industry characteristics and regulatory requirements. Through internal and external audits and continuous improvement, they ensure the effective operation of the safety management system.



Improve employee health and well-being

Occupational safety and health management system

Subsidiary	Industry	Certification Status	Certification Time	Coverage
Mercuries F&B	Restaurant industry	Obtained	First time in 2022 Completion of the renewal certification review in 2025.	Headquarters + Xinyang Store
Simple Mart Retail	Retail	Obtained	First time in January 2025; the renewal certification review was completed in November 2025.	197 people (6%)
SCI Pharmtech	Pharmaceuticals	Obtained	Completion of the renewal certification review in 2025.	Company-wide
Mercuries Data Systems	Technology industry	Obtained	First time in May 2025.	Company-wide
Mercuries Home Furniture	Interior decoration	In planning	Expected in 2027	Company-wide



Hazard identification and risk assessment

The Group has established an occupational safety and health management system based on the operational characteristics of each subsidiary and has reduced the risk of occupational accidents through hazard identification, risk assessment, and a continuous improvement mechanism. As the Group's operations span the financial, retail, catering, manufacturing, and technology industries, the main occupational safety risks vary across these sectors, so a differentiated management strategy is adopted.

Industry	Major Occupational Safety Risk	Subsidiary Involved	Risk Characteristics	Main Management Measures	Management Effectiveness
Financial services	Overwork, psychological stress, commuting accidents	Mercuries Life Insurance, Mercuries Insurance Agency	There is a significant difference between field and office tasks, with longer working hours and higher performance pressure.	- Differentiated management system - EAP employee assistance program - Tiered health management - Health consultation services	In 2025, the number of employees at health management levels 3 and 4 decreased by 3% compared to the previous year.
Restaurant industry	Burns, cuts, slips, and falls	Mercuries F&B	Hot humid and demanding work in kitchen	- Multilingual security materials - Visual SOP - Shop audit system - License system management	Strengthen in-store safety awareness and operating standards.
Retail	Fall, drop, and carrying-related injury	Simple Mart Retail, Mercuries & Associates, Sanhui	Distributed retail locations and high employee turnover.	- Shop safety and health inspection system - Standardize operating procedures - e-learning safety training	Continue to strengthen security management and standardize operations at stores.
Pharmaceuticals	Chemical exposure, process hazards	SCI Pharmtech	21 types of special chemicals and complex processes	- HAZOP analysis - PSM management - Special health checkup	No major occupational accidents for three consecutive years.
Technology/office work	Prolonged sitting, eye strain, musculoskeletal injury	Mercuries Data Systems, Mercuries Liquor & Food, Mercuries General Media	Long-term computer work	- Ergonomic improvement - Health promotion activities	Assistance with improvement and prevention
Technology/outdoor work	Heatstroke, fall, cut, bruise	Mercuries Data Systems	Outdoor high temperatures and handling operations	- Hazard communication - Provision of personal protective equipment - On-site inspection and internal audit	No major occupational accidents occurred this year.
Interior design and renovation	Fall, electric shock, falling objects, entrapment	Mercuries Home Furniture	Complex construction site environment with numerous concurrent operations.	- Hazard identification and contractor management - Construction site safety education and training	- Lower the occurrence rate of occupational accidents and false alarms - Enhance the safety awareness and legal compliance of contractors - Achieve a goal of zero work-related accidents and optimize the brand image.



Group-level occupational accident statistics for 2025

Due to the diverse operations of the Group, the subsidiaries face different levels of occupational safety risk. This section first discloses occupational accident statistics for industries with higher occupational safety risks (catering, retail, and manufacturing). Subsidiaries engaged primarily in office work are included in the Group's overall management and statistics.

Total Number of Group Employees	Number of Occupational Injuries (Excluding Commuting)	Total Days Lost	Occupational Disease	Occupational Accident Fatalities	Major high-risk Industries
22,151 people	38 cases	Approx. 455.5 days	1 cases	0 cases	Catering, retail, manufacturing

1 case of confirmed occupational disease (catering business) of musculoskeletal disorder, mainly related to long-term repetitive operations and working postures. For this case, necessary medical assistance and job adjustments were provided, and follow-up care was conducted continuously for improvement of workplace safety and health.



Group occupational hazard risks

Subsidiary	Number of employees	Total work hours (hours)	Number of occupational accidents (excluding commuting)	Total days lost	FR (Disabling Injury Frequency Rate)	SR (Disabling Injury Severity Rate)	FSI (Frequency-Severity Indicator)	Occupational Disease	Death
Mercuries F&B	5,684	7,284,294	11 cases	207.5	1.51	28	0.205	1 case	0 case
Simple Mart Retail	3,242	7,057,720	22 cases	163	3.11	21	0.25	0 case	0 case
Mercuries Data Systems	843	1,640,872	2 cases	78	1.22	47	0.24	0 case	0 case
SCI Pharmtech	249	478,080	0 cases	0	0	0	0	0 case	0 case
Mercuries Home Furniture	312	649,816	0 cases	0	0	0	0	0 case	0 case



Occupational safety and health training

Each subsidiary of the Group provides occupational safety and health education and training according to its industry characteristics, including safety education for new employees, on-the-job training, fire drills, and training for special operations personnel, to ensure that employees have the necessary safety knowledge and skills. In 2025, all subsidiaries achieved a 100% completion rate for mandatory occupational safety and health education and training. They continued to enhance employee safety awareness and professional skills through multilingual materials, visualized SOPs, and professional certification training.



Subsidiary	Total Training Sessions/Participants	Mandatory Training Completion Rate	Special Training Item	License Training
Mercuries Life Insurance	Mandatory occupational safety and health training for new employees, and first aid personnel training for 25 people.	100%	Regular occupational safety promotion and e-newsletter dissemination	First aid personnel training
Mercuries F&B	5,958 general employees, 155 Class C employees, and 104 emergency responders	100% (General safety and health)	Multilingual teaching materials, visualized SOPs, and a test score of 80 or above are required before employees can begin work.	Class C business supervisor, first aid, forklift, and special chemical licenses.
Simple Mart Retail	2,643 new hires, 2,630 existing employees, and 180 people participated in emergency drills.	100% (New employees, sexual harassment prevention)	Traffic safety seminar, emergency evacuation and fire extinguisher operation course	Class C business supervisor and first aid personnel training
Mercuries Data Systems	69 new employees, 761 existing employees, 16 employees received occupational safety retraining, 17 employees received first aid retraining, and 1 fire safety manager took initial training.	100% (General safety and health)	Safety and health management awareness training, fire drills (twice)	Retraining (training) of personnel in occupational safety management, fire safety management, and first aid
SCI Pharmtech	582 people participated in internal training, 183 in external training, and 498 in mandatory training.	100% (Statutory)	Emergency response, process safety management (PSM), chemical emergency handling	24 first aid staff, 327 people for special operation licenses
Mercuries & Associates	236 Class C employees, 213 first aid staff	100% (General safety and health)	Multilingual teaching materials, visualized SOPs, and a test score of 80 or above are required before employees can begin work.	Class C business supervisor, first aid personnel
Mercuries Home Furniture	187 new hires, 317 existing employees, 5 first aid staff retrained, 2 Class C business supervisor retrained, 1 fire safety manager retrained, 2 forklift operators retrained.	100% (New employees, sexual harassment prevention)	Construction site safety education and training, fire drills, information security and personal data courses	First aid, Class C business supervisor, fire prevention manager, forklift license



Health checkup and health management

According to the characteristics of each industry and relevant regulations, the Group promotes employee health checkups and a health management system by regularly organizing general and special health examinations. The Group continues to monitor employee health through health level management, abnormal indicator tracking, and on-site medical services. In 2025, the Group provided over 70 on-site medical services and health consultations to more than 600 employees, helping them understand their personal health risks and conduct subsequent follow-up management. Professional physician consultations and health interviews are provided for high-risk groups, with appropriate health management measures in place for maternal protection, middle-aged and elderly employees, and special operators to establish a safe, healthy, and supportive work environment.



provided over **70** on-site medical services / health consultations to more than **600** employees

Subsidiary	Inspection Frequency	Features of Health checkup	Abnormality Tracking	On-site Health Service
Mercuries Life Insurance	Each year	Health grading management, on-site physician services	Tiered health tracking	23 on-site medical services were provided to 333 people; 40 people received maternity protection.
Mercuries F&B	Each year	Health checkups, abnormality follow-up, maternity protection	Differentiated management	On-site medical care services were provided six times a year, with consultations for 116 people.
Simple Mart Retail	Periodically	Regular health checkups and on-site medical services.	High-risk interview	18 on-site medical service sessions, with consultations for 64 people.
Mercuries Data Systems	Every 2 years for employees under 65 Every year for employees above 65	Blood test, electrocardiogram, abdominal ultrasound, tumor marker	High-risk follow-up	Occupational health services were provided twice a year (with 33 consultations), and nurses provided health consultations to 374 people.
SCI Pharmtech	Each year	General health checkup and 7 special health checkups (chemical exposure)	Follow-up of special health checkup Health management for abnormal checkup results	Occupational physician 3 times a year, specialist 3 times a year, on-site nurse 72 times a year.
Mercuries & Associates	Each year	Health checkups, abnormality follow-up, maternity protection	Differentiated management	12 on-site services per year, 47 consultations
Mercuries Home Furniture	Periodically	General health checkup, on-site medical services	High-risk interview	6 on-site services, with consultations for 20 people; specialist physicians once every six months.



Health promotion activities table

The Group and its subsidiaries promote diverse health promotion activities tailored to the characteristics of their respective industries, covering areas such as sports promotion, mental health support, nutrition and health, and health seminars. These activities are offered through club events, health management programs, and professional consultation services to encourage employees to adopt a healthy lifestyle. In 2025, the Group organized over 100 health promotion activities with over 4,000 participants. Some subsidiaries also provide psychological counseling, stress management courses, and employee assistance programs (EAPs). Throughout the year, a total of 141 employees received psychological counseling services, helping them maintain good physical and mental well-being and enhance the overall workplace health culture.



100 health promotion activities / over **4,000** participants



Subsidiary	Sports Promotion	Mental Health	Nutrition and Health	Health Seminar	Other Special Activities	Participation Status
Mercuries Life Insurance	Gym, sports day, family day	EAP psychological counseling, occupational health/ occupational medical services	—	Regular health seminars	—	Family Day: 1,982 people; Sports Day: 311 people; EAP: 137 participants
Mercuries F&B	Free after-work exercise classes (24 classes per quarter, a total of 96 classes)	Essential oil stress relief course	—	Workplace health promotion seminars	—	1,920 people participated in sports activities; 214 people participated in health promotion activities.
Simple Mart Retail	Health management program	Mental health consultation, mental state survey	—	Tobacco, betel nut, and alcohol control and prevention promotion	—	—
Mercuries Data Systems	Diverse club activities	Psychological counseling service	Nutrition and Diet Lecture	Lecture on Traditional Chinese Medicine Acupoint Massage	Weight loss competition, foot health examination and consultation; completion of the workplace health promotion self-assessment system.	133 people
SCI Pharmtech	Basketball activities, fitness activities (once a month)	Pressure gauge form	Nutrition and Diet Lecture	Smoking cessation workshops, nutritionists' health talks	Complete sports facilities (gym, ball field), weight loss competition	400 people or more
Mercuries & Associates	Sports seminar (4 sessions)	Affiliated psychological counseling center	—	Workplace health promotion seminar (3 sessions)	—	122 people participated in sports activities; 99 people attended health seminars.
Mercuries Home Furniture	Sports Day	Occupational health nurse/ physician services	—	Health promotion	—	—



Investment in occupational safety and health

The Group and subsidiaries continue to invest in occupational safety and health management based on industry characteristics and relevant legal requirements, including improvements to safety equipment, health checkups, health promotion activities, and occupational safety and health education and training. In 2025, the Group's overall investment in occupational safety and health exceeded NT\$14.95 million, continuing to enhance the level of workplace safety and health management.

Subsidiary	Investment in OHS Equipment	Investment in Health Checkup	Health Promotion Investment (Including On-site Services)	Occupational Safety Training	Total OHS investment	Number of Employees	Investment per Capita
Mercuries Life Insurance	>NT\$1.3 million	>NT\$4.22 million	NT\$679,000	NT\$134,000	>NT\$6.33 million	10,301	>NT\$614
Mercuries F&B	—	—	NT\$108,000	—	NT\$2.16 million	5,684	>NT\$380
Simple Mart Retail	NT\$347,000	NT\$710,000	NT\$103,000	NT\$123,000	NT\$2.39 million	3,242	NT\$739
Mercuries Data Systems	NT\$517,000	NT\$22,500	NT\$50,000	NT\$142,000	>NT\$730,000	821	>NT\$868
SCI Pharmtech	NT\$787,000	NT\$365,000	NT\$311,000	NT\$422,000	NT\$1.885 million	249	>NT\$7,570
Mercuries & Associates	—	NT\$336,000	NT\$108,000	NT\$782,000	NT\$1.226 million	1,290	NT\$950
Mercuries Home Furniture	NT\$9,000	—	NT\$100,000	NT\$128,000	NT\$238,000	317	NT\$749



The total investment in occupational safety and health amounted to NT\$ **14.95** million.



4.5 Caring in action: Building a sustainable public welfare ecosystem

We uphold the principle of “taking from society and giving back to society” and deeply integrate social welfare into our corporate sustainability strategy. Our blueprint for public welfare unfolds across multiple dimensions, dedicated to building a healthier and more inclusive society. We actively promote public health and give particular attention to the physical and mental development of children, laying a solid foundation for the country’s future. In our core business, we vigorously promote financial inclusion education and support the development of insurance scholarship to enhance overall societal risk awareness. Meanwhile, we have also deepened our roots in the local community, actively investing in ecological conservation and community services. We also promote arts and cultural activities to enrich the community’s cultural life, giving back the company’s resources and support to all corners of society.

Key achievements in 2025

Aspect	Amount Invested	Number of Sessions	Major Item
Care for Children and Disadvantaged Groups	2,796,456	33	Shoe vouchers, meals, and furniture donations
Sports promotion	937,040	6	Golf, softball, road running, and Teeball
Academic Culture	500,000	64	Financial education, promotion of food culture, support for science, culture, and talent cultivation
Corporate volunteers	5,370,000	83	Ecological conservation, blood donation, micro-insurance





Care for children and disadvantaged groups

Through donations of materials, educational support, and living assistance, the Group continues to improve the living and educational environments of disadvantaged groups.

Shoe Coupon and Material Donation Program (Mercuries & Associates)			
Cooperative Organization	Sponsorship Amount (NT\$)	Beneficiaries	Cumulative Achievements
New Taipei City Lexin Caring Association	104,000	New Taipei City area	Over 6,520 pairs accumulated over 9 years
New Taipei City Lexin Caring Association	55,500	Guangfu Township, Hualien County	Over 7,022 pairs accumulated over 9 years
Changhua TFCF	313,600	Children in family care	Over 7,120 pairs accumulated over 9 years
Chinese Christian Relief Association	144,134	Happiness Bus	Ovr 471 pairs. In 2024, the Company collaborated with the Chinese Christian Relief Association for the first time to participate in the 1919 Emergency Relief Project. In 2024, the Company participated in the “1919 Love Walking – Happiness Bus” event, donating supplies to homes in need, including 303 pairs of shoes worth NT\$90,900. In 2025, we continued our participation in the “1919 Love Walking – Happy Bus” events and donated materials to bring warmth to homes in need. A total of 482 pairs of shoes were donated, representing an estimated donation value of approximately NT\$141,300.
New Taipei City Filial Piety Promotion Association	29,900		In 2024, we collaborated for the first time with the “New Taipei City Filial Piety Promotion Association” to jointly participate in social care activities and donated a batch of shoes and supplies worth a total of NT\$45,000. In 2025, the Company continued to participate in social care activities and donated a batch of materials worth NT\$29,900.
Subtotal	617,234	Many cities and counties	A total of over 12,000 pairs

Single-shoes Bank (Mercuries & Associates X Cheng Feng-hsi Culture and Education Foundation)				
Year	Number of People Served	Free Delivery of single shoes (unit: shoe)	Years of Service	Remarks
2025	418	746	34years	The only single-shoe retailer in Taiwan
Cumulative up to 2025	8,875	-	-	Continuous service since 1991



Food Assistance Program for the Disadvantaged (Mercuries F&B)

Platform	Brand	Number of Stores	Number of Distributions in 2025	Cumulative Distributions	Duration in Years
Hope Dining Hall (Taipei City)	6 brands including Mercuries Beef Noodle and Napoli Pizza and Fried Chicken	52 stores	6,611 portions	>26,835 portions	4 years (since 2021)
Good Day Love Platform (New Taipei City)	Mercuries F&B	-	16,919 portions	>51,213 portions	3 years (since September 2022)
eFOOD Food Sharing Map	Mercuries F&B	358 stores	3,429 portions	>10,960 portions	3 years (since 2022)
Total	-	420	26,959 portions	>89,008 portions	-

Friendly Restaurant Charity Cooking Activity (Mercuries F&B)

Year	Number of Events	Number of People served	Duration in Years	Main Meal
2025	14 sessions	Students and teachers from elementary and junior high schools in remote townships and at social institutions. > 1,000 people	17 years (since 2008)	Beef noodle from Mercuries Beef Noodle

Cherish Food and Food Meal Assistance Program (Simple Mart Retail)

Project	Result	Description	Event
Food Waste Reduction Program	34 new stores in northern, central, and southern Taiwan have joined the initiative, bringing a total number of participating stores to 51 and a donation of	About NT\$574,000	Since 2018, Simple Mart Retail has collaborated with food banks in northern, central, and southern Taiwan to donate leftover food to disadvantaged groups and schools, enhancing donation efficiency and expanding the scope of beneficiaries.
Donation of New Year food	1,774 sets of charitable donations collected.	NT\$748,477	The company invited consumers to purchase New Year's goods, instant beverages, adult diapers, and other supplies to donate to social welfare institutions, elderly people in remote areas, people with spinal cord injuries across Taiwan, disadvantaged families, and migrant workers.
Total		NT\$1,322,477	



Since 2011, Mercuries Home Furniture has been promoting its Furniture Donation Program, and has donated furniture to over 60 public welfare organizations and schools.

Recipient	Donation	Sponsorship Amount (NT\$)	Event
Miaoli Special Education School	Wardrobe, bookcase, TV cabinet, dressing table	\$240,200	Optimize campus spaces and have volunteers assist with binding and reinforcement to ensure student safety.
Fuan Elementary School, Daxi District, Taoyuan City	Bookcase, dining table, tall cabinet, side cabinet	\$368,900	Upgrade campus hardware and equipment to create a learning space that combines ergonomics and aesthetics.
Renai Elementary School, Renai District, Keelung City	Wooden table, tall cabinet, side cabinet	\$67,500	Create learning corners that combine functionality and aesthetics to improve the quality of the teaching environment.
Taichung Faith, Hope and Love intelligence Development Center	Gray-painted side cabinet	\$40,000	Improve the storage and convenience of living spaces for people with disabilities, and create accessible environments.
Taiwan Public Welfare League	Tall cabinets and sideboards	\$105,600	Optimize the office and service areas of non-profit organizations to improve resource management efficiency.
Total		\$ 822,200	

Sketching Competition for Policyholders' Children (Mercuries Life Insurance)

Item	Quantity	Amount (NT\$)	Beneficiaries
Number of Participants	6,917 people	-	Children of policyholders
Donations to rare disease foundations	-	\$34,585	Patients with rare diseases
Toy recycling	78.2 kg	-	Carbon reduction of 161 kg
Number of years held	22	-	-



Sports promotion

The Group has long supported sports development, encouraging a healthy lifestyle for all through large-scale sports events and youth sports promotion.

Event	Organizer/Sponsor	Description
Mercuries Taiwan Masters Invitational Golf Tournament	Mercuries Life Insurance	A total of NT\$387,040 was raised from the meal voucher auction, all of which has been donated to the Tamsui Cultural Foundation to support the development of local arts and culture in Tamsui, the event's host city.
36th Mercuries Cup Charity Run in 2025	Organized by Mercuries Life Insurance	Donated NT\$150,000 to the Society of Wilderness
Mercuries Cup Teeball National Championship	Mercuries Life Insurance	A total of 18,463 people
Sports activities in high school/junior high school	Mercuries Life Insurance	Sponsored all middle school sports events for 17 consecutive years.
Taipei 101 Charity Vertical Marathon	Mercuries Life Insurance	Donated NT\$400,000 to "Teach for Taiwan" to support the development of children and adolescents.
Asia-Pacific Intellectual Disability Sports Tournament	Mercuries Life Insurance	Sponsored 3,675 activity travel insurance policies to protect the safety of participating students, spectators, teachers, and parents, and to create a safe and friendly sports environment.

Promotion of academic and cultural activities

Through financial education promotion, operation of its cultural foundation, and support for arts and cultural activities, the Company continues to promote wider access to social education resources and cultural development.

Financial Education Promotion Result (Mercuries Life Insurance)			
Event	Number of Sessions	Number of Participants	Description
Financial courses in rural areas	9	267	Correct financial mindset
Financial camp for policyholders' children	6	613	Financial education
Campus Fraud Prevention Public Lecture 2.0	4	352	Enhancement of fraud prevention awareness
Charity activities for the elderly	6	206	Financial protection for the elderly
Financial fraud prevention activity	33	7,294	Interactive learning
Total	58 sessions	8,732 people	-



The Achievements of the Foundation for Chinese Dietary Culture

Item	2025 Achievements	Cumulative Achievements
Years of operation		36 years since 1989
Library collection	1,160 new books and 151 domestic and international menus.	Currently, there are 33,185 books, 90 types of journals, 2,450 types of audiovisual materials, and 3,974 domestic and foreign menus.
Academic journals	6 issues of magazines and 2 issues of journals per year.	The Cooking Taiwan magazine was first published in January 2012 and has been released every odd month since then. After nearly 14 years, a total of 85 issues have been published. The Chinese Culinary Culture was first published in January 2005 and has been published twice a year since then. It has been published for 20 years and is certified as a core journal by the Ministry of Science and Technology.
International Conference on Chinese Food Culture		The first conference was held in 1989, and has been held every two years since then. Over nearly 36 years, a total of 18 seminars have been held.
Scholarship distribution	1 person, NT\$70,000	Since 1991, scholarships have been awarded annually, totaling NT\$6.7 million to 22 doctoral students and 58 master's students to date.

Arts and culture activities sponsorship (Mercuries Life Insurance)

Event	Event	Number of Beneficiaries	Social Impact
Music event	Taijiang Wind Orchestra "2025 Summer Concert		Promotion of music, arts, and culture
Concert	Energy's Dome Concert in Kaohsiung		Enhancement of public cultural participation
Concert	Ding Dang – Night Tour Concert (Taipei Arena)		Support for the development of the arts and culture industry
Total	—	Over 20,000 people	Promote public participation in arts and culture

Social Services/Public Welfare/Education Support (SCI Pharmtech)

Event	Event	Amount Invested	Social Impact
Social services/ public welfare	Donated to Chang Chau-Ting Memorial Foundation to support science, culture, and talent cultivation.	150,000	Many years
Social services / public welfare	Sponsorship of the BIO Asia–Taiwan	30,000	Many years
Education support	Sponsoring Jinxing Elementary School's Table Tennis Team	100,000	From 2025
Total		280,000	



Executing Unit	Volunteer Type/Event	Collaborating Institution/ Location	Number of Events	Number of Participants	Number of Beneficiaries	Description / Achievement
Mercuries Life Insurance	Financial education promotion	Rural schools and social welfare institutions	43	384	-	Financial courses in rural areas, fraud prevention seminars, and financial management summer camps
Mercuries Life Insurance	Ecological Environment Conservation	Gaomei Wetlands, Zhuwei Fish Harbor, Nanzhu Wetlands, etc.	13	521	-	Beach cleanup, stream cleanup, environmental cleaning, tree planting
Mercuries Life Insurance	Blood donation	Taiwan Blood Services Foundation, etc.	22	332	-	Nationwide blood donation event (26 years)
Mercuries Home Furniture	Accompanied by music therapy courses	Xindian Day Care Center, Eden Social Welfare Foundation	1	25	13	Accompany the elderly to participate in music therapy activities.
Mercuries Home Furniture	Support for courses for seniors with disabilities and dementia	Eden Social Welfare Foundation's Jifu and Yifu long-term care institutions	1	13	17	Assistance with the activities and courses organized by the long-term care institutions
Mercuries Home Furniture	Arts and crafts therapy course support	Eden Social Welfare Foundation's Workshop	1	12	16	Accompany people with disabilities in arts and crafts.
Mercuries Home Furniture	Lotus Trip	Eden's Taoyuan Jiaen Service Center	1	17	14	Outdoor activities, companionship, and social engagement.
Mercuries Home Furniture	Mid-Autumn Festival care event	Eden's Dalong Nursing Home	1	12	32	Holiday companionship and care activities
Total			83 sessions	1,316 people		

Love from Mercuries with Warm Blood – Blood Donation Event (Mercuries Life Insurance)

Year	Partner	Number of Sessions	Number of Participants	Number of Blood Bags	Cumulative Number of Bags	Duration in Years
2025	Taiwan Blood Services Foundation	22 sessions	332 people	4,999 bags of blood were donated, and NT\$100 thousand was donated to the Taiwan Foundation for Rare Disorders for its "Rare Disease Children Medical Care Program" to help children and families suffering from rare diseases alleviate their living and medical burdens.	>60,000 bags	26

Micro-insurance Donations (Mercuries Life Insurance)

Year	Premium Donated (NT\$10,000)	Number of Beneficiaries	Recipient
2025	NT\$5.37 million	22,000 people	24 recipients



5

Environmental Action

Towards Green Operations



- 5.1 Climate governance: Actions to drive the net zero transformation
- 5.2 GHG inventory: Data-driven carbon reduction
- 5.3 Resource sustainability: Resource management, recycling, and reuse
- 5.4 Environmental excellence: A comprehensive environmental management system



5.1 Climate governance: Actions to drive the net zero transformation

Climate governance and net zero strategy

The Company upholds the concept of sustainable management and actively responds to the issue of climate change. This report discloses the climate-related risk and opportunity management practices of the Company and subsidiaries in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) under the Financial Stability Board (FSB).

Governance: Board of Directors' climate-related oversight mechanism (under Board's supervision)

Supervisory Mechanism	Description
Periodic reporting mechanism	The Board of Directors hears reports from the sustainability committee on climate-related issues four times a year.
Decision-making and approval authority	- Validate the annual sustainability report (including TCFD disclosures) - Validate climate-related major investment cases and strategic directions - Validate climate target setting and adjustment
Performance supervision	- Supervise the achievement of climate targets and performance. - Track the progress of climate-related action plans - Evaluate the effectiveness of climate risk management

Division of climate-related work at the management level (responsibilities of the management)

Committee/ Unit	Role	Duty	Meeting Frequency
ESG Committee	Climate strategy formulation and implementation supervision	- Formulate climate strategies - Review the results of climate risk assessments - Track the progress of climate action plans	At least once per quarter
ESG Office	Conduct Integrated management of climate risks	- Integrate climate risks into the enterprise risk management (ERM) framework - Regularly review and evaluate climate risks	At least once per quarter
Each business unit	Climate action implementation	- Implement climate-related action plans - Report implementation results periodically	Submit monthly progress reports

Strategy: The Company follows the International Financial Reporting Standards S2 (IFRS S2) and uses a systematic process combining internal and external analysis, cross-departmental interviews, and an enterprise risk management mechanism (ERM) to identify climate-related risks and opportunities that have a significant impact on operations and finances. These risks and opportunities are assessed based on their time horizon, divided into short term (within 3 years), medium term (3–10 years), and long term (more than 10 years).

The inventory results showed that the Company has identified five climate-related risks and two opportunities, and has formulated 19 response strategies covering all 11 subsidiaries of the Group. These strategies serve as an important basis for subsequent climate strategies, investment decisions, and risk management.

In the future, the Company will continue to respond to changes in climate policy and the industrial environment, regularly reviewing related risks, opportunities, and response measures to strengthen the Group's financial resilience and long-term sustainable management capabilities under climate change.





Financial impact of climate scenario analysis

Basic assumptions:

This analysis is based on the Company's annual greenhouse gas emissions of approximately 120,000 tCO₂e and annual premiums of approximately NT\$3 million, and references the climate and energy transition scenarios proposed by the IPCC AR6 and IEA Net Zero 2050 to assess the potential impact on the Company's operations and finances under two global warming pathways – 1.5°C and 4°C – by 2050.

Item	1.5°C Scenario (Proactive Carbon Reduction)	4°C Scenario (Low Carbon Reduction)
Carbon fee expenditure (NT\$100 million/year)	NT\$230 million/year Calculation: - Emission trajectory: 120,000 tons (2025) → close to zero (2050) - Carbon fee trajectory: NT\$2,400-5,250/ton (2050) - Calculation for different periods: * 2025-2035: Average emissions of 105,000 tons × average NT\$2,700/ton = NT\$284 million/year * 2035-2045: Average emissions of 65,000 tons × average NT\$3,900/ton = NT\$254 million/year * 2045-2050: Average emissions of 17,500 tons × average of NT\$5,025/ton = NT\$88 million/year - Average: NT\$230 million/year	NT\$116 million/year Calculation: - Emissions trajectory: 120,000 tons (2025) → 100,000 tons (2050) (low emission reduction) - Carbon fee trajectory: NT\$900–1,200/ton (2050) - Calculation: Average emissions of 110,000 tons × average of NT\$1,050/ton = NT\$116 million/year
Investment in low-carbon technology and equipment transition (NT\$100 million)	NT\$0.34-0.68 billion (total medium-term investment, amortized annually) - Investment item: * Renewable energy: NT\$15–60 million (NT\$1,500-3,000/kW × 1-2 MW) * Improvement of building's energy efficiency: NT\$600–22.5 million (NT\$3,000 – 4,500/m² × 2,000 – 5,000 m²) * Process technology upgrade: NT\$25.2–36 million (1,200 tCO₂ reduction × NT\$2,100 – 3,000/tCO₂ decarbonization cost) * Electrification of transportation and logistics: 10–20 charging stations + 2–5 electric vehicles, NT\$2–4 million - Total investment: 0.34–0.68	Without systematic investment - Lack of long-term planning and systematic investment - Only sporadic responses to short-term regulatory requirements - Facing the risk of stranded assets later on.
Physical risk loss (NT\$100 million/year)	< NT\$0.10 billion Calculation: - The frequency and intensity of extreme weather events are relatively controllable if global temperature rise is limited to 1.5°C. - Composition of losses: * Direct disaster loss: NT\$5 million/year (typhoon, flood) * Supply chain disruption loss: NT\$3 million/year * Asset impairment risk: NT\$1 million/year - Subtotal: NT\$9 million/year < NT\$10 million - Consider insurance coverage and adaptation measures	< NT\$0.63 billion Calculation: - The temperature rose to 4°C, and the frequency and intensity of extreme weather events have increased significantly. - Taiwan's high-risk areas (typhoon, flood, drought, sea level rise) - Composition of losses: * Direct disaster loss: NT\$30 million/year * Supply chain disruption loss: NT\$25 million/year * Asset impairment risk: NT\$8 million/year - Subtotal: NT\$63 million/year ≈ NT\$0.063 billion/year



Item		1.5°C Scenario (Proactive Carbon Reduction)	4°C Scenario (Low Carbon Reduction)
	Supply chain cost changes (NT\$100 million/year)	Minor impact Calculation: - The global supply chain has generally improved its climate resilience. - The Company strengthens supply chain management through investment in transformation. - Cost variation: 0–1% increase in raw materials, -0.5–0.5% in transportation (offset by efficiency gains) - Overall impact is minor and controllable	NT\$0.175 million/year Calculation: - Extreme weather has caused global crop failures and infrastructure disruptions - Cost variation: * Raw material prices rose by 3–5% * Transportation costs increased by 2–4% Supplier switching cost was 1–2% * Inventory cost increases by 1–2% - Calculation: Annual procurement of NT\$5 billion × average of 3.5% = NT\$17.5 million
	Insurance expense variation (NT\$100 million/year)	Limited variation Calculation: - Relatively controllable risks - Improvement in the Company's ESG rating and reduced risks - Premium variation: -1.5% to +1.5% - Reference premium: NT\$3 million/year - Expected premium: NT\$2.95–3.05 million/year - Annual variation: -NT\$500,000 to +NT\$500,000 ≈ limited change	NT\$+0.30 ~ +0.45 million/year Calculation: - Physical risks increased sharply - Premium rates increased significantly - Premium variation: +50% to +100% - Reference premium: NT\$3 million/year - Expected premium: NT\$4.5–6 million/year - Annual variation: +NT\$1.5 to +NT\$3 million = NT\$0.030 to NT\$0.45 billion/year - Some risks may not be insurable
	Annual overall financial impact	The Company's additional net costs due to climate-related factors each year are approximately NT\$270 million per year.	The Company suffered a net loss of about NT\$241 million per year due to disasters, business suspensions, supply chain disruptions, soaring premiums, and rising costs.
	Risk characteristics (qualitative)	Budgetable, manageable, transferable	High volatility, uncontrollable, tail risk
	Strategic attribute (qualitative)	Beneficial for long-term operational resilience and corporate value	Medium-term and long-term profits and asset values may be eroded.



Climate risk and opportunity identification

Category	Name	Description	Short term	Medium term	Long term	Current Impact on the Company	Expected Impact on the Company	Main Measures	Financial Impact
Risk	Increase in immediate extreme weather events and long-term climate risks	Rainstorms, floods, typhoons, heat waves, and sea level rise can cause asset damage, operational disruptions, and personnel safety risks, and may also increase insurance claims and costs.	✓	✓	✓	Extreme weather events cause operational disruptions, equipment damage, attendance issues, logistics delays, and increased workplace safety risks.	The increasing frequency and intensity of disasters have led to higher insurance costs and necessitated investment in disaster prevention upgrades or facility relocation, with long-term consequences for asset value and profitability.	1. Strengthen investment in the business continuity management (BCM) system. 2. Inclusion in the Company's overall risk assessment process; 3. Improve the air conditioning and disaster prevention facilities at older sites.	No material financial impact is expected.
	Digital finance and innovation	Emerging technologies are accelerating market changes, and competitors who master key technologies could weaken the company's competitiveness and market share.	✓	✓	✓	Life insurance companies are facing shortages in data analysis capabilities, system integration, and technology talent, while retail and information service companies are under pressure to integrate digital payment solutions and platforms.	Failure to adopt AI and automation in a timely manner will result in high costs, reduced market competitiveness, and customer attrition.	1. Establish a data governance system and talent training; 2. Add innovative R&D and low-carbon processes; 3. Introduce electronic payment methods	In 2025, the payment of advisory service fees resulted in an operating cash outflow of NT\$2.97 million.
	Economic/financial and money market volatility	Interest rate, exchange rate, inflation, and market sentiment fluctuation affect investment income, capital cost, and asset value.	✓	✓	✓	Investment income and the difficulty of ALM management increased, while rising import costs suppressed the profit.	The market has been unstable for a long time, and the risks of fluctuating capital costs and cash flow have increased.	1. Regularly monitor the interest rate risk value and UECL. 2. Establish hedging strategies; 3. Adjust investment allocation according to risk attributes	No material financial impact is expected.
	Geopolitical conflict	Tariffs, export restrictions, and regional conflicts have caused uncertainty in trade, logistics, energy, and investment.	✓	✓	✓	Investment assets fluctuation, and delayed building material import, and price volatility.	If the conflict escalates, long-term operating costs, capital tied-up, and supply risks will increase.	1. Regularly conduct financial and high-risk industry assessments; 2. Increase the diversity of raw material sources; 3. Strengthen supply chain resilience	No material financial impact is expected.
	Food safety	Inappropriate management of food quality, manufacturing processes, and the supply chain could lead to food safety incidents, damaging brand reputation and creating a risk of supply disruption.	✓	✓	✓	Currently, audits are primarily conducted manually using paper-based methods, and real-time data integration is lacking. Food safety early warning and response systems still have room for improvement.	Major food safety incidents will affect store operations, franchise profitability, expansion plans, and market value.	1. Establish a systematic food safety monitoring platform; 2. Strengthen supplier audit and traceability management; 3. Regular food safety drills and training	No material financial impact is expected.
Opportunity	Enhanced AI and computing performance	AI applications improve the efficiency of customer service, marketing, risk control, and process automation.	✓	✓	✓	AI has been implemented in customer service, fraud detection, precision marketing, and underwriting and claims processes.	Develop dynamic pricing, predictive health management, and core system reconstruction.	1. Evaluate the application of AI pricing under applicable laws and regulations. 2. Add automated equipment; 3. Promote AI project evaluation	No material financial impact is expected.
	ESG wave and the rise of green-collar talent	Sustainable finance, green transformation, and ESG professionals are becoming new drivers of growth.	✓	✓	✓	Promote green financial products, sustainable investment, and sustainability governance at the board level.	Sustainable supply chains, cross-industry collaboration, and green financial products will become long-term growth engines.	Revise the talent development system and subsidized registration fees for sustainability certification.	No material financial impact is expected.



Risk management process: **Process logic** **1** Identification → **2** Evaluation → **3** Management → **4** Monitoring → **5** Reporting → **Continuous Improvement (PDCA cycle)**

Process Step	Management Stage	Specific Measures
Step 1	Risk identification	- Each subsidiary identifies climate-related risks and opportunities every year. - Refer to TCFD recommendations, IPCC reports, and industry trends - Cover policy, technology, market, reputation, and physical risks
Step 2	Risk assessment	- Evaluate the probability of risk occurrence (high/medium/low) and financial impact (>100 million/100 million–5 billion/<50 million) - Draw a risk matrix and prioritize high-risk issues - The evaluation results prior to 2025 showed that the Company had identified 5 climate-related risks and 2 climate-related opportunities, and all of them were included in the risk matrix and subsequent response strategies.
Step 3	Risk management	- Formulate mitigation and adaptation strategies - For example: carbon fee risk → promote energy conservation and carbon reduction; extreme weather → establish disaster prevention and response plans
Step 4	Risk monitoring	- The ESG Committee reviews climate risk indicators quarterly. - The ESG Office tracks the implementation progress of action plans
Step 5	Upward reporting	- Report the performance of climate risk management to the Board of Directors annually. - Disclose externally through the sustainability report
Continuous improvement	Rolling improvement	Revise the identification, evaluation, and management processes on a rolling basis annually according to external regulations and practical trends.

Indicator and target: 2024 was the first year the Company completed the inventory for the companies included in the consolidated financial statements. We set a target of reducing carbon emissions by 1% each year compared to the base year. Short-term goals are set to the most recent three years, medium-term goals are set to 10 years, and long-term goals to 20 years. The ultimate goal is to achieve the government's net zero carbon emission target by 2050.

The Group's Greenhouse Gas Reduction Goals

Risk/Opportunity Indicator	2025 Achievements	Short-term Goals 2025–2027	Mid-term Goals 2028–2034	Long-term Goals 2045 and beyond
Greenhouse gas emissions from the operations (Scope 1+2)		With 2024 as the base year, set a cumulative reduction of 3% in total carbon emissions over the next three years	With 2024 as the base year, set a cumulative reduction of 10% in carbon emissions by 2034.	With 2024 as the base year, set a cumulative carbon emissions reduction of 20% by 2045
Energy consumption (electricity usage)	2024 was the first year the Company completed the inventory for the companies stated in the consolidated financial statements.	With 2024 as the base year, set a reduction of 3% in electricity usage over the next three years	With 2024 as the base year, set a reduction of 10% in electricity usage by 2034.	With 2024 as the base year, set a reduction of 20% in electricity usage by 2034.
Resources consumption (water usage)		With 2024 as the base year, set a reduction of 3% in water usage over the next three years	With 2024 as the base year, set a reduction of 10% in water usage by 2034.	With 2024 as the base year, set a reduction of 20% in water usage by 2045.
Renewable energy Usage ratio		Evaluate, consider, and plan the feasibility of using renewable energy in the building of the headquarters	The use of renewable energy will reach 30% by 2034.	In line with the country's net zero policy, the Company expects to use 100% renewable energy by 2050.



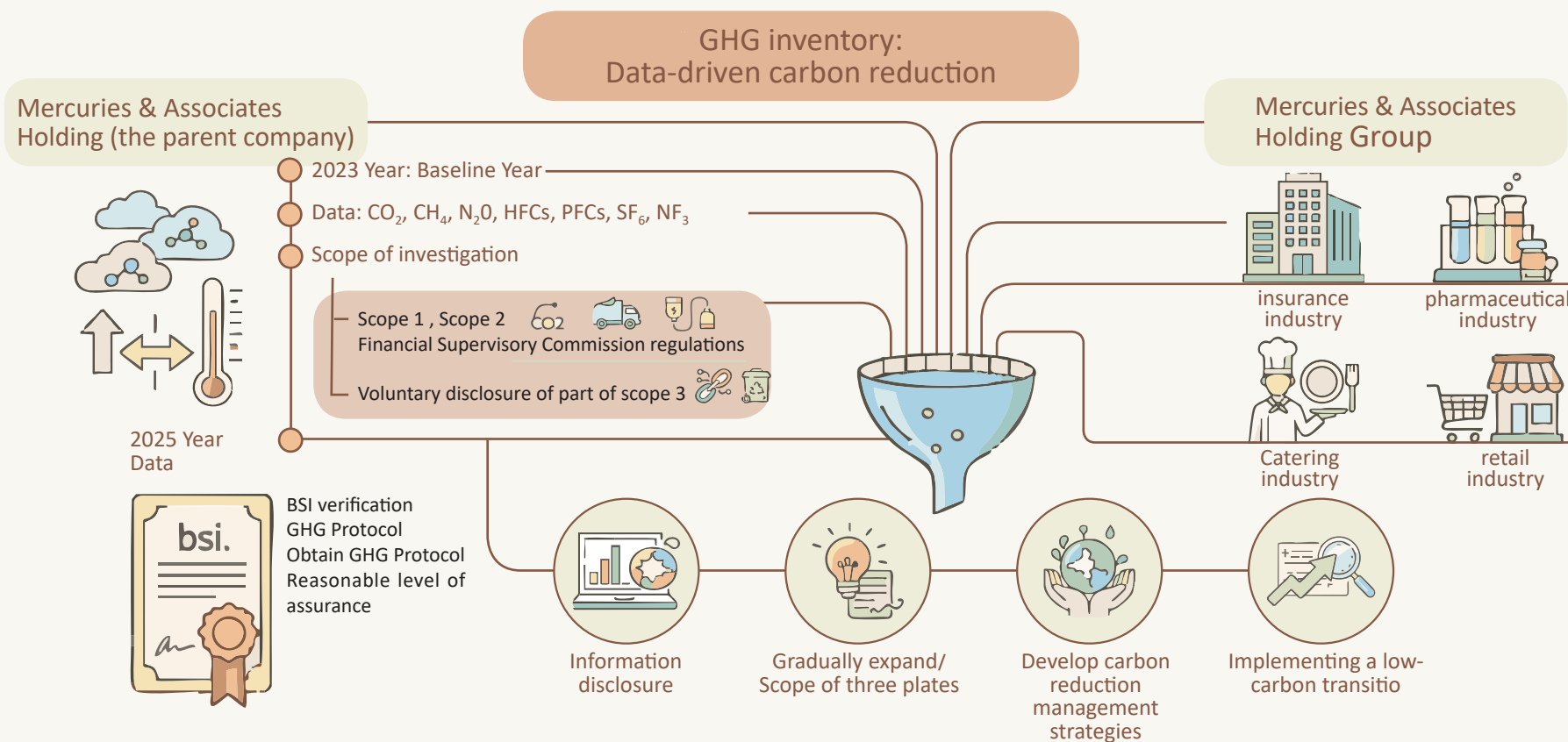
5.2 GHG inventory: Data-driven carbon reduction

According to the Greenhouse Gas Protocol (GHG Protocol) and ISO 14064-1:2018 standard, Mercuries & Associates Holding conducted a greenhouse gas inventory and calculated the emissions of CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, and NF₃. The base year for the carbon inventory of Mercuries & Associates Holding (the parent company) is set to 2023. In addition to the inventory scopes (Scope 1 and Scope 2) that comply with the regulations of the Financial Supervisory Commission, the Company voluntarily discloses some Scope 3 carbon emissions and plans to gradually increase the Scope 3 inventory items to enhance the disclosure of sustainability information for the Group. The Company will formulate carbon reduction strategies based on the inventory results. The 2025 greenhouse gas inventory data (Scope 1 and Scope 2) of Mercuries & Associates Holding (parent company) was verified by BSI (British Standards Institution Taiwan) in April, 2026 and obtained the Reasonable Assurance Opinion Statement under GHG Protocol.

Scope	Source of Emissions	2023 (tCO ₂ e)	2024 (tCO ₂ e)	2025 (tCO ₂ e)	2025 Compared to 2023
Scope 1	Leakage of refrigerant from split air conditioners	0.0000	0.0000	0.0000	-18.9%
	Septic tank leakage	1.2555	1.0909	1.0184	—
Scope 2	Electricity consumption at operating locations	93.7530	97.2879	71.1474	-24.1%
Scope 3 (voluntary disclosure)	Purchase of goods or services (water)	0.1532	0.1978	0.1622	+5.9%
	Upstream fuel and energy activities (electricity)	18.4286	19.1622	14.6047	-20.7%
	Transportation/disposal of domestic waste	0.4224	0.3908	0.3897	-7.7%
Total (Scope 1 + Scope 2)	—	95.0085	98.3788	72.1658	-24.0%
Emission intensity (tCO ₂ e/m ²)	—	0.059	0.061	0.057	
Emission intensity (tCO ₂ e/NT\$ million)	—	0.0006	0.0005	0.0004	

Note:

- (1) The emission coefficients and GWP values were determined with reference to “Greenhouse Gas Emission Coefficient Management Table 6.0.4” by the Ministry of Environment and the Sixth Assessment Report of IPCC (AR6)
- (2) The power emission coefficient was calculated per 0.474 kgCO₂e/kWh announced by the Energy Administration in 2024.
- (3) The actual refrigerant effusion was 41.8 g/year, which was rounded off to 0 t.
- (4) Basis for calculation of intensity: In 2025, the total floor office area was 1,272.2 m²; the consolidated operating revenue was NT\$160,442 million



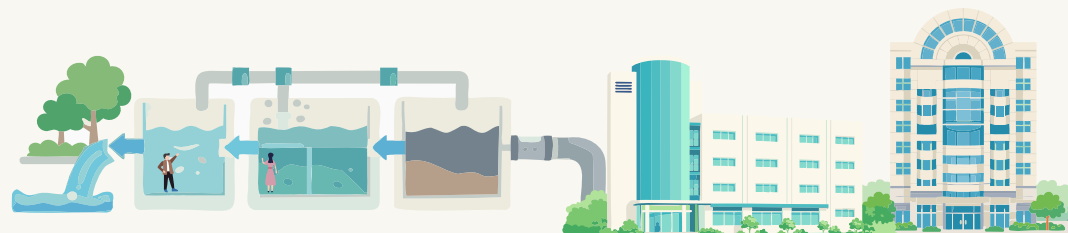
The Company conducts a greenhouse gas emissions inventory based on the scope of subsidiaries included in its consolidated financial statements. This inventory covers subsidiaries of the Group's major business entities, including life insurance, pharmaceuticals, catering, and retail. In addition to complying with the disclosure requirements for Scope 1 and Scope 2 emissions under the regulations of the Financial Supervisory Commission, the Company voluntarily discloses some Scope 3 emissions and gradually identifies and expands the Scope 3 inventory items based on the industrial characteristics of each subsidiary, to continuously improve the integrity and transparency of the Group's sustainable information disclosure. In the future, the Company will formulate and promote the Group's carbon reduction management strategies based on the results of the inventory, in order to strengthen climate risk management and implement the goal of low-carbon transformation.

Statistics of greenhouse gas emissions of the Company and subsidiaries (Scope 1 and Scope 2 data)

Scope	2024 (tCO ₂ e)	2025 (tCO ₂ e)
Scope 1	14,851.4906	19,459.2011
Scope 2	104,690.2715	105,100.5588
Total	119,541.7621	124,559.7599



5.3 Resource sustainability: Resource management, recycling, and reuse



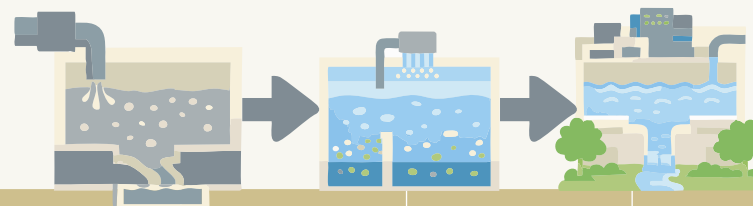
2025	General Purchased Electricity (kWh)	Renewable Energy – Self-generation and Self-use (kWh)	Total Electricity Usage (kWh)	Total Energy Use (GJ)	Main Purpose
Total (Group)	221,077,269	13,748	221,091,053	795,928	Office, retail locations, production equipment, factory, data center, central kitchen

*International unit conversion: 1 kWh = 0.0036 GJ.

Water resource management

The industries under Mercuries & Associates Holding primarily consist of department store retail and dining services. Water usage at our operational locations mainly involves domestic water for retail stores and office premises, as well as some water for processing-related activities. Overall, the Group's high-water-use facilities are mainly concentrated in the central kitchens of Mercuries F&B and the process water used by SCI Pharmtech. The remaining subsidiaries are mostly office or retail operations, primarily using general domestic water and not involving high-pollution process water. Therefore, this section mainly discloses the water intake, water consumption, and wastewater discharge of Mercuries F&B's central kitchen and SCI Pharmtech to present the Group's main water and drainage management status.

The water resource use and wastewater treatment status of the Mercuries F&B's central kitchen over the past three years are shown in the table below. The wastewater discharged from the central kitchen met the factory control standards of the Dayuan Industrial Park, ensuring that the effluent quality complied with regulatory requirements.



Year	Total Water Withdrawal (thousand tons)	Total Water Consumption (thousand tons)	Total Wastewater (thousand tons)	Wastewater/Water Withdrawal Ratio (%)	Average COD of Effluent (mg/L)	Average SS of Effluent (mg/L)	Organic Sludge Removal (ton)
2025	101.18	19.49	81.69	80%	113.57	12.96	255.89
2024	86.213	17.243	68.970	80%	41.11	10.51	205.58
2023	89.215	17.843	71.372	80%	210.04	11.64	137.84

*Dayuan Industrial Park's factory limits: chemical oxygen demand (COD) 480 mg/L, suspended solids (SS) 240 mg/L.



In collaboration with the French Veolia Group, SCI Pharmtech establishes “Framosa Co., Ltd.” to jointly build a circular economy cooperation platform for the pharmaceutical industry. Through the introduction of professional wastewater treatment facilities and a water recycling system, water resource circulation efficiency has been enhanced, allowing water to be reused an average of 2.5 times and reducing the overall water footprint by approximately 39%.

Furthermore, integrating solvent recycling and reclaimed water systems is estimated to have helped the pharmaceutical industry reduce carbon emissions by approximately 11,000 tCO₂e per year, demonstrating SCI Pharmtech’s proactive efforts in promoting resource recycling and low-carbon processes.

Year	Total Water Withdrawal (thousand tons)	Total Water Consumption (thousand tons)	Total Wastewater (thousand tons)	Wastewater/Water Withdrawal Ratio (%)	Average COD of Effluent (mg/L)	Average SS of Effluent (mg/L)
2025	155.675	237.098	94.753	61%	49.85	10.15
2024	171.092	260.124	104.784	61%	46.6	8.15
2023	160.177	258.633	82.943	52%	32.65	8.8

*Wastewater discharge regulations and standards: Chemical oxygen demand (COD): 100 mg/L, suspended solids (SS): 30 mg/L.

Energy conservation achievements of subsidiaries

Subsidiary	Main Energy-Saving Measures	Scale of Implementation	Amount of Funds Invested (NT\$10,000)	Energy Saving (kWh/year)	Carbon Reduction (tCO ₂ e)	Energy Reduction (GJ/year)
Mercuries Life Insurance	Solar power self-generation for self-use, LED lighting upgrades, and elevator and air conditioning energy conservation.	Installation of a 15,000 kWh solar power system and adjustment of elevator air conditioning operating hours.	—	31,433	14.8992	113.16
Mercuries F&B	Introduction of inverter air conditioners, kitchen equipment upgrades, and LED lighting	50 inverter air conditioners, LED lighting for 217 stores, and air conditioner replacements for 8 stores.	563	2,000,000	948.0000	7200.00
SCI Pharmtech	Process energy optimization, solvent recycling, steam pipeline insulation, replacement with energy-saving lamps, and air compression system leak detection	All production facilities	135.6	19,734	9.3539	71.04
Simple Mart Retail	Introduction of inverter refrigeration equipment, replacement with high-efficiency air conditioning equipment, replacement with LED lamps, replacement with office shelf lights, replacement with on-site high bay lights, introduction of electronic price tag system	87 inverter refrigeration units, 75 inverter air conditioners, 2,798 lamps, 32 shelf lights, 100 high bay lights, and electronic price tags for 818 stores.	21,597.22	15,494,280	7,344.7900	55779.41
Total		—	22,295.82	17,545,447	8,317.0431	63,163.61

*Energy reduction is calculated based on the electricity saved by each energy-saving measure (kWh), and converted to joules using the international unit conversion relationship, where 1 kWh = 0.0036 GJ. GHG reduction is calculated based on Taiwan’s electricity carbon emission coefficient of 0.474 kgCO₂e/kWh (2024).



Waste management and circular economy: Waste generation and recycling by subsidiaries

Unit: Ton

2025	General Industrial Waste (including domestic waste and non-recyclable waste)	Solvent Recycle	General Industrial Waste (recyclable)	Total Recycling Amount	Total Waste Volume	Recycling Rate	Main Treatment Method
Total (Group)	2,222.3	1,464.2	1,140.9	2605.1	4,827.4	54%	Incineration/ resource recovery/ outsourced disposal

The Company has collaborated with the subsidiaries to promote circular economy initiatives. By innovating waste treatment, resource recycling, and reuse mechanisms, the company enhances resource utilization efficiency, reduces environmental impact, and creates dual environmental and economic benefits. These efforts gradually realize the Group's goals of sustainable operation and low-carbon transformation.

Circular economy highlights of each subsidiary

Subsidiary	Project	Description	2025 Performance
Mercuries F&B	Kitchen waste treatment using Black soldier fly technology 	The catering industry generates a large volume of kitchen waste, and traditional methods like incineration or landfilling impose environmental burdens. Utilizing black soldier fly technology to convert kitchen waste into protein feed offers a solution for waste resource utilization.	In 2025, the central kitchen and 20 stores adopted this technology to reduce incineration emissions, lower processing costs, enhance resource recycling, create income from protein feed, and save waste disposal fees.
Mercuries F&B	FSC-certified packaging 	Promote sustainable forestry and responsible procurement, adopt FSC-certified paper packaging materials, and support biodiversity.	7 FSC suppliers account for approximately 55% of our total paper packaging purchases, helping reduce illegal logging, protect ecosystems, and enhance our environmental image and market competitiveness.
Mercuries & Associates	ECOCO Points 	Establish a bottle and can recycling loop, encouraging consumers to participate in recycling. Recycled bottles and cans can be exchanged for ECOCO points, redeemable for discounts on purchases or charitable donations.	145,010 bottles were recycled this year, reducing plastic waste and increasing the resource recycling rate, while strengthening community environmental awareness and boosting consumer participation.
SCI Pharmtech	Solvent recycle and reuse, the circular economy, and resource recycling 	Jointly establish "Framosa Co., Ltd." with the French Veolia Group to create a circular economy cooperation platform for the pharmaceutical industry and introduce solvent purification technology and a recycled water system that are compliant with the PIC/S GMP framework. Recycle organic solvents through a closed-loop system and reintroduce them into production. Additionally, establish a professional wastewater treatment and water recycling system to improve water resource circulation efficiency. In addition, relevant circular economy technologies are planned for integration into the Guanyin Plant's new construction plan to establish a circular manufacturing model.	Solvents can be purified and reused 3–5 times; water resources are reused 2.5 times on average, reducing the overall water footprint by about 39%; through solvent recycling and integration with a reclaimed water system, approximately 11,000 tCO ₂ e of carbon emissions have been reduced annually.



5.4 Environmental excellence: A comprehensive environmental management system



Environmental management system certification

To strengthen environmental management and improve resource utilization efficiency, the Company and its subsidiaries have gradually adopted international environmental and energy management standards based on their operational characteristics, including ISO 14001 environmental management systems, ISO 50001 energy management systems, ISO 46001 water resource management systems, the greenhouse gas inventory and verification mechanism (GHG Protocol), and product carbon footprint (ISO 14067). Through the establishment of a systematic management mechanism, we continue to strengthen environmental performance and climate governance capabilities, and gradually improve the Group's governance maturity in energy conservation and carbon reduction, water resource management, and environmental risk management. The certification and implementation status of each subsidiary are shown in the table below.

Company	ISO 14001	ISO 50001	GHG Protocol	ISO 46001	ISO 14067
Mercuries & Associates Holding	—	—	V	—	—
Mercuries Life Insurance	V	V	V	V	—
Mercuries Data Systems	—	—	Introduction in 2024	—	—
Mercuries F&B	—		Assurance expected in 2027	—	—
Simple Mart Retail	—	—	Assurance expected in 2026	—	—
SCI Pharmtech	V	V	V		V
Mercuries & Associates	—	V	—	—	—



Compliance with environmental protection regulations

The Company complies with all environmental protection laws and regulations and the requirements of the competent authorities, and requires all subsidiaries to adhere to the laws and regulations in all operational activities. In 2025, none of the Company's subsidiaries was subject to any penalty for "major violation of environmental protection laws and regulations" ^{Note 1}.

However, during the reporting period, there were still two minor penalties for human error, primarily related to waste management and wastewater discharge operations. The relevant responsible units completed the improvement work immediately after receiving the penalty, comprehensively reviewed operating procedures, strengthened education and training, and enhanced the internal audit mechanism to prevent similar situations from recurring. The Company continues to strengthen environmental regulatory compliance management at each subsidiary through the internal control system and regular audits to reduce operational risks.

Details of environmental protection related legal penalties in 2025



Date of Occurrence	Company	Violation	Description	Amounts of Fines	Action
2025/01/07	Mercuries F&B Co., Ltd.	Article 31, Paragraph 1, Subparagraph 2 of the Waste Disposal Act	Form No. C16A216011300335: The general waste generated from D-1801 business activities was not confirmed within 4 days as required.	NT\$6,000	Immediate improvement and payment of the fine as required.
2025/11/21	Mercuries F&B Co., Ltd.	Article 27, Paragraph 2 of the Waste Disposal Act	Wastewater was discharged directly into external waterways without going through an oil-water separator.	NT\$2,400	Immediate improvement and payment of the fine as required.
Total				NT\$8,400	

Note 1: Definition of a major violation of environmental protection regulations

With reference to Key Points for Recognition of Violations of Laws Related to Environmental protection, Workers, or Food Safety and Sanitation with a Serious Situation of the Ministry of Economic Affairs, "Major Violations of Environmental Protection Regulations" of the Company are defined as one of the followings:

- (1) The Company is ordered to close the business, or the registration of the Company, commerce, limited partnership, and factory or food practitioners is revoked or abolished;
- (2) The Company receives a penalty from the competent authority, requiring shutdown of the whole factory or business shutdown of all the operating places for one month or more, or partial shutdown or business shutdown for three months or above;
- (3) The Company violates environmental protection regulations and was imposed with a penalty by a same competent authority for NT\$3 million or above for a single time or accumulatively in a same year.





Appendix 1: GRI Index

Statement of Use	Mercuries & Associates Holding, LTD. has reported the disclosures for the period from January 1, 2025 to December 31, 2025 in accordance with the GRI Standards.		
GRI 1 used	GRI 1: Foundation 2021		
Applicable GRI Industry Standards	None		
Disclosure		Corresponding Chapter	Page Number
[Universal Standards]			
GRI 2: General Disclosures 2021			
I. Organization and reporting practice			
2-1	Organization details	About the Report	1-2
2-2	Entities included in the organization’s sustainability reporting	About the Report	1-2
2-3	Reporting period, frequency, and contact point	About the Report	1-2
2-4	Restatements of information	About the Report	1-2
2-5	External assurance	About the Report	1-2
2. Activities and workers			
2-6	Activities, value chain, and other business relationships	2.1 About the organization: Synergistic value of diverse businesses Chapter 3 Co-creation of Values Practicing Sustainable Routine Operations	23 39-61
2-7	Employee	4.1 Diversity and inclusion: Building an organizational culture of equality	63-66
2-8	Workers who are not employees	4.1 Diversity and inclusion: Building an organizational culture of equality	63
3. Governance			
2-9	Governance structure and composition	2.2 Governance body: Sound decision-making and supervision	26-37
2-10	Nomination and selection of the highest governing body	2.2 Governance body: Sound decision-making and supervision	26-37



Disclosure		Corresponding Chapter	Page Number
2-11	Chair of the highest governance body	2.2 Governance body: Sound decision-making and supervision	26-37
2-12	Role of the highest governance body in overseeing the management of impacts	Message from the Chairman 2.2 Governance body: Sound decision-making and supervision	4-5 26-37
2-13	Delegation of responsibility for managing impacts	2.2 Governance body: Sound decision-making and supervision	26-37
2-14	Role of the highest governance body in sustainability reporting	About the Report	1-2
2-15	Conflicts of interest	2.2 Governance body: Sound decision-making and supervision	26-37
2-16	Communication of critical concerns	2.2 Governance body: Sound decision-making and supervision	26-37
2-17	Collective knowledge of the highest governing body	2.2 Governance body: Sound decision-making and supervision	26-37
2-18	Evaluation of the performance of the highest governance body	2.2 Governance body: Sound decision-making and supervision	26-37
2-19	Remuneration policies	2.2 Governance body: Sound decision-making and supervision	26-37
2-20	Process to determine remuneration	2.2 Governance body: Sound decision-making and supervision	26-37
2-21	Annual total remuneration ratio	2.2 Governance body: Sound decision-making and supervision	26-37
4. Strategy, policies and practices			
2-22	Statement on sustainable development strategy	Message from the Chairman	4-5
2-23	Policy commitments	3.7 Co-good of partners: Building a sustainable and resilient supply chain	56-61
2-24	Embedding policy commitments	3.7 Co-good of partners: Building a sustainable and resilient supply chain	56-61
2-25	Processes to remediate negative impacts	2.2 Governance body: Sound decision-making and supervision 2.4 Risk management: Enhancement of the Group's operational resilience	25-33 35-37
2-26	Mechanisms for seeking advice and raising concerns	2.2 Governance body: Sound decision-making and supervision	25-33
2-27	Legal compliance	2.4 Risk management: Enhancement of the Group's operational resilience	35-37
2-28	Membership associations	2.2 Governance body: Sound decision-making and supervision	25-33
5. Stakeholder engagement			
2-29	Approach to stakeholder engagement	1.4 Stakeholders: Transparent communication and engagement mechanism	16-21



Disclosure		Corresponding Chapter	Page Number
2-30	Collective bargaining agreement	The Company has no labor union.	-
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	1.4 Stakeholders: Transparent communication and engagement mechanism	16-21
3-2	List of material topics	1.4 Stakeholders: Transparent communication and engagement mechanism	16-21
3-3	Management of material topics	1.4 Stakeholders: Transparent communication and engagement mechanism	16-21
[Sector Standards]			
As of the publication date of this report, GRI hasn't published sector standards that apply to the Company and its subsidiaries.			
[Topic Standards]			
GRI 201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	2.3 Operational performance: The financial foundation of operational resilience	34
201-2	Financial implications and other risks and opportunities due to climate change	5.1 Climate governance: Actions to drive the net zero transformation	87-91
GRI 302: Energy 2016			
302-1	Energy consumption within the organization	5.2 GHG inventory: Data-driven carbon reduction 5.3 Resource sustainability: Resource management, recycling, and reuse	92-96
302-3	Energy intensity	5.2 GHG inventory: Data-driven carbon reduction 5.3 Resource sustainability: Resource management, recycling, and reuse	92-96
302-4	Reduction of energy consumption	5.3 Resource sustainability: Resource management, recycling, and reuse	94-96
GRI 303: Water and Effluents 2018			
303-1	Interactions with water as a shared resource	5.3 Resource sustainability: Resource management, recycling, and reuse	94-96
303-2	Management of water discharge related Impacts	5.3 Resource sustainability: Resource management, recycling, and reuse	94-96
303-3	Water withdrawal	5.3 Resource sustainability: Resource management, recycling, and reuse	94-96



Disclosure		Corresponding Chapter	Page Number
303-4	Water discharge	5.3 Resource sustainability: Resource management, recycling, and reuse	94-96
303-5	Water consumption	5.3 Resource sustainability: Resource management, recycling, and reuse	94-96
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	5.2 GHG inventory: Data-driven carbon reduction	92-93
305-2	Energy indirect (Scope 2) GHG emissions	5.2 GHG inventory: Data-driven carbon reduction	92-93
305-3	Other indirect (Scope 3) GHG emissions	5.2 GHG inventory: Data-driven carbon reduction	92-93
305-4	GHG emissions intensity	5.2 GHG inventory: Data-driven carbon reduction	92-93
305-5	Reduction of GHG emissions	5.3 Resource sustainability: Resource management, recycling, and reuse	94-96
GRI 306: Waste 2020			
306-1	Waste generation and significant waste-related impacts	5.3 Resource sustainability: Resource management, recycling, and reuse	94-96
306-2	Management of significant waste-related impact	5.3 Resource sustainability: Resource management, recycling, and reuse	94-96
306-3	Waste generated	5.3 Resource sustainability: Resource management, recycling, and reuse	94-96
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover	4.1 Diversity and inclusion: Building an organizational culture of equality	63-66
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.2 Labor-management harmony: Building a trust-based partnership	67-70
401-3	Parental leave	4.1 Diversity and inclusion: Building an organizational culture of equality	63-66
GRI 402: Labor/Management Relations 2016			
402-1	Minimum notice periods regarding operational changes	4.2 Labor-management harmony: Building a trust-based partnership	67-70
GRI 403: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	4.4 Healthy workplace: Creation of a safe and secure working environment	72-78



Disclosure		Corresponding Chapter	Page Number
403-2	Hazard identification, risk assessment, and incident investigation	4.4 Healthy workplace: Creation of a safe and secure working environment	72-78
403-3	Occupational health services	4.4 Healthy workplace: Creation of a safe and secure working environment	72-78
403-4	Worker participation, consultation, and communication on occupational health and safety	4.4 Healthy workplace: Creation of a safe and secure working environment	72-78
403-5	Worker training on occupational health and safety	4.4 Healthy workplace: Creation of a safe and secure working environment	72-78
403-6	Promotion of worker health	4.4 Healthy workplace: Creation of a safe and secure working environment	72-78
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3.7 Co-good of partners: Building a sustainable and resilient supply chain	56-61
403-8	Workers covered by an occupational health and safety management system	4.4 Healthy workplace: Creation of a safe and secure working environment	72-78
403-9	Work-related injuries	4.4 Healthy workplace: Creation of a safe and secure working environment	72-78
403-10	Occupational Disease	4.4 Healthy workplace: Creation of a safe and secure working environment	72-78
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	4.3 Empowering careers: Creating Diverse Growth Pathways 4.4 Healthy workplace: Creation of a safe and secure working environment	71 72-78
404-2	Programs for upgrading employee skills and transition assistance programs	4.3 Empowering careers: Creating Diverse Growth Pathways	71
GRI 416: Customer Health and Safety 2016			
416-1	Assessment of the health and safety impacts of product and service categories	3.2 Safe food: Protection of food safety and quality	41-44
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	3.2 Safe food: Protection of food safety and quality	41-44
GRI 417: Marketing and Labeling 2016			
417-2	Incidents of non-compliance concerning product and service information and labeling	3.2 Safe food: Protection of food safety and quality	41-44



Appendix 2: Comparison Table of SASB Sustainability Accounting Standards Disclosures (FN-IN for Insurance Industry)

Topic disclosed	Indicator code	Indicator disclosed	Corresponding information
Transparent Information & Fair Advice for Customers	FN-IN-270a.1	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance productrelated information to new and returning customers (amount of legal expenses resulting from selling of commodities and solicitation of insurance business)	No losses were caused to the Company due to litigation of insurance solicitation business in 2025.
	FN-IN-270a.2	Complaints-to-claims ratio	Please refer to Mercuries Life Insurance's 2025 Sustainability Report.
	FN-IN-270a.3	Customer retention rate	In 2025, the policy renewal rate (13 months) was 95.84%.
	FN-IN-270a.4	Description of approach to informing customers about products	Please refer to Mercuries Life Insurance's 2025 Sustainability Report.
Incorporation of Environmental, Social and Governance Factors in Investment Management	FN-IN-410a.1	Total invested assets, by industry and asset class	Please refer to Mercuries Life Insurance's 2025 Sustainability Report.
	FN-IN-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management processes and strategies	Please refer to Mercuries Life Insurance's 2025 Sustainability Report.
Policies Designed to Incentivize Responsible Behavior	FN-IN-410b.1	Net premiums written related to energy efficiency and low-carbon technology	Mercuries Life Insurance is a life insurance company, so this does not apply.
	FN-IN-410b.2	Discussion of products and/or product features that incentivize health, safety, and/or environmentally responsible actions and/or behaviors	Please refer to Mercuries Life Insurance's 2025 Sustainability Report.
Environmental Risk Exposure	FN-IN-450a.1	Probable Maximum Loss (PML) of insured products from weather related natural catastrophes	Mercuries Life Insurance is a life insurance company, so this does not apply.
	FN-IN-450a.2	Total amount of monetary losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance)	Mercuries Life Insurance is a life insurance company, so this does not apply.
	FN-IN-450a.3	Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level risks and capital adequacy	Please refer to Mercuries Life Insurance's 2025 Sustainability Report.
Systemic Risk Management	FN-IN-550a.1	Exposure to derivative instruments by category: (1) total potential exposure to noncentrally cleared derivatives (2) total fair value of acceptable collateral posted with the Central Clearinghouse and (3) total potential exposure to centrally cleared derivatives	Please refer to the individual financial statements and auditors' review reports of Mercuries Life Insurance Co., Ltd.
	FN-IN-550a.2	Total fair value of securities lending collateral assets	No securities lending collateral assets were involved in 2025.
		Description of approach to managing capital and liquidity-related risks associated with systemic non-insurance activities	Please refer to the individual financial statements and auditors' review reports of Mercuries Life Insurance Co., Ltd.

Download Mercuries Life Insurance's Sustainability Report:





Appendix 3: Sustainability Disclosure Indicators of “Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies”

Schedule 1-1: Ratio of Revenue from Food Industry and Catering in Total Operating Revenue Reaching 50% and Above (Mercuries F&B Co., Ltd.)

No.	Indicator	Disclosures in 2025	Corresponding Chapter
I	Evaluation and improvement of sanitation management for employees, workplaces, and facilities, as well as the quality assurance system, with the objective of enhancing food hygiene, safety, and quality, along with the categories and percentages of the main products and services affected.	- Self-inspection of raw materials: A total of 700 samples were taken from 27 raw materials, with a 100% pass rate. - Self-monitoring of hygiene: A total of 431 sampling points and 2,850 samples were inspected with a 100% pass rate. - Third-party testing: A total of 33 raw material items (9.4% of all raw materials), 131 finished products (56% of all finished products), and 7 water quality samples were inspected by an independent third-party testing unit, with a total of 212 samples tested. All test results were 100% qualified. - Establish the QSC mechanism for stores. In 2025, a total of 5,166 retail stores were inspected (a 6.6% increase compared to the previous year), with an average monthly inspection rate of 98.93%. The number of A+ and A stores represented 35.08% of all the stores. Furthermore, to strengthen the management of food safety and service quality at overseas locations, Mercuries Beef Noodle in Japan conducted QSC assessments, which were carried out by local supervisors. In 2025, a total of 12 audits were completed.	3.2 Safe food: Protection of food safety and quality
II	Categories and number of incidents regarding violations of health and safety regulations on products and services, failure to follow information and labeling regulations on products and services, number of times products were removed from the shelf, and gross weight of products removed from the shelf.	In 2025, there were no violations of laws and regulations regarding product and service information and labeling, and no product recall incidents occurred.	3.2 Safe food: Protection of food safety and quality
III	Percentage of products procured that comply with internationally recognized product liability standards, including differentiation by standard.	In 2025, seven suppliers cooperating with Mercuries F&B received FSC certification, representing approximately 55% of the overall paper packaging material procurement amount.	3.2 Safe food: Protection of food safety and quality
IV	Percentage of products manufactured by a plant and verified by an independent third party as complying with internationally certified food safety management system standards.	The Mercuries F&B's central kitchen obtained FSSC/ISO 22000:2018 and HACCP certifications in 2019 and passed the system certification renewal audit in June 2025, covering 100% of its produced products.	3.2 Safe food: Protection of food safety and quality
V	Number and percentage of suppliers audited, and audit items and results	In 2025, Mercuries F&B evaluated 249 suppliers with whom it transacted in 2025. The evaluation results showed that 141 suppliers were rated as Class A excellent suppliers, representing 57% of the total; 96 suppliers were rated as Class B qualified suppliers, representing 39%; 11 suppliers were rated as Class C suppliers needing improvement, representing 4%; and 1 supplier was rated as Class D.	3.2 Safe food: Protection of food safety and quality
VI	Conditions of product traceability and tracking management conducted according to regulatory requirements, or voluntarily as well as percentage of relevant products in all products.	In 2025, the central kitchen produced a total of 207 finished products (representing 91% of all finished products produced by the central kitchen that year), and 100% of them were traced and tracked in accordance with the “Regulations on Traceability and Follow-up of Food and Relevant Products.”	3.2 Safe food: Protection of food safety and quality
VII	Conditions of setting of food safety laboratory according to regulatory requirements, or voluntarily, test items, test results, relevant expenditure, and the percentage of such expenditure in the operating revenue.	- Mercuries F&B voluntarily established a laboratory, and its ISO/IEC 17025 laboratory quality management system certification was extended in December 2023. - Mercuries F&B lab conducts rapid screening tests of “veterinary drug residue” on different parts of the raw meats purchased each year. In 2025, a total of 700 samples were taken from 27 types of raw materials, and the pass rate was 100%. - Mercuries F&B lab sampled 431 points for finished products, water quality, ice cubes, and bacterial contamination in the factory area, conducting a total of 2,850 tests with a 100% pass rate. - The expenses generated by the Mercuries F&B lab were NT\$8,970 thousand, accounting for approximately 0.13% of the net catering operating revenue for the year.	3.2 Safe food: Protection of food safety and quality
VIII	Total energy consumption, percentage of purchased electric power, and utilization rate of renewable energy sources	100% of energy consumption came from purchased power, with 0% from renewable energy. - Head office: 436,506 kWh (1,574.42 GJ) - Central kitchen and logistics center: 12,701,579 kWh (45,725.68 GJ)	5.3 Resource sustainability: Resource management, recycling, and reuse
IX	Total water withdrawal and total water consumption	Total water withdrawal: 101.18 thousand tons; total water consumption: 19.49 thousand tons	5.3 Resource sustainability: Resource management, recycling, and reuse
X	Weight of products sold and number of production facilities and places	Mercuries F&B locations: Central kitchen: 1; Store: 446 (as of 12/31/2025)	



Schedule 1-3-Finance Industry (Mercuries Life Insurance Co., Ltd.)

No.	Indicator	Disclosures in 2025
I	Number of information leakage incidents, ratio of information leakage incidents related to personal information, and number of customers affected by information leakage incidents.	In 2025, there were no information leakage incidents, and 0% of incidents related to personal information, with zero affected customers.
II	Number of loans granted to promote the development of small enterprises and communities, and loan balance.	Not applicable.
III	Number of participants in finance education provided for vulnerable groups who are lack of banking services.	Please refer to Mercuries Life Insurance's 2025 Sustainability Report.
IV	Products and services designed for creating environmental or social benefits in each operated business.	Please refer to Mercuries Life Insurance's 2025 Sustainability Report.

Download Mercuries Life Insurance's Sustainability Repor:





Appendix 4: Climate-related Information of “Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies”

Schedule 2 Climate-related Information of TWSE Listed Companies

No.	Item	Implementation Status
I	Describe the Board of Directors’ and the management’s supervision and governance of climate-related risks and opportunities.	
II	Describe how the climate risks and opportunities identified impact an enterprise’s business, strategies, and finance (short term, medium term, and long term).	
III	Describe the impact of extreme climate events and transition actions on the finance.	Please refer to Chapter 5 Environmental Action Toward Green Operations.
IV	Describe how the identification, evaluation, and management processes of climate risks are integrated in the overall risk management system.	
V	Scenarios, parameters, assumptions, and analysis factors used, as well as the main financial impacts, shall be explained if scenarios are employed to analyze and evaluate the resilience to climate change risks.	
VI	The contents of a transition plan in response to the management of climate-related risks shall be indicated if any, together with indicators and objectives used to identify and manage physical and transition risks.	To achieve a circular economy and a sustainable business model, we invested in pharmaceutical product purification contract manufacturing technology. The subsidiary, SCI Pharmtech, collaborated with the French Veolia Group to establish “Framosa Co., Ltd.” and jointly create a circular economy cooperation platform for the pharmaceutical industry. Through the introduction of professional wastewater treatment facilities and a water recycling system, water resource circulation efficiency has been enhanced, allowing water to be reused an average of 2.5 times and reducing the overall water footprint by approximately 39%. Furthermore, integrating solvent recycling and reclaimed water systems is estimated to have helped the pharmaceutical industry reduce carbon emissions by approximately 11,000 tCO ₂ e per year, demonstrating SCI Pharmtech's proactive efforts in promoting resource recycling and low-carbon processes.
VII	The price setting basis shall be explained if internal carbon pricing is used as a planning tool.	The Company has not yet used internal carbon pricing as a planning tool.
VIII	Information including activities covered, scope of greenhouse gas emissions, planned scheduled, and required annual progress shall be described if climate-related goals are established; if carbon offsets or Renewable Energy Certificates (RECs) are used to achieve relevant goals, the sources and quantity of carbon quota offset or the quantity of RECs shall be described.	• According to the Financial Supervisory Commission’s sustainable development roadmap, the Company completed individual company greenhouse gas inventories and third-party verification by 2025, and the subsidiaries stated in the consolidated financial statements completed the greenhouse gas inventories in 2025, and will complete the assurance by 2027. Scope 1 and Scope 2 emissions were prioritized for verification, and Scope 3 emissions sources were gradually included in the inventory based on the materiality of the operations across different subsidiaries. • Please refer to “Chapter 5 Environmental Action Toward Green Operations” for climate-related goals. • Currently, carbon offsets or RECs are not used.
IX	Greenhouse gas inventory verification and assurance as well as greenhouse gas reduction goals, strategies and specific action plans (filled out in 1-1 and 1-2 separately)	• For details on the inventory and assurance information, see the table below. • Please refer to “Chapter 5 Environmental Action Toward Green Operations” for reduction targets, strategies, and specific action plans.



Greenhouse Gas Inventory and Assurance			
Basic information of the Company		Minimum disclosures required by Sustainable Development Roadmap for TWSE/TPEX Listed Companies	
■ Company with a capital of over NT\$10 billion, the steel industry, and the cement industry □ Company with capital of at least NT\$5 billion but less than NT\$10 billion □ Company with capital below NT\$ 5 billion		■ Parent company individual check □ Consolidated financial statement subsidiary check ■ Parent company individual assurance □ Consolidated financial statement subsidiary assurance	
Scope 1	Total Emissions (tCO ₂ e)	Intensity (tCO ₂ e/NT\$ million)	Assurance
Parent company	1.0184		2025 emission data was reasonably assured in accordance with the GHG Protocol standards.
Subsidiary	19,458.1827		
Total	19,459.2011		
Scope 2	Total Emissions (tCO ₂ e)		Assurance
Parent company	71.1474		2025 carbon emission data was reasonably assured in accordance with the GHG Protocol standards.
Subsidiary	105,029.4114		
Total	105,100.5588		
Scope 1 + Scope 2	124,559.7599	0.7764	

Note 1: The base year for the subsidiaries' inventory is 2024. Assurance for Mercuries Life Insurance Co., Ltd., SCI Pharmtech Inc. and Simple Mart Retail Co., Ltd. has been completed. The remaining subsidiaries have completed the 2025 GHG inventory and plan to complete third-party assurance for the 2026 GHG inventory according to the competent authority's schedule in 2027.

Note 2: Consolidated operating revenue in 2025 was NT\$160,442 million.



Appendix 5: Greenhouse Gas Inventory Third-Party Reasonable Verification Report



Verification Opinion

Verified as Satisfactory Reasonable Assurance: Based on the process and procedures conducted, the GHG statement contained in the 2025 Mercuries & Associates Holding, Ltd. Greenhouse Gas Inventory Report produced by Mercuries & Associates Holding, Ltd., covering the direct GHG emissions and removals (Scope 1) and the indirect GHG emissions from imported energy (Scope 2):	- Is materially correct and is a fair representation of GHG data and information. - Has been prepared in accordance with GHG Protocol Corporate Accounting and Reporting Standard Revised edition and its principles.
Lead Verifier	Joseph Lin
Independent Reviewer	Jay Tseng
Signed on behalf of BSI	 Managing Director Northeast Asia, APAC Assurance
Issue Date	2026-05-12

BSI Group Singapore Pte. Ltd. Taiwan Branch, 2nd Floor, No.37, Ji-Hu Road Nei-Hu Dist., Taipei 114700, Taiwan

NOTE: BSI Group Singapore Pte. Ltd. Taiwan Branch (hereafter referred to as BSI Taiwan) is independent to and has no financial interest in Mercuries & Associates Holding, Ltd. This 3rd party Verification Opinion has been prepared for Mercuries & Associates Holding, Ltd. only for the purposes of verifying its statement relating to its GHG emissions more particularly described in the scope above. It was not prepared for any other purpose. In making this Statement, BSI Taiwan has assumed that all information provided to it by Mercuries & Associates Holding, Ltd. is true, accurate and complete. BSI Taiwan accepts no liability to any third party who places reliance on this statement.

Certificate Number and date of issuance of opinion: CFV 837259 Dated 2026-05-12



Page: 1 of 5

Verification Engagement

Organization	Mercuries & Associates Holding, Ltd. 三商投資控股股份有限公司
Responsible party	Mercuries & Associates Holding, Ltd. 三商投資控股股份有限公司
Verification Objectives	To express an opinion on whether the organizational GHG Statement which is historical in nature: - Is accurate, materially correct and is a fair representation of GHG data and information. - Has been prepared in accordance with GHG Protocol Corporate Accounting and Reporting Standard Revised edition, and the criteria used by BSI to verify the GHG Organizational Statement.
Materiality Level	5 %
Level of Assurance	Reasonable for direct GHG emissions and indirect GHG emissions from imported energy
Verification evidence gathering procedures	- Evaluation of the monitoring and control systems through interviewing employees' observation & inquiry. - Verification of the data through sampling recalculation, retracing, cross checking and reconciliation. - Activity data was verified through consumption logs, records, daily logs, utility bills, invoices, service records, etc. - Secondary data used in calculations were verified through visiting the respective sites and accessing those references.
Verification Standards	The verification was carried out in accordance with ISO 14064-3:2019, ISO 14065:2020 and ISO 17029:2019

Note: Mercuries & Associates Holding, Ltd. is responsible for the preparation and fair presentation of the GHG statement and report in accordance with the agreed criteria. BSI is responsible for expressing an opinion on the GHG statement based on the verification.

Page: 2 of 5

Organizational GHG Statement

Organization	Mercuries & Associates Holding, Ltd. 三商投資控股股份有限公司 No. 145, Sec. 2, Jianguo N. Rd., Zhongshan Dist., Taipei City 104476, Taiwan 104476 臺灣台北市中山區建國北路二段 145 號										
Organizations GHG Report containing GHG Statement	2025 三商投資控股股份有限公司溫室氣體發表報告書										
Organizational Boundary	Operational Control										
Locations included in the Organizational Boundary	See Appendix A										
Scope of activities	The management and operation of brands of Mercuries Group										
Operational Boundary	<table><tr><td>Scope 1 Direct GHG emissions</td><td>Fugitive (anthropogenic systems)</td></tr><tr><td>Scope 2 Electricity indirect GHG emissions</td><td>Imported Electricity</td></tr><tr><td>Exclusion from operational Boundary</td><td>N/A</td></tr><tr><td>Criteria for developing the GHG inventory</td><td>GHG Protocol Corporate Accounting and Reporting Standard Revised edition</td></tr><tr><td>Reporting period</td><td>2025-01-01 to 2025-12-31</td></tr></table>	Scope 1 Direct GHG emissions	Fugitive (anthropogenic systems)	Scope 2 Electricity indirect GHG emissions	Imported Electricity	Exclusion from operational Boundary	N/A	Criteria for developing the GHG inventory	GHG Protocol Corporate Accounting and Reporting Standard Revised edition	Reporting period	2025-01-01 to 2025-12-31
Scope 1 Direct GHG emissions	Fugitive (anthropogenic systems)										
Scope 2 Electricity indirect GHG emissions	Imported Electricity										
Exclusion from operational Boundary	N/A										
Criteria for developing the GHG inventory	GHG Protocol Corporate Accounting and Reporting Standard Revised edition										
Reporting period	2025-01-01 to 2025-12-31										

Page: 3 of 5



Category	tonnes CO ₂ e
Scope 1: Direct GHG emissions	1,0184
Scope 2: Electricity indirect GHG emissions - Location Based	71,1474
Scope 2: Electricity indirect GHG emissions - Market Based	71,1474
Total (location based)	72,166
Total (market based)	72,166

Appendix A

Location	Address
總管理處	台北市中山區建國北路二段 145 號 11 樓左
稽核室	台北市中山區建國北路二段 145 號 16 樓左
董事長辦公室	台北市中山區建國北路二段 145 號 19 樓

Appendix B

確信意見：某國標準協會(確信機構)係依據 ISO 14064-3:2019 及相關主管機關現行規定執行查證程序。查證結果發現未違反實質性限制，符合 ISO 14064-3:2019 之合理保證等級。依據確信機構所執行之查證過程與程序，有充分證據顯示受查證組織之溫室氣體聲明不具實質差異，且係根據協議之意涵準則規範的溫室氣體量化、監測與報告的國際標準予以準備，並公正地呈現溫室氣體數據之相關資訊。

確信準則：溫室氣體盤查規定書 GHG Protocol Corporate Accounting and Reporting Standard(2004)及金融監督管理委員會現行溫室氣體排放量揭露相關規定。

確信範圍：三商投資控股股份有限公司之個體附報(詳如 Appendix A 受查證範圍資訊)

盤查期間：自 2025 年 01 月 01 日至 2025 年 12 月 31 日

實質門限：直接溫室氣體排放量與輸入能源之間接溫室氣體排放量總和之 5%

查證數據：據政府間氣候變遷專家委員會(IPCC) 2021 年第六次評估報告(AR6)公布之全球暖化潛勢值(GWPs)查證排放量，經查證排放量如下：

類別	排放量 (公噸二氧化碳當量)
直接溫室氣體	1,0184
輸入能源間接溫室氣體 (location based)	71,1474
輸入能源間接溫室氣體 (market based)	71,1474
總排放(location based)	72,166
總排放(market based)	72,166

保留意見：無。

其他資訊：無。



Appendix 6: Statement of Verification of ESG Report



獨立保證意見聲明書

三商投資控股股份有限公司 2025 年永續報告書

英國標準協會與三商投資控股股份有限公司(簡稱三商投控)為相互獨立的公司。英國標準協會除了針對三商投資控股股份有限公司 2025 年永續報告書進行評估和認證外，與三商投控並無任何財務上的關係。

本獨立保證意見聲明書之目的，僅作為對三商投資控股股份有限公司 2025 年永續報告書所界定範圍內的相關事項進行保證之結論，而不作為其他之用途。除對實際事實提出獨立保證意見聲明書外，對於其他目的之使用，或間接此獨立保證意見聲明書的任何人士，英國標準協會並不負有或承擔任何法律或其他之責任。

本獨立保證意見聲明書係根據標準協會董事三商投控提供之相關資訊所作之結論，因此審查範圍乃基於並附限在這些提供的資訊內容之內。英國標準協會認為這些資訊內容都是完整及準確的。

對於這份獨立保證意見聲明書所載內容或相關事項之任何疑問，將由三商投控一併回覆。

查證範圍

三商投控與英國標準協會協議的查證範圍包括：

1. 查證報告書能與三商投資控股股份有限公司 2025 年永續報告書揭露之報告範圍一致。
2. 依照 AA1000 保證標準 V3 的第 1 應用類型評估三商投控選錄 AA1000 實質原則(2018)的真實和程度，不包括對於報告書揭露的資訊/數據之可信賴度的查證。

本聲明書以英文作成並已翻譯為中文以供參考。

意見聲明

我們閱讀三商投資控股股份有限公司 2025 年永續報告書內容，對於三商投控之相關運作與永續績效則提供了一個公平的觀點。基於保證範圍限制事項，三商投控所提供資訊與數據以及抽樣之測試，此報告書並無重大之不實陳述。我們相信有關三商投控的營運、社會及治理等績效資訊是正確無誤地呈現。報告書所揭露之永續績效資訊展現了三商投控對識別利害關係人的努力。

我們的工作是由一組具有依據 AA1000 保證標準 V3 查證能力之團隊執行，以及策劃和執行這部分的工作，以獲得必要之訊息資料及證明。我們認為三商投控所提供之足夠證據，表明其符合 AA1000 保證標準 V3 的報告方法與自我聲明關於 GRI 永續性報導準則係屬公允的。

查證方法

為了收集與作成結論有關的證據，我們執行了以下工作：

- 對來自外部團體的議題相關於三商投控政策進行高階管理層訪談，以確認本報告書聲明書的合適性；
- 與高階管理層討論有關利害關係人參與的方式。然而，我們並未直接接觸外部利害關係人；
- 切實了解與永續性管理、報告書編製及資訊提供有關的員工；
- 審查有關組織的關鍵性資訊；
- 審查內部稽核的發現；
- 審查報告書中所作宣告的支持性證據；
- 針對公司報告書及其相關 AA1000 實質原則(2018)中有關包容性、重大性、回應性及衝擊性原則之流程管理進行審查。

結論

針對 AA1000 實質性原則(2018)之包容性、重大性、回應性及衝擊性與 GRI 永續性報導準則的詳細審查結果如下：

包容性

2025 年報告書反映出三商投控已持續尋求利害關係人之參與，並建立重大永續主題，以發展及達成對永續具有責任且策略性的回應。報告書中已公正地報告與揭露環境、社會及治理的訊息，足以支持適當的計畫與目標設定，以我們的專業意見而言，這份報告書涵蓋了三商投控之包容性議題。

重大性

三商投控公布對組織及其利害關係人之評估、決策、行動和績效產生實質性影響與衝擊之重大主題。永續性資訊揭露使利害關係人得以對公司之管理與績效進行判斷。以我們的專業意見而言，這份報告書適切地涵蓋了三商投控之重大性議題。

回應性

三商投控執行來自利害關係人之期待與看法之回應。三商投控已發展相關回應政策，作為提供進一步回應利害關係人的機會，並能對利害關係人所關切之議題作出及時性回應。以我們的專業意見而言，這份報告書涵蓋了三商投控之回應性議題。

衝擊性

三商投控已識別並以平衡和有效之量測及揭露方式公正展現其衝擊。三商投控已建立監督、量測、評估和管理衝擊之流程，從而向組織內實現更有效之決策和結果管理。以我們的專業意見而言，這份報告書涵蓋了三商投控之衝擊性議題。

GRI 永續性報導準則

三商投控提供有關披露 GRI 永續性報導準則 2021 之自我宣告，並對每個涵蓋其行業準則和其相關性的 GRI 主題準則之重大主題，其揭露項目依循全部報告要求的相關資料。基於審查的結果，我們確認報告書中參照 GRI 永續性報導準則之永續發展相關揭露項目已能報告，部分報告或省略。以我們的專業意見而言，此自我宣告涵蓋了三商投控的永續性主題。

保證等級

依據 AA1000 保證標準 V3 我們審查本聲明書為中度保證等級，如同本聲明書中所描述之範圍與方法。

責任

這份永續報告書所屬責任，如同責任書中所宣稱，為三商投控負責人所有。我們的責任為基於所描述之範圍與方法，提供專業意見並提供利害關係人一個獨立的保證意見聲明書。

能力與獨立性

英國標準協會於 1901 年成立，為全球標準與認證的領導者。本查證團隊係由其專業背景，且接受過如 AA1000AS、ISO 14001、ISO 45001、ISO 14064 及 ISO 9001 之一系列永續性、環境及社會等管理標準的訓練，具有稽核員資格之成員組成。本保證係依據 BSI 公平交易準則執行。

For and on behalf of BSI:



Joe Hsieh, Managing Director Northeast Asia, APAC Assurance



AA1000
Licensed Report
000-4/VS-YHN1W

Statement No: SRA-TW-803854
2026-05-13

Taiwan Headquarters: 2nd Floor, No. 37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
BSI Taiwan is a subsidiary of British Standards Institution.



INDEPENDENT ASSURANCE OPINION STATEMENT

Mercuries & Associates Holding., Ltd. 2025 Sustainability Report

The British Standards Institution is independent of Mercuries & Associates Holding., Ltd. (hereafter referred to as MERCURIES in this statement) and has no financial interest in the operation of MERCURIES other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of MERCURIES only for the purpose of assuring its statements relating to its sustainability report, more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by MERCURIES. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to MERCURIES only.

Scope

The scope of engagement agreed upon with MERCURIES includes the following:

1. The assurance scope is consistent with the description of Mercuries & Associates Holding., Ltd. 2025 Sustainability Report.
2. The evaluation of the nature and extent of the MERCURIES's adherence to AA1000 AccountAbility Principles (2018) in this report as conducted in accordance with type 1 of AA1000AS v3 sustainability assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.

This statement was prepared in English and translated into Chinese for reference only.

Opinion Statement

We conclude that the Mercuries & Associates Holding., Ltd. 2025 Sustainability Report provides a fair view of the MERCURIES sustainability programmes and performances during 2025. The sustainability report subject to assurance is free from material misstatement based upon testing within the limitations of the scope of the assurance, the information and data provided by the MERCURIES and the sample taken. We believe that the performance information of Environment, Social and Governance (ESG) are fairly represented. The sustainability performance information disclosed in the report demonstrate MERCURIES's efforts recognized by its stakeholders.

Our work was carried out by a team of sustainability report assessors in accordance with the AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that MERCURIES's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards were fairly stated.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a top management review of issues raised by external parties that could be relevant to MERCURIES's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers on approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- 17 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of key organizational developments.
- review of the findings of internal audits.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness, and impact as described in the AA1000AP (2018).

Conclusions

A detailed review against the Inclusivity, Materiality, Responsiveness, and Impact of AA1000AP (2018) and GRI Standards is set out below:

Inclusivity

This report has reflected a fact that MERCURIES has continually sought the engagement of its stakeholders and established material sustainability topics, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for the information of Environment, Social and Governance (ESG) in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the MERCURIES's inclusivity issues.

Materiality

MERCURIES publishes material topics that will substantively influence and impact the assessments, decisions, actions and performance of MERCURIES and its stakeholders. The sustainability information disclosed enables its stakeholders to make informed judgements about the MERCURIES's management and performance. In our professional opinion the report covers the MERCURIES's material issues.

Responsiveness

MERCURIES has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for MERCURIES is developed and continually provides the opportunity to further enhance MERCURIES's responsiveness to stakeholder concerns. Topics that stakeholder concern about have been responded timely. In our professional opinion the report covers the MERCURIES's responsiveness issues.

Impact

MERCURIES has identified and fairly represented impacts that were measured and disclosed in probably balanced and effective way. MERCURIES has established processes to monitor, measure, evaluate, and manage impacts that lead to more effective decision-making and results-based management within the organization. In our professional opinion the report covers the MERCURIES's impact issues.

GRI Sustainability Reporting Standards (GRI Standards)

MERCURIES provided us with their self-declaration of in accordance with GRI Standards 2021 (For each material topic covered in the applicable GRI Sector Standard and relevant GRI Topic Standard, comply with all reporting requirements for disclosures). Based on our review, we confirm that sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported, or omitted. In our professional opinion the self-declaration covers the MERCURIES's sustainability topics.

Assurance level

The moderate level assurance provided is in accordance with AA1000AS v3 in our review, as defined by the scope and methodology described in this statement.

Responsibility

The sustainability report is the responsibility of the MERCURIES's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

The assurance team was composed of auditors experienced in relevant sectors, and trained in a range of sustainability, environmental and social standards including AA1000AS, ISO 14001, ISO 45001, ISO 14064, and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

For and on behalf of BSI:

Joe Hsieh, Managing Director Northeast Asia, APAC Assurance



Statement No: SRA-TW-803854
2026-05-13

Taiwan Headquarters: 2nd Floor, No. 37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
BSI Taiwan is a subsidiary of British Standards Institution.

Living Sustainability | Building a Co-Good Living Circle
Robust Governance | Deepening Integrity and Resilience



MERCURIES & ASSOCIATES HOLDING, LTD.

Add: No. 145, Section 2, Jianguo North Road,
Zhongshan District, Taipei City
Tel: +886 2 2503-1111



www.mercuries.com.tw