

Chapter 03

Sustainable Society

SKM cares about the rights and interests of every employee and is committed to developing robust talent management policies from recruiting, cultivation, employee compensation, and benefits to a safe and healthy workplace. In order to provide outstanding customer service, we strive to create a healthy, inclusive, and sustainable workplace across all dimensions to attract talents passionate about our industry. SKM also hopes to leverage our influence and fulfill our corporate social responsibility. As such, we have long been dedicated to social welfare by utilizing our business and events to invite customers to contribute to charitable causes. We are committed to promoting the arts, focusing on craftsmanship and design, art education for children, and video art in the hopes of elevating Taiwan into an art hub of the world.

Chapter 3 · Sustainable Society

Material Topics	Corresponding SDGs	Affected Stakeholders
<ul style="list-style-type: none"> Talent Attraction and Retention Talent Cultivation and Development Fair and Healthy Workplace Social Good and Arts & Culture Promotion 	   	<ul style="list-style-type: none"> Employees Customers Counter staff Suppliers



Achievements in Sustainability



3 year competency program

Launched the **Three-Year Competency Program** to introduce a new competency framework and talent development framework.



Work shift and compensation adjustment

Adjusting working hours, reducing the number of full-shift days per month that front-line personnel need to be on duty from 8 days to 4 days. Salary adjustments were made for entry-level employees, with an average increase of 6%.



Happy Enterprise Gold Award

In 2022, SKM won the Gold Award at 1111 job bank "Happy Enterprise - General Life Service Industry."



Social Engagement & Artistic and Culture Promotion

Hosting exhibition and events, including 29th The Dream of Craft, 21th Shin Kong Mitsukoshi Summer Art Festival, 16th SKM PHOTO SKM International Photography Exhibition Events, charity events, art space exhibitions. Amount of annual visitors was over 10 million.

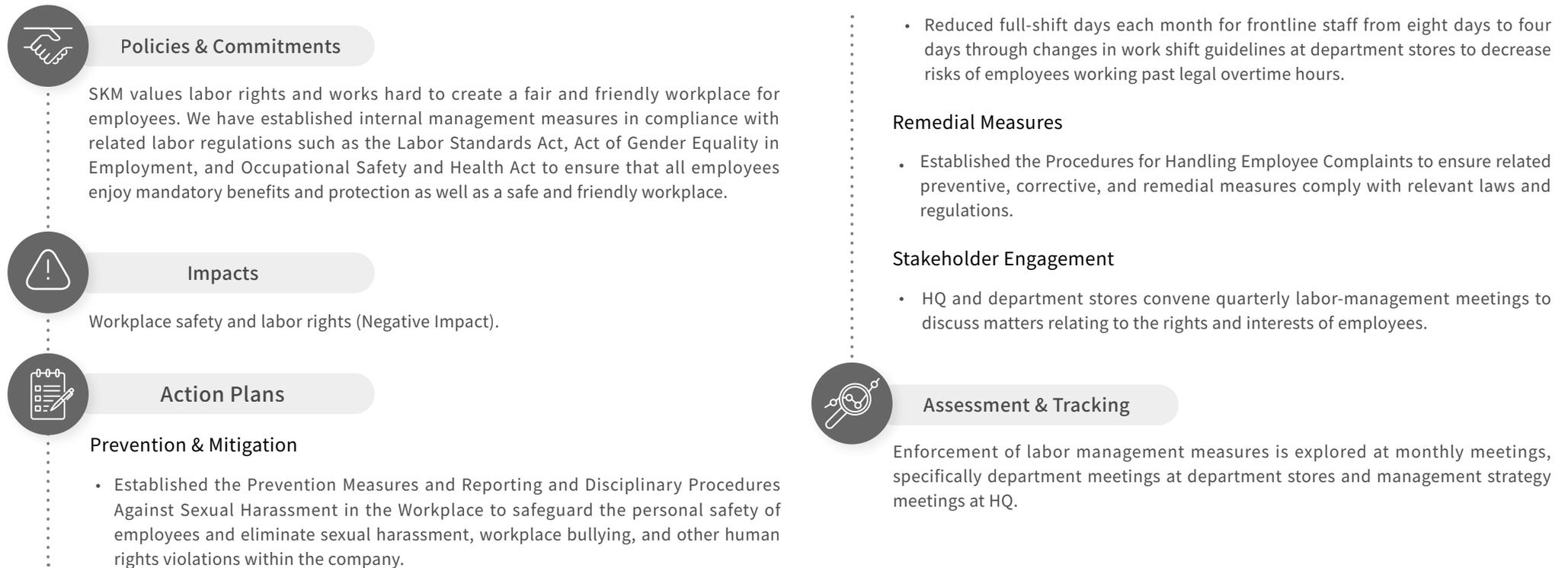
3.1 Happy Workplace

GRI Disclosures: 2-7, 2-8, 401-1, 401-2, 401-3, 402-1, 404-1, 404-2, 404-3, 405-1, 405-2, and 407-1

Driven by sustainability trends, SKM believes that employees are the most invaluable assets within a company and is actively cultivating and appointing internal talents, recruiting high-potential talents within the industry, and providing a robust compensation, benefit, and subsidy package. Our goal is to align with international standards and create a safe and healthy workplace for our employees. We encourage employees to grow with the company as we strive toward a friendly, inclusive, and happy workplace.

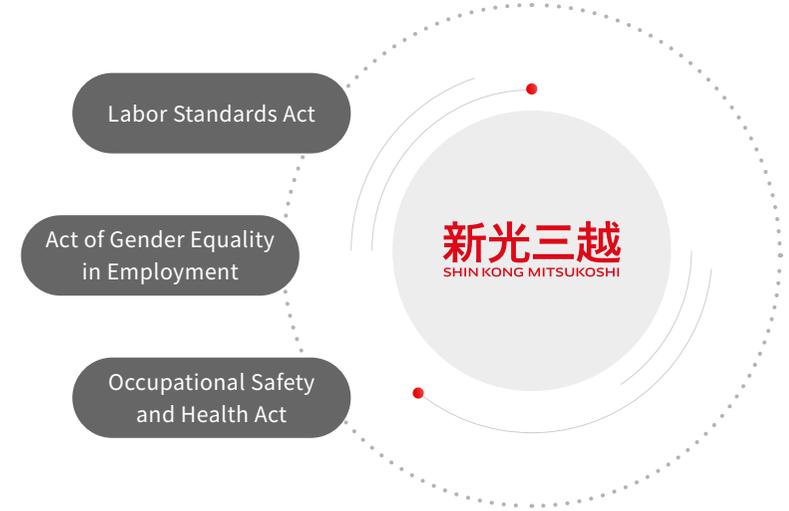
3.1.1 Diversity, Inclusion, and Human Rights in the Workplace

Management Guidelines



SKM values labor rights and works hard to create a fair and friendly workplace for employees. We have established internal management measures in compliance with related labor regulations such as the Labor Standards Act, Act of Gender Equality in Employment, and Occupational Safety and Health Act to ensure that the labor conditions of all employees comply with regulatory requirements and that all employees enjoy mandatory benefits and protection as well as a safe and friendly workplace. In the event of material changes to business operations that affects the rights and interest of employees, SKM will comply with the minimum period of advance notice set forth in the Labor Standards Act and notify employees of any related information at least ten days in advance.

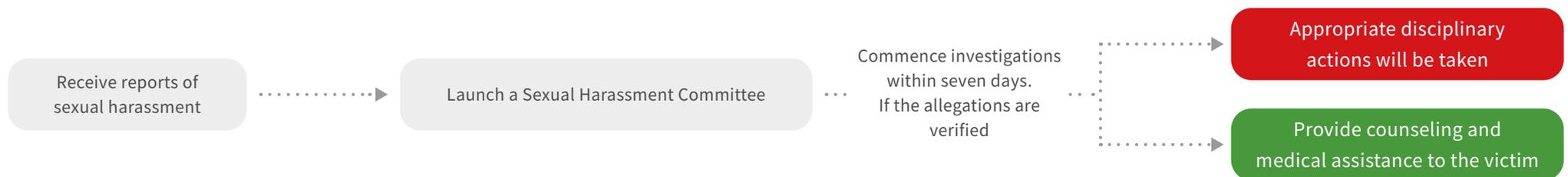
SKM fully respects the individual human rights of laborers. At SKM, employees are hired or terminated based on merits. We have also created an employee section on our internal company website to share information on employee welfare and raise awareness of equality in the workplace through internal directives to prevent unlawful infringements.



Anti-harassment and Anti-bullying

SKM cares about gender equality in the workplace and has formulated the Prevention Measures and Reporting and Disciplinary Procedures Against Sexual Harassment in the Workplace to eradicate human rights violations such as sexual harassment and bullying in the workplace. The measures and procedures established aim to safeguard the personal safety of our employees to ensure that employees feel safe and at ease in the workplace. SKM also established channels to report sexual harassment. When we receive reports of sexual harassment, SKM will launch a Sexual Harassment Committee and commence investigations within seven days. If the allegations are verified, appropriate disciplinary actions will be taken based on the severity of the misconduct and in compliance with company regulations. SKM will also provide counseling and medical assistance to the victim. There were zero cases of sexual harassment from 2022 to 2022.

Channels to report sexual harassment



Employee Complaints and Feedback

SKM established the Procedures for Handling Employee Complaints to target potential unlawful infringements against employees. The procedures aim to ensure that related preventive, corrective, and remedial measures comply with relevant laws and regulations and provide timely assistance to employees in the event of unfair treatment, infringements, or dissatisfaction. According to the procedures, employees may communicate feedback and complaints internally to human resource units either in person, via telephone, or in writing (in person or by delivery). After launching investigations into employee complaints, the human resource department will handle the incident and respond to the complainant within three days. There were zero cases of employee complaints in 2022.



Labor-Management Relations

While SKM has not established a labor union, we have labor and management representatives from HQ and department stores to maintain labor-management relations and communicate between both parties. We organize labor-management meetings every quarter, where both parties deliberate on various items relating to labor rights, such as labor-management relations, facilitating cooperation between workers and management, improving labor conditions, coordinating worker welfare, and increasing work efficiency. By facilitating dialogue between workers and management, we hope to reach a consensus and maintain strong labor-management relations with our employees.

Optimization of Work Schedules

Department stores are generally the busiest during weeknights, weekends, and holidays. As such, SKM uses flexible work hours and shift work to manage SKM employees working at various department stores, which are categorized as either frontline or backend staff for scheduling purposes. The working hours for morning shifts, evening shifts, and full-day shifts are set at 7.5, 8, and 9 to 9.5 hours, respectively. In the past, department stores determined their own guidelines for working day requirements and the number of hours in a shift, in which frontline operations staff are required to work eight full-day shifts in a month. In response to growing concerns in the labor market and workers around labor conditions and working hours and in consideration of our employee's physical endurance and load, we encourage a healthy work-life balance and aim to promote a friendly workplace. In 2022, when making changes to work shift guidelines at department stores, SKM reduced full-shift days from eight days to four days to decrease the risks of employees working past legal overtime hours.

After changes to work shift guidelines were implemented in 2023, SKM's full-time employees comply with the same number of working days and hours in work shifts across all departments. The required number of full-day shifts each month for frontline operations staff is also reduced by 50%. With additional help from the attendance system, we are able to control and manage the risks of employees working past legal overtime hours. The attendance system automatically compiles employee attendance every day, week, and month to the supervisor, who then uses the system to check for abnormal work hours, reach out, and help change future work shifts to prevent employees from working past legal overtime hours yet again.



Workforce Composition

As of the end of 2022, SKM had a total of 2,245 full-time employees throughout Taiwan (excluding part-time employees, counter staff, and contract employees). The largest age group was between 30 and 50, which accounted for 54.7% of the total workforce. Male and female employees accounted for 34.61% and 65.39%, respectively. Due to the nature of our industry, the majority of our employees are female, but SKM will continue to maintain a diverse and open mindset in the future when recruiting and hiring talents. We are committed to merit-based employment and strive to create maximum value. SKM also embraces diversity when hiring employees and have incurred no financial losses from litigations relating to employment discrimination in the past three years. In 2022, employees with disabilities, indigenous employees, and foreign employees accounted for 0.71%, 0.71%, and 0.31% of our total workforce in 2022. While the percentage of employees with disabilities is below 1% of the total workforce, SKM has continued to welcome people with disabilities and will continue to make job opportunities available for people with disabilities. We will continue to review and improve existing practices to facilitate diversity and social equality at SKM.

2020-2022 SKM Workforce Composition						
Age	2020		2021		2022	
	Male	Female	Male	Female	Male	Female
< 30	266	637	228	596	204	571
Percentage	10.34%	24.77%	9.57%	25.01%	9.09%	25.43%
30-50	523	952	477	878	449	780
Percentage	20.33%	37.01%	20.02%	36.84%	20.00%	34.74%
> 50	104	90	108	96	124	117
Percentage	4.04%	3.51%	4.53%	4.03%	5.52%	5.22%
Total	893	1,679	813	1,570	777	1,468
Percentage	34.72%	65.28%	34.11%	65.89%	34.61%	65.39%

2020-2022 SKM Workforce Composition						
Diversity Metrics	2020		2021		2022	
	Male	Female	Male	Female	Male	Female
Indigenous Peoples	5	8	7	9	7	9
Percentage	0.19%	0.31%	0.29%	0.38%	0.31%	0.40%
People with Mental & Physical Disabilities	8	5	8	5	10	6
Percentage	0.31%	0.20%	0.34%	0.21%	0.44%	0.27%
Foreign Employees	8	2	9	0	7	0
Percentage	0.31%	0.08%	0.38%	0.00%	0.31%	0.00%

Note:

1. Figures include only full-time employees employed at SKM on December 31, 2022.
2. Figures derived differently than from previous years and is now the number of full-time employees within the HR system employed at SKM on December 31, 2022. (Figures last year were derived from company statements)

As of the end of 2022, SKM employs a total of 2,730 people under various employment types. By employment status, our workforce consists of 2,245 full-time employees and 485 part-time employees. By contract type, our workforce consists of 492 temporary employees and 2,238 permanent employees. Between 2020 and 2022, the number of part-time and temporary employees at SKM has increased yearly. This is primarily in response to labor demands for specific events or requests from different departments. In the future, SKM will continue to review labor demands, support operations planning, and optimize labor allocation.

2020-2022 SKM Workforce by Status, Contract, and Others

Taiwan	Gender	Status		Contract		Contractor	Others
		Full-time Employees	Part-time Employees	Temporary Employees	Permanent Employees	Employees under Zero-hour Contracts ^{Note 1}	Other Workers that are Not Employees ^{Note 2}
2022	Female	1,468	354	354	1,468	-	-
	Male	777	131	138	770	-	-
	Total	2,245	485	492	2,238	0	15,662
2021	Female	1,570	273	273	1,570	-	-
	Male	813	100	107	806	-	-
	Total	2,383	373	380	2,376	0	17,321
2020	Female	1,679	208	208	1,679	-	-
	Male	893	92	100	885	-	-
	Total	2,572	300	308	2,564	0	N/A

Note:

1. Zero-contract Employees: Atypical employment or project-based employment where the employer does not guarantee minimum working hours. Between 2020-2022, SKM had no zero-contract employees.
2. Workers that are Not Employees: Mainly contractors, sequential contractors (includes only regulars), and counter staff.
3. Full-time Employees: According to Article 30 Paragraph 1 of the Labor Standards Act, full-time employees are those that work 40 hours every week and eight hours every day.
4. Part-time Employees: Part-time employees refer to workers whose working hours do not meet the conditions for full-time employment, typically less than 40 hours per week or 8 hours per day. Despite their reduced working hours, part-time employees are entitled to the same legal rights and benefits as full-time employees.
5. Temporary Employees: Temporary employees are those that sign fixed-term contracts with employers. The fixed terms could be either temporary, short-term, seasonal, or project-based. Once the contract expires, employees are required to leave the company or re-sign.
6. Permanent Employees: Permanent employees are regular full-time employees that have signed permanent contracts with employers and, unless terminated or resigned from the company, may continue to work indefinitely.

3.1.2 Employee Compensation and Benefits

As our business continues to grow, SKM is attracting passionate and diverse talents in the industry by offering competitive compensation and benefits. We also provide an extensive career advancement pathway and established a performance evaluation system to retain outstanding talents. In 2022, we gave pay raises to entry-level employees, increasing their compensation by an average of 6%. We also continued to promote active and inclusive club activities as well as various welfare measures for employees. In 2022, we successfully attracted new talents to SKM, with a recruitment rate of 25.21%. In the future, SKM will continue to increase employee satisfaction and loyalty to foster a robust and stable workforce.

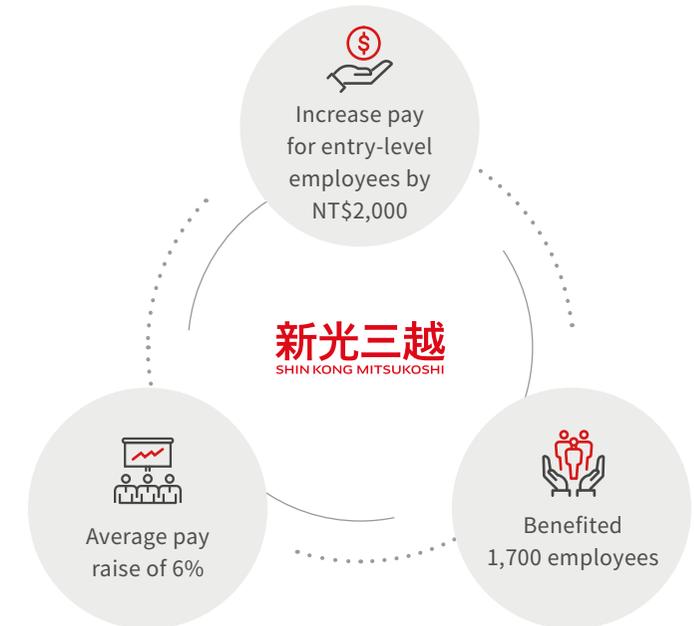
Management Guidelines



Regular Compensation Surveys and Pay Raises

To ensure that SKM's compensation packages remain competitive in changing market landscapes, SKM gives pay raises of varying degrees to all employees each year based on their performance evaluations. We also commission a consulting firm to research compensation packages in the industry every two years and adjust internal compensation policies to align with market trends. Inflation and rising CPIs in recent years have continued to cut into the disposable income of our entry-level employees. In light of this, along with results from market surveys into compensation, SKM decided to retain all employees during the pandemic in 2022 and supported government policies to increase base salaries, while also giving raises based on annual performance evaluations. In the fourth quarter, we even allocated a special budget to increase pay for entry-level employees by NT\$2,000. Our policies benefited 1,700 employees or around 75% of our total workforce, with an average pay raise of 6%. Our efforts were well-received among our employees.

SKM is also active in industry associations, regularly interacting with other peers in the industry to stay up to date on the latest compensation trends and information on talent retention. In the past three years, SKM also observed a gender wage gap in both base salary and overall compensation, with the ratio for female employees being less than 1 compared to male employees, regardless of whether they are in managerial or other positions. In the future, SKM will implement a more comprehensive compensation system to attract and retain exceptional talents, aiming to enhance our core competitiveness as an organization.



2020-2022 SKM Gender Wage Gap in Base Salary and Overall Compensation

Item	Job Function	2020		2021		2022	
		Female	Male	Female	Male	Female	Male
Base Salary	Management	1	1.14	1	1.16	1	1.15
	Others	1	1.10	1	1.10	1	1.10
Compensation	Management	1	1.19	1	1.21	1	1.20
	Others	1	1.11	1	1.10	1	1.12

Note:

1. Table covers the gender wage gap in base salary and overall compensation across all major SKM locations. Major SKM locations are defined as all SKM department stores in Taiwan.
2. Managerial positions include employees at the section leader level or above.

Performance Evaluation System

SKM's performance evaluation system defines clear performance goals for all employees based on job level. This system includes assessments for new employees, annual evaluations for general staff, and quarterly KPI assessments for supervisors. The company also provides comprehensive training programs and a well-defined career advancement pathway. We encourage employees to engage in healthy competition and to challenge themselves, enhancing the professionalism of our workforce and providing customers with high-quality services. In 2022, SKM conducted performance evaluations for 95.46% of employees. 98.82% of employees in managerial positions and 94.86% in other positions received performance evaluations and career assessments. The remaining 4.54% that did not receive performance evaluations were employees that did not meet the requirement of having consistent attendance for a minimum of three months or those who were not present during the evaluation period. In the future, SKM will continue to enforce our performance evaluation system to facilitate adaptive development in our employees and ensure that they build successful careers at SKM.



- **Completing performance evaluations: 95.46%**
 Managerial positions: 98.82%
 Other positions: 94.86%
- **Not receiving performance evaluations: 4.54%**

Percentage of Employees that Regularly Received Performance Evaluations and Career Assessments in 2020-2022

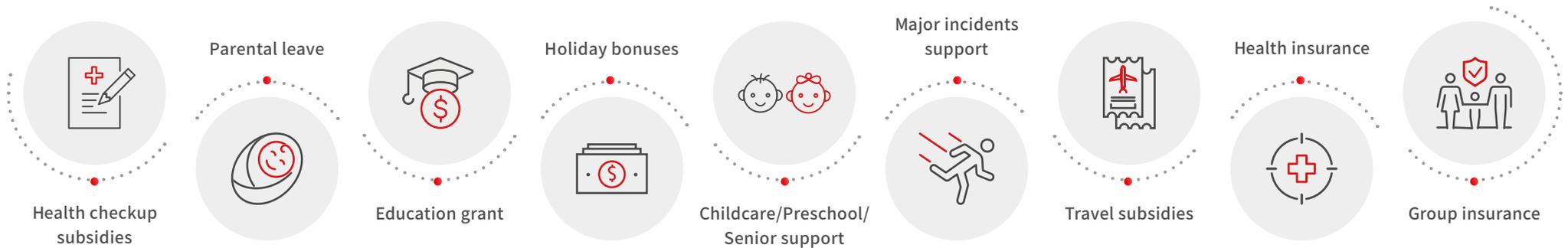
Job Function	2020			2021			2022		
	Female	Male	Average	Female	Male	Average	Female	Male	Average
Management	98.37%	98.74%	98.58%	97.28%	99.16%	98.35%	98.94%	98.72%	98.82%
Others	94.77%	95.55%	95.30%	94.75%	94.21%	94.39%	95.93%	94.08%	94.86%

Note:

1. Table details the percentage of employees (by gender and position) that have regularly received performance evaluations or career assessments = employees that regularly receive performance evaluations or career assessments / total number of employees.
2. Managerial positions include employees at the section leader level or above.
3. Employees that did not receive performance evaluations were employees that did not meet the requirement of having consistent attendance for a minimum of three months or those who were not present during the evaluation period.

Diverse Welfare Packages for Employees

SKM offers employees a diverse welfare package of up to 17 programs, including subsidies for health checkups, education for personal growth, and childcare/preschool/senior support, all of which exceed regulatory requirements. During the pandemic, we also implemented additional measures such as paid leave for COVID-19 and COVID-19 care packages for home isolation to offer our employees peace of mind. In 2022, SKM invested NT\$25,675,684 in employee welfare to cover holiday bonuses, financial support to employees affected by major incidents, travel subsidies, group insurance (not legally mandated), and legally mandated health insurance.



In 2022, we also brought back our Year-end Party for the first time in three years since the start of the pandemic. During the Year-end Party, we give recognition to senior employees and give out prizes such as electronics, home appliances, and vouchers to spread joy and show appreciation for all their hard work in the past year. In the future, SKM will continue to provide better welfare packages, promote employee clubs, and increase customer satisfaction to achieve a healthy work-life balance for our employees.

2020-2022 SKM Investments in Welfare Packages for Employees			
Year	2020	2021	2022
Total (NT\$)	29,789,498	27,644,922	25,675,284

Note: Table covers SKM's investments in welfare packages for employees across all major SKM locations. Major SKM locations are defined as all SKM department stores in Taiwan.



Safeguarding Employee Health

To prioritize the well-being of our employees and create a healthy workplace, SKM has embraced the concept of "health promotion" by shifting from a reactive approach to disease prevention to a proactive focus on maintaining physical and mental well-being. As employees are our most valuable resources, we have long implemented five major health initiatives - health checkups, health management, on-site health services, health and hygiene support, and health promotion. For more details, please refer to section 3.2.2 Occupational Safety and Health Assessment and Preventing Occupational Disasters in this report.

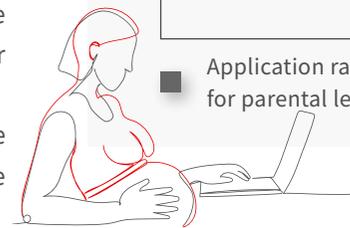
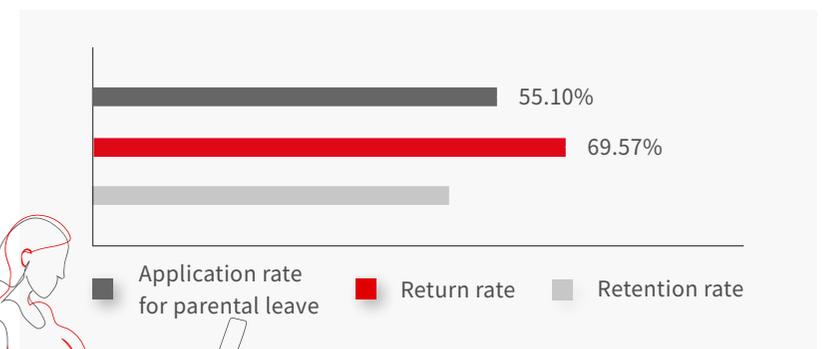
Group Insurance for Employees

At SKM, we care about our employee's health and believe that healthy employees are critical to delivering high-quality services. As such, we provide group insurance that covers disabilities from accidents and hospitalization, life insurance, and cancer insurance on top of health checkups and financial support for medical or hospitalization expenses. This can reduce their financial burden when they require hospitalization or medical resources due to disabilities from accidents or serious medical conditions.

Robust Childcare & Preschool Policies

Women comprise 65% of SKM's workforce. As such, we care about our employees' families, childcare, and preschool situations. We hope to help all our female employees succeed in both the workplace and in their families, encouraging them to return to the workplace after giving birth so that they can continue to find fulfillment in their careers. As such, SKM provides a robust childcare and preschool policy, support, and workplace environment where male employees are also granted paternity leave. We have lactation rooms at all 15 department stores in Taiwan, ten of which have been certified as excellent by local health authorities, as we strive to create a friendly space for mothers and children.

In 2022, 90 employees were eligible for parental leave, of which 49 were female. Among women, the application rate for parental leave was 55.10%, the return rate was 69.57%, and the retention rate was 53.33%.



2020-2022 SKM Parental Leave Statistics

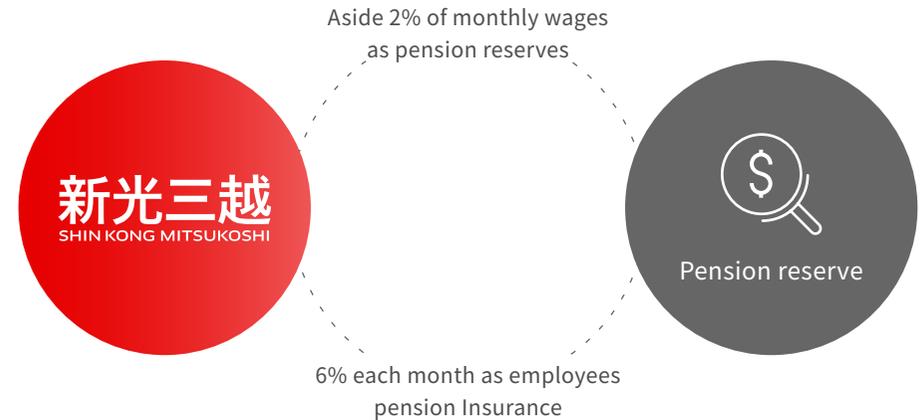
Item	2020		2021		2022	
	Male	Female	Male	Female	Male	Female
Number of people eligible for parental leave	51	110	55	80	41	49
Number of people that applied for parental leave	3	29	3	20	7	27
Application rate	5.88%	26.36%	5.45%	25.00%	17.07%	55.10%
Number of people on parental leave slated to return	2	35	3	20	5	24
Number of people that applied to return	2	19	3	15	4	16
Return rate	100.00%	54.29%	100.00%	75%	80.00%	69.57%
Number of people that returned in the previous year	0	22	2	19	3	15
Number of people that stayed for one year after returning	0	17	1	14	0	8
Retention rate	0.00%	77.27%	50.00%	73.68%	0.00%	53.33%

Note:

1. Application rate = Number of people that applied for parental leave / Number of people eligible for parental leave
2. Return rate = Number of people that applied to return / Number of people on parental leave slated to return
3. Retention rate = Number of people that stayed for one year after returning / Number of people that returned in the previous year

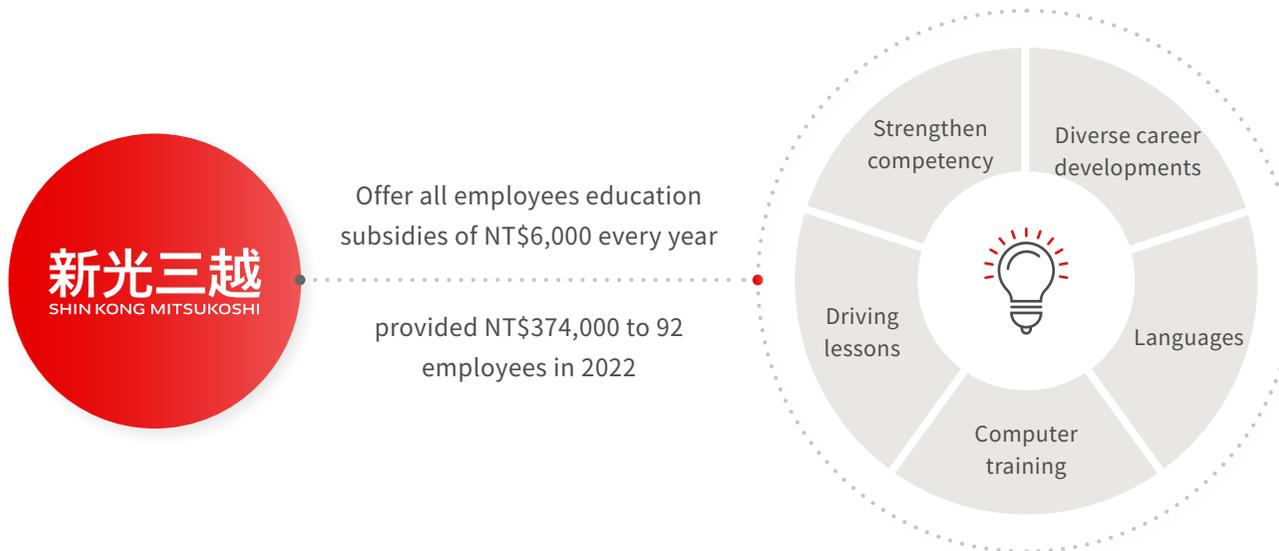
Pension System

In compliance with the Labor Standards Act and Labor Pension Act, SKM sets aside 2% of monthly wages as pension reserves for employees eligible for pension under the former system. The Pension Reserve Supervisory Committee is responsible for managing the pension reserves, which are deposited into a bank account under the committee's name. For those eligible for pensions under the new system, SKM contributes 6% each month, which is submitted to the employee's pension account at the Bureau of Labor Insurance. Every year, we commission a consulting firm to conduct actuarial valuation for pension reserves under the old system, safeguarding all employees' rights to a pension.



Personal Growth Plan

SKM encourages employees to improve after work to strengthen their competency and pursue diverse career developments. To such end, we offer all employees education subsidies of NT\$6,000 every year, which employees can access through applications. Educational programs that we sponsor employees to pursue include languages, computer training, and driving lessons. Employees can choose between any of the eligible domains. In 2022, SKM provided NT\$374,000 to 92 employees under the Personal Growth Plan.



Workforce Structure

Our competitive compensation and welfare measures, coupled with a robust talent training system, have ensured that SKM's workforce continues to remain stable. This report covers information from the SKM HQ in Taipei, SKM's 15 department stores, and the Shin Kong Mitsukoshi Cultural & Educational Foundation. All employees are located in Taiwan. The report does not include information on employees at overseas subsidiaries and affiliated businesses, which are included in our consolidated financial statements. In 2022, SKM welcomed 566 new employees, which is 15.04% more than the 492 new employees in the previous year. This year, new employees accounted for 25.21% of our total workforce. SKM will continue to value employees as family, seeking to optimize various welfare measures so that we can retain outstanding talents and propel the organization into a sustainable future.

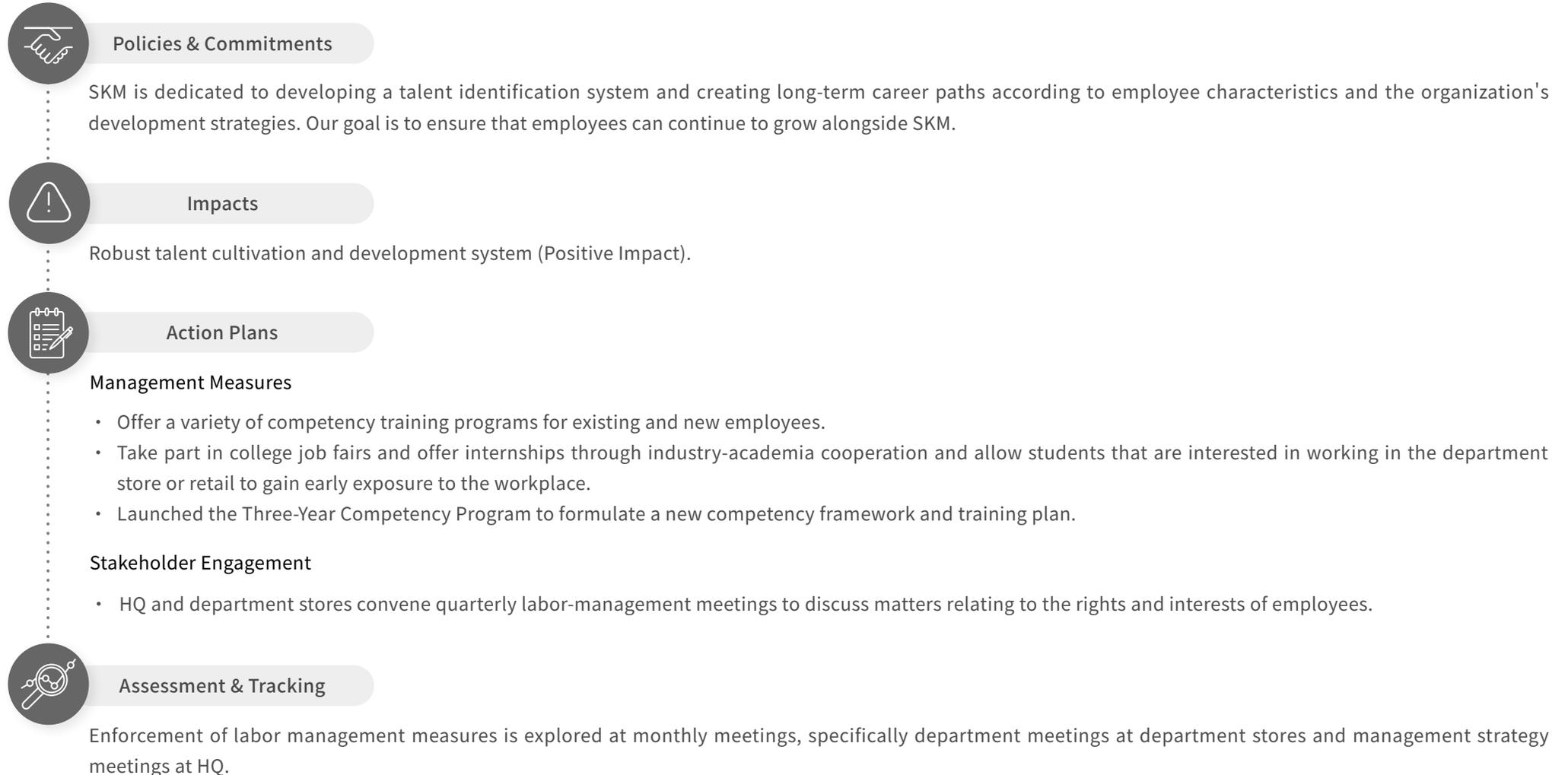
Number of new FTEs						
Age	2020		2021		2022	
	Male	Female	Male	Female	Male	Female
<30	91	263	122	301	126	353
Percentage	22.03%	63.68%	24.80%	61.18%	22.26%	62.37%
30-50	31	28	20	43	43	38
Percentage	7.51%	6.78%	4.07%	8.74%	7.60%	6.71%
>50	0	0	5	1	3	3
Percentage	0.00%	0.00%	1.02%	0.20%	0.53%	0.53%
Total	122	291	147	345	172	394
Percentage	29.54%	70.46%	29.88%	70.12%	30.39%	69.61%

Number of resigned FTEs						
Age	2020		2021		2022	
	Male	Female	Male	Female	Male	Female
<30	97	266	126	287	119	329
Percentage	14.52%	39.82%	18.64%	42.46%	16.98%	46.93%
30-50	71	163	77	143	76	146
Percentage	10.63%	24.40%	11.39%	21.15%	10.84%	20.83%
>50	36	35	22	21	14	17
Percentage	5.39%	5.24%	3.25%	3.11%	2.00%	2.43%
Total	204	464	225	451	209	492
Percentage	30.54%	69.46%	33.28%	66.72%	29.81%	70.19%

Note: The percentage of new and resigned employees = The number of new and resigned employees / The number of new and resigned employees in the current year.

3.1.3 Human Capital Management

Management Guidelines



In addition to establishing a performance evaluation system to strengthen competencies required at all positions, SKM also introduced a competency framework in 2022 and organized a series of courses revolving around the framework to enhance competency in SKM management, effectively offering employees training on necessary skills in the workplace. Externally, we are very active at college job fairs. We make offers to individuals that show promise with the industry and give them a platform to unleash their potential, which also serves as a strong foundation for sustainable management at SKM.

In 2022, managerial employees received a total of 5,471 hours of training on topics including management competency training, training for new managers, information safety training, and occupational safety and health training. Other employees received a total of 12,811 hours of training on topics including information safety training, transportation safety training, service quality training, and occupational safety and health training.



2022 SKM Employee Training Hours by Gender and Position				
Item	Male	Female	Total hours	Hours per person
Management	2,586	2,885	5,471	12.93
Others	3,745	9,066	12,811	7.03

SKM HQ and department stores also provide a variety of training on service quality, cloud and self-service POS machines, food hygiene and safety, occupational safety and health, and annual anniversary sales to our counter staff.

Training Provided by HQ and Department Store in 2022						
Topic	Subject				Number of Trainees	Cumulative training hours
	Counter staff	Cleaning staff	Part-time student employees	Security		
Service Quality	✓	✓	✓	✓	8,012	9,775.8
Food Hygiene and Safety	✓		✓		4,989	13,004.94
Health Promotion Lectures	✓	✓		✓	305	396
Occupational Safety and Health	✓	✓		✓	1,184	1,839.5
Annual Anniversary Sales	✓	✓	✓	✓	9,144	14,870.98
Cloud & Self-service POS Machine	✓		✓		6,886	18,194.42
New Counter Staff Training	✓				672	2,792.5

Note: Cumulative training hours = Number of trainees from all department stores * course duration in hours; i.e., the sum of training hours from all department stores.

Recruitment at College Job Fairs

In 2022, SKM took part in eight college job fairs to recruit talents on the campus and offer robust training and welfare packages. We also believe in giving back to our education system and, therefore, providing internship opportunities so students interested in the department store and retail industry can have early exposure to the industry. Currently, we have internship programs with Tamkang University, Ming Chuan University, Chihlee University of Technology, and Taipei City University of Science and Technology.

Three-Year Competency Program

To ensure our employees are able to adapt more effectively to changing market landscapes and fierce competition, SKM officially kick-started the Three-Year Competency Program in November 2022. The program is a re-evaluation and optimization of the core competencies required by employees of all levels (including managerial positions), given the organization's future development goals. It defines the "critical DNA" exclusive to SKM's core talents and introduces a competency framework that clearly outlines career development goals and pathways for employees at SKM. This can accelerate learning and growth in employees and more closely link job functions with company growth. By keeping pace with the organization's progress, employees will have a positive impact on the long-term human resource development of our company.

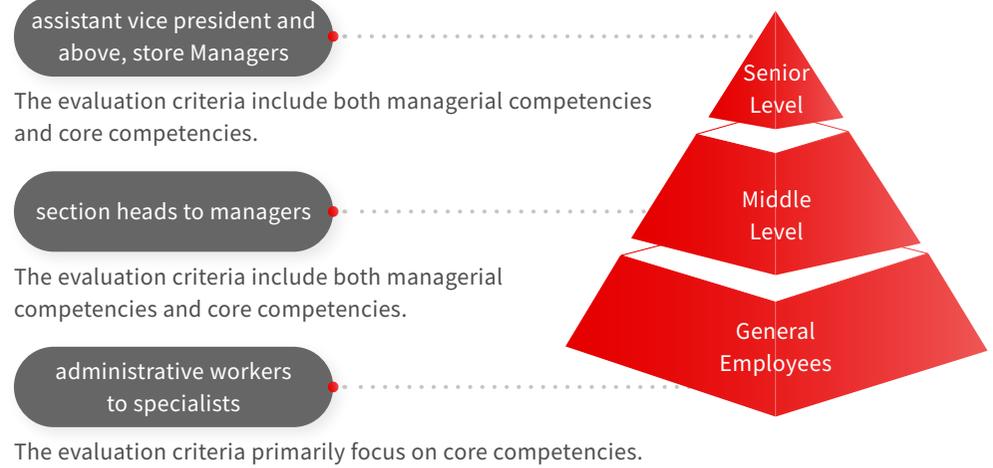


The Three-Year Competency Program can be separated into three stages:

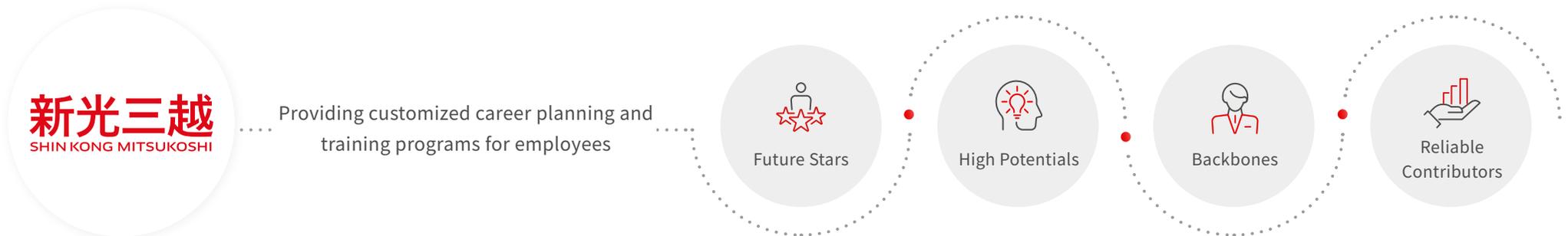


The new competency framework is categorized into three major levels based on job positions: Senior Level (assistant vice president and above, store managers), Middle Level (section heads to managers), and General Employees (administrative workers to specialists). Each level has its own set of evaluation criteria. The evaluation criteria for Senior and Middle-level employees include both managerial competencies and core competencies, while the evaluation criteria for General Employees primarily focus on core competencies. The new competency framework will impact three major dimensions: talent recruitment, education and training, and performance evaluations. In terms of talent recruitment, SKM will screen talents based on competencies required for different positions set forth in the new competency framework. This will help us uncover and recruit promising talents that align with the organization's development strategy.

In terms of performance evaluation, the newly established competency framework will serve as the basis for setting performance targets and evaluation criteria for employees at all levels. Performance evaluations will help us recognize employee capabilities and classify them into talent categories such as "Future Stars," "High Potentials," "Backbones" and "Reliable Contributors" based their potential, which also forms SKM's talent pipeline. In accordance with the characteristics of each talent category, SKM will provide customized career planning and training programs for employees.



Once the talent pipeline is established, the next step is to identify the talent pipelines for key positions. Employees listed in talent pipelines will be asked to compile and carry out a Personal Growth Plan. The objective is to ensure the consistent availability of human resources for key positions and provide differentiated development opportunities for different talent categories. High-potential individuals will be offered intensive and rewarding development mechanisms.



As of the end of 2022, the SKM Human Resources Department has defined a new competency framework by reassessing and re-evaluating required competencies at all positions. The next step will be rolling out the competency framework in the existing human resource management framework. We have plans to hold six open sessions for senior executives and functional managers above the assistant manager level to explain the competency framework between April 28 to May 29, 2023. After the open sessions, we will be officially rolling out the competency framework, thereby completing the first stage of the process. Following that, in 2023, SKM will first focus on developing training curricula and annual educational training programs for newly appointed managers and existing managers. The second stage of the process, which focuses on building talent pipelines, will be initiated in May 2023. The third stage of the process, focusing on a Personal Growth Plan, will be initiated between April and May 2024.



Education & Training Program for Managers under the Three-Year Competency Program

Objectives & Summary

Based on the completed competency framework that will be introduced in 2023, SKM will develop a training curriculum, which will be used to plan annual training and lectures for existing managers. In addition, Mindset Change training will be provided to newly appointed managers.

Program	Subject	Topic
Training for new managers	New managers appointed this year	Mindset Change
Training for existing managers	Existing managers	Competency courses
Lectures	Open to all employees	Lectures relevant to important company policies (digital, e-commerce, etc.)



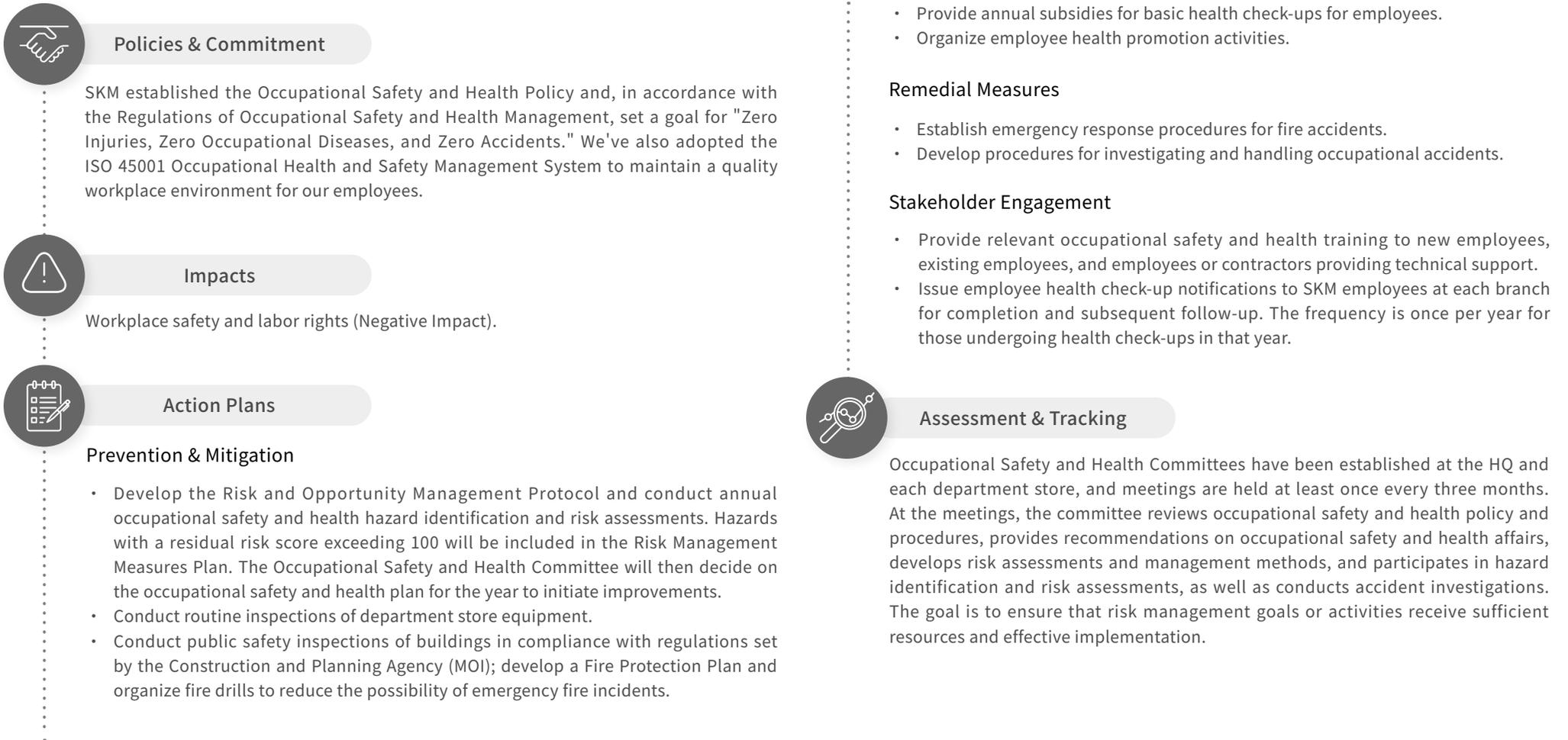
Support for Transitioning Employees

While SKM does not have measures in place to support employees facing layoffs, impending departures, or retirement, SKM does seek to offer support in the form of counseling, consultation, and referrals on a case-by-case basis. For example, when SKM closed the Taoyuan Dayou Store, we formulated a comprehensive employee placement plan and held an open session to explain their rights in detail. For employees that chose not to stay, we worked with local employment service stations to provide support through training, referrals, and explaining how to file for unemployment.

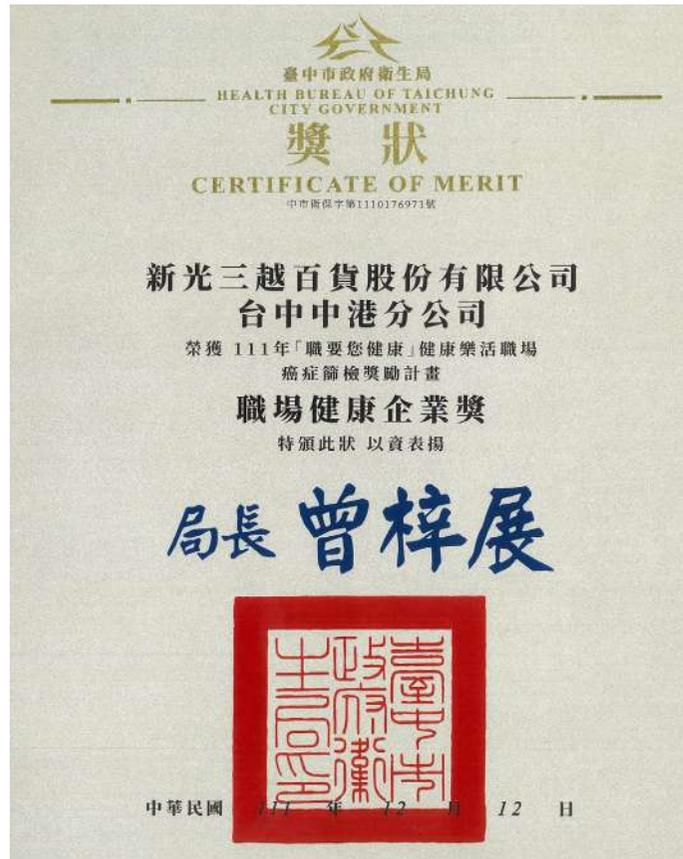
3.2 Occupational Health and Safety Management

GRI Disclosures: GRI 403-1, GRI 403-2, GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-6, GRI 403-7, GRI 403-8, GRI 403-9, GRI 403-10

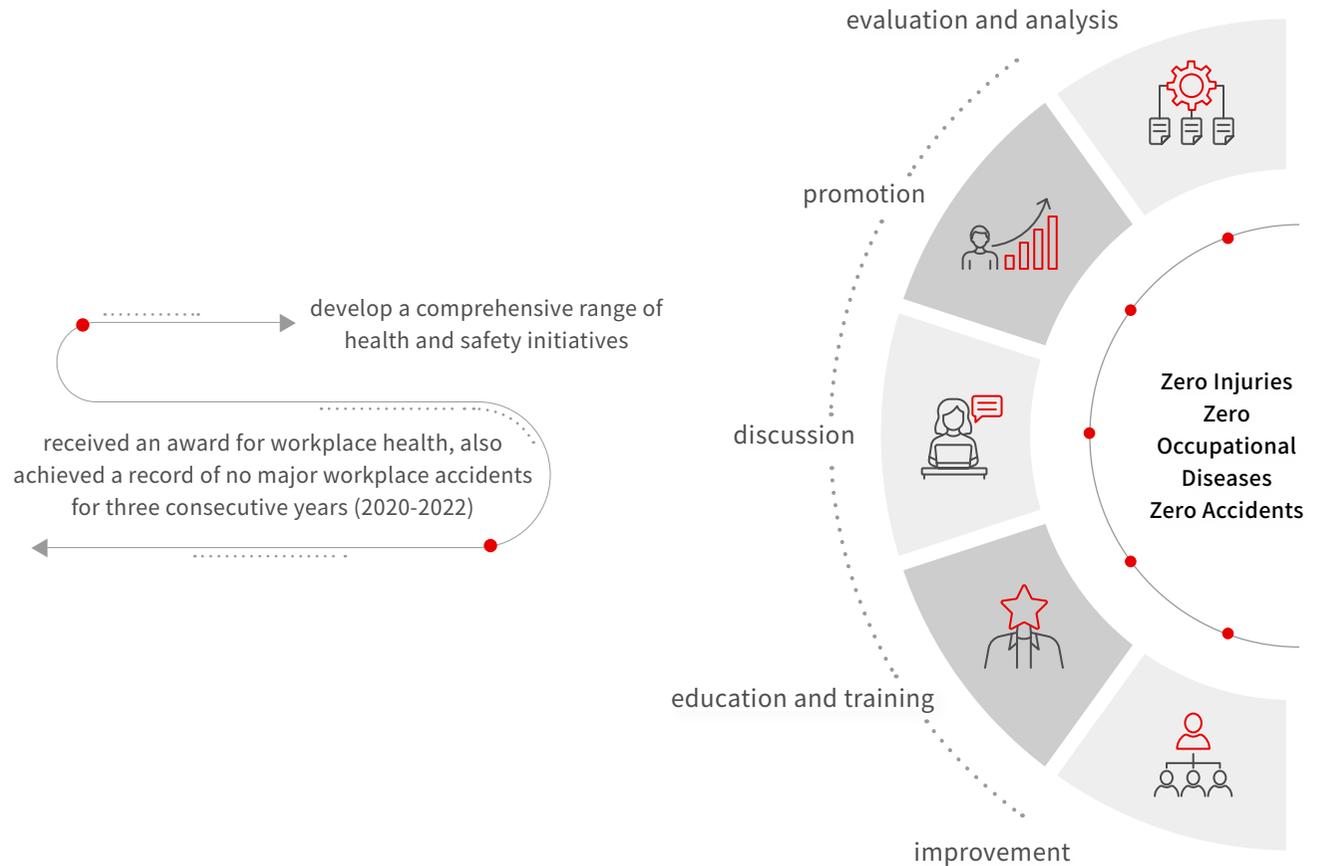
Management Guidelines



SKM values employees as our most important asset, and strives to create a health and safe workplace to put employees at ease and prevent occupational disasters. To achieve "Zero Injuries, Zero Occupational Diseases, and Zero Accidents," SKM abides by five core elements to guide our implementation: evaluation and analysis, promotion, education and training, discussion, and improvement. As such, we've formulated Occupational Safety and Health Policy and adopted ISO international certifications to develop a comprehensive range of health and safety initiatives. SKM's Taichung Zhonggang Store received an award for workplace health in 2022 due to proactive efforts to ensure safety. SKM also achieved a record of no major workplace accidents for three consecutive years (2020-2022). In the future, SKM shall continue to enhance management practices to ensure a quality workplace for our employees.



SKM's Taichung Zhonggang Store received an award for workplace health in 2022



Five core elements of Occupational Safety Policy

3.2.1 Manage and Implement Occupational Safety and Health

SKM established the Occupational Safety and Health Department in 2013 to manage relevant affairs. SKM adopted the ISO 45001 Occupational Health and Safety Management System in 2020. In the same year, SKM President Richard H. Wu signed the Occupational Safety and Health Policy into effect.

SKM Occupational Safety and Health Policy - Four Major Strategies



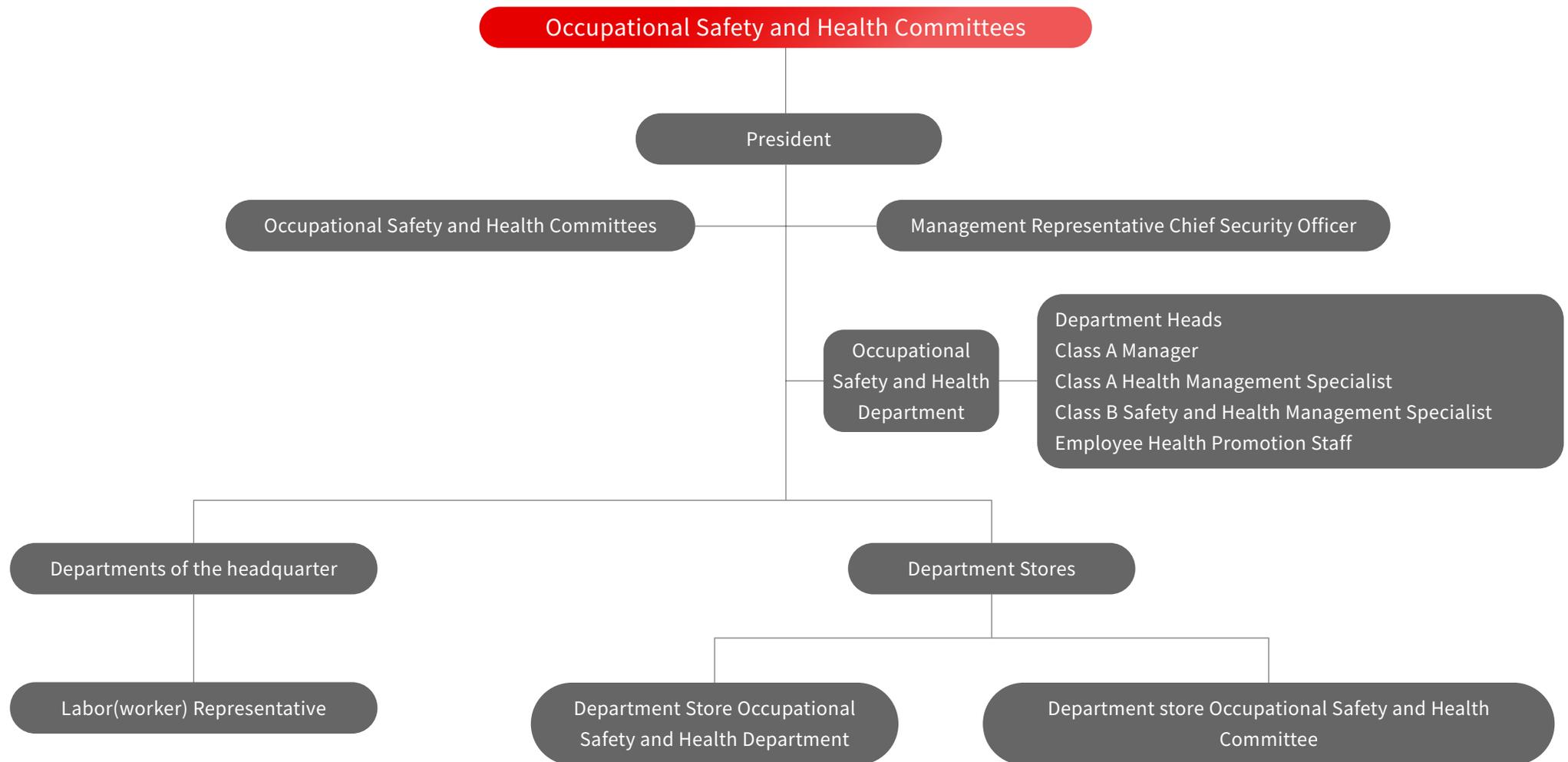
SKM Occupational Safety and Health Policy - Eight Policies

- Establish and maintain an effective occupational safety and health management system.
- Stay compliant with regulations and regularly inspect the occupational safety and health measures to ensure its compliance with the law.
- Ensure project execution and risk management to effectively achieve the occupational safety and health targets.
- Implement educational training in order to strengthen employees' perception and understanding of occupational safety and health.
- Eliminate and decrease occupational safety and health risks and continually improve the occupational safety and health system to reach better efficiency.
- Promise employees, partners and stakeholders a safe and healthy workplace and work conditions.
- Provide consultation and promote information regarding occupational safety and health to employees, partners and stakeholders.
- Encourage employees to take part and comply with relevant obligations to ensure that occupational safety and health measures are well executed.

In addition to the Occupational Safety and Health Department, SKM has established Occupational Safety and Health Committees at the HQ and across all department stores in Taiwan in accordance with the Regulations of Occupational Safety and Health Management. The Committee consists of staff from the Occupational Safety and Health Department, as well as senior executives and employees from each department store for a total of 184 committee members, 77 of which are labor representatives(42%). Meetings are held at least once every three months per regulations for the Committee to review occupational safety and health policy and procedures, provide recommendations on occupational safety and health affairs, develop risk assessments and management methods, and participate in hazard identification and risk assessments, as well as conduct accident investigations. The president appointed the Chief Security Officer as the management representative, who shares the highest responsibility for occupational health and safety affairs, to ensure adequate resources and effective implementation for risk management goals and measures. Resolutions passed at the quarterly Occupational Safety and Health Committee meeting are submitted to the president for signed approval.



Occupational Safety and Health Committees established at each department store are led by the head of each store serving as the management representative. SKM HQ and department stores adopt a hierarchical management approach, with the Occupational Health and Safety Committees responsible for occupational safety and health management. Through departmental meetings, information is disseminated and two-way communication is facilitated among the various units, including occupational safety and health departments. Also, SKM maintains the Occupational Safety and Health Management System Promotion Committee at HQ to encourage employee participation in the ISO 45001 Occupational Safety and Health Management System.



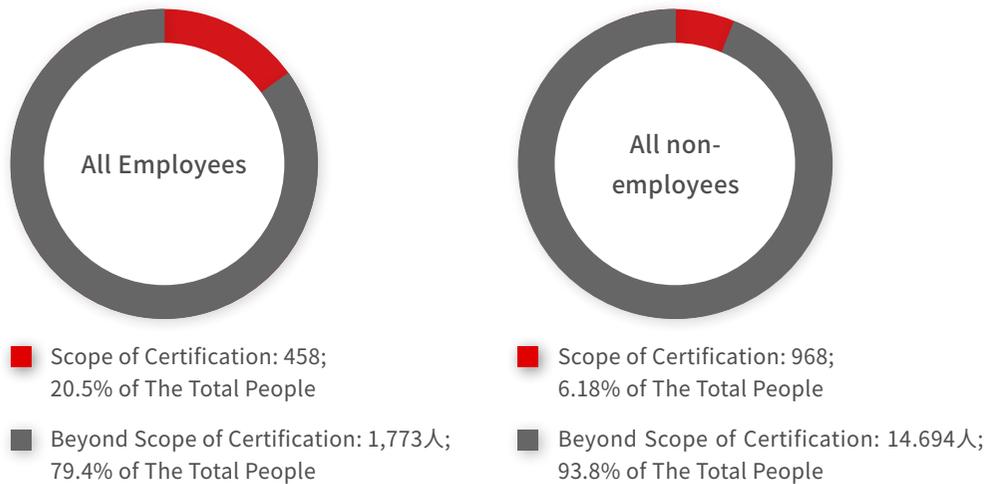
SKM HQ Occupational Safety and Health Committee Achievements

Year	Chart	Achievements
2020	 <p>No. of Meetings: 4 Average Attendance: 96%</p>	<ol style="list-style-type: none"> 1. Conducted risk assessment for a total of 768 operations in all department stores, with 51.3% of operations requiring management. Identified operations exceeding the risk improvement threshold and included them in the Occupational Safety and Health Risk and Opportunity Measures Plan for continuous monitoring. 2. Formed a safety partnership with the Taipei City Department of Labor Inspection since 2017 to collaborate on education and training, promote self-management of occupational safety and health, share regulations and information on physical and mental health protection, and strengthening labor protection. The partnership continued until 2022. 3. Improved the process of reporting occupational accident incidents: Established an initial-to-final reporting mechanism and set up an official LINE account to enhance the timeliness and accuracy of reporting occupational accident incidents. Senior managers were granted access to receive messages in real-time for effective tracking and management.
2021	 <p>No. of Meetings: 4 Average Attendance: 91%</p>	<ol style="list-style-type: none"> 1. Reviewed and approved training materials for OTJ Occupational Safety and Health Training for Employees in 2022. The course was adjusted to be a 3-hour online course per regulations, and participants proceeded with assessment through SKM's education management system upon course completion. These measures were implemented in April 2022 following personnel changes. 2. Announced the Declaration of Zero Tolerance for Illegal Violations and disseminated related prevention policies and practices in writing, with plans to conduct hazard identification and assessment annually. 3. Revised the Occupational Safety and Health Self-Management Inspection Procedures by adopting the self-management audit form provided by the Taipei City Department of Labor Inspection. Occupational safety personnel made professional judgments, implemented internal audits, observed and promptly improved occupational safety deficiencies to prevent occupational accidents.
2022	 <p>No. of Meetings: 4 Average Attendance: 86%</p>	<ol style="list-style-type: none"> 1. Resolved to execute the work plan for the implementation of ISO 45001 in Central and Southern Taiwan in 2022. 2. Presented quarterly progress tracking of occupational safety and health self-management audits, results and improvement measures of environmental monitoring, as well as for on-site occupational safety and health management performance at all department stores. 3. HQ conducted annual audits of branches, confirming the progress of ISO 45001 implementation and personnel awareness. Occupational Safety and Health Non-Compliance Incident Management Procedure Forms were issued for any abnormalities, and branches were required to develop improvement plans for implementation. Subsequent responses were provided to HQ for monitoring.

Adopting International Certification Systems

SKM commenced preparations to adopt ISO 45001 Occupational Health and Safety Management System standards in July 2020. SKM obtained the very first certification in January 2021 and has continued monitoring and audits, holding an annual ISO 45001 management review meeting. HQ conducts two voluntary audits at each store each year, and an external simulated audit is conducted based on the previous year's performance, aiming to prepare all stores to obtain certifications in 2024. The current scope includes all employees (incl. part-time employees) at SKM HQ and Taipei Xinyi Place A4, which accounts for 20.5% of all employees, and other non-employees account for 6.18%.

In the future, SKM will not only maintain its existing certifications but also expand the scope of verification to demonstrate its commitment to establishing a safe workplace. The first step is to extend verification to six department stores in 2023, including Taipei Xinyi Place A8, A9, A11, Taipei Station Store, Taipei Nanxi Store, Taipei Tianmu Store. The next step is to include the seven department stores in Central and Southern Taiwan by 2024. The goal is to achieve ISO 45001 certification for all locations in Taiwan by 2024, ensuring comprehensive prevention of occupational accidents.



Note:

1. Employees are official and part-time staff; Non-employees are contractors, sequential contractors (not regular, thus not calculated) and counter staff.
2. Non-employee statistics are compiled and collected by operations unit at each department store. Due to the work shifts and turnover of counter staff however, it is difficult to accurately calculate their numbers without the possibility of redundancy.
3. Data compilation date: End of December, 2022.

ISO 45001 Implementation Plan Schedule



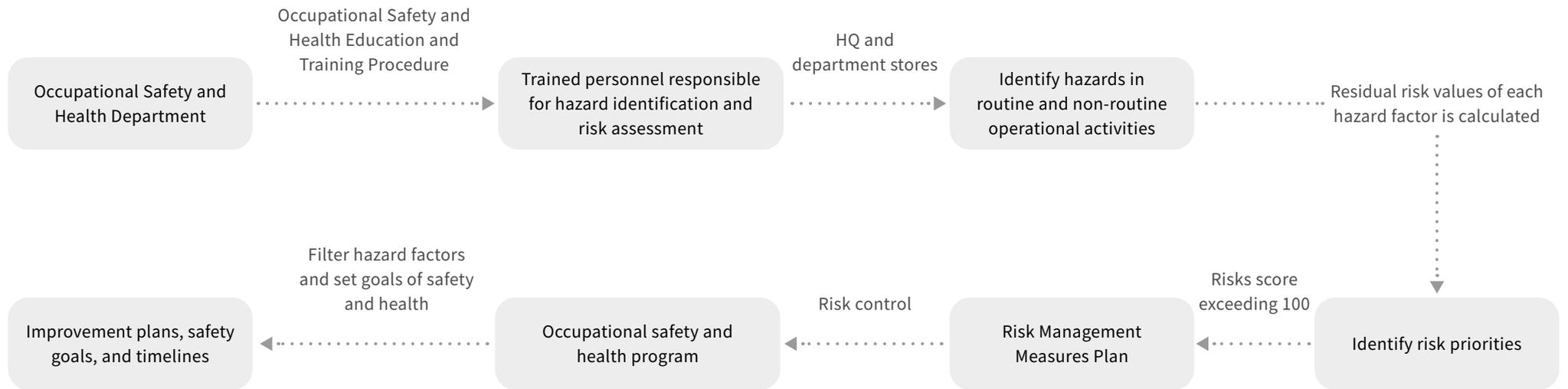
3.2.2 Occupational Safety and Health Assessment and Preventing

Occupational Disasters Identifying Occupational Hazards and Risk Management

To identify potential occupational safety and health hazards in work activities, evaluate their risks, and develop management or improvement plans to prevent harm, SKM has established the Risk and Opportunity Management Protocol. Trained personnel responsible for hazard identification and risk assessment, in accordance with the Occupational Safety and Health Education and Training Procedure, identify hazards in routine and non-routine operational activities at HQ and department stores. Residual risk values of each hazard factor is calculated to further prioritize risks. Risks exceeding a score of 100 are included in the Risk Management Measures Plan. The Committee then develops an annual occupational safety and health program by taking into account regulations and stakeholder opinions, which includes improvement plans, safety goals, and timelines.



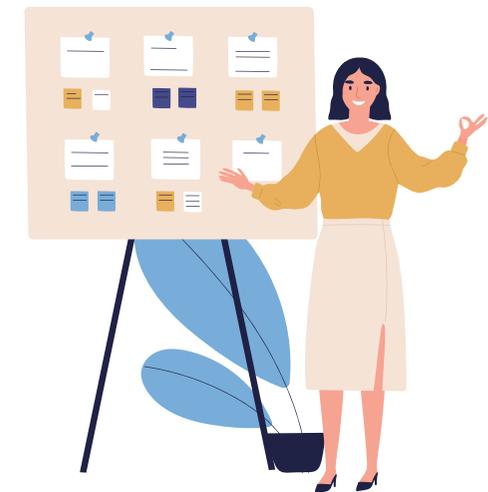
Risk and Opportunity Management Protocol



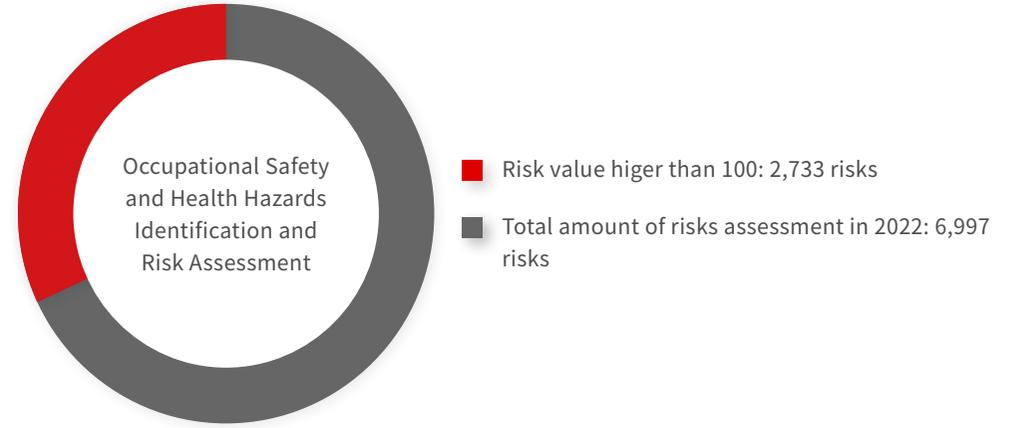
SKM Occupational Safety and Health Hazard and Risk Assessment Process

To ensure the quality of the occupational safety and health hazard identification and risk assessment process, SKM conducts regular education and training and holds review meetings to verify the competency of personnel conducting hazard identification and risk assessment and the validity of their evaluations. The HQ Occupational Safety and Health Department, occupational safety and health units at each department store, as well as the Committee works together to evaluate the effectiveness of risk assessment. Implementation follows SKM's Hazard Identification and Assessment Management Procedure, which categorizes two types of hazard identification and risk assessment: regular and ad-hoc.

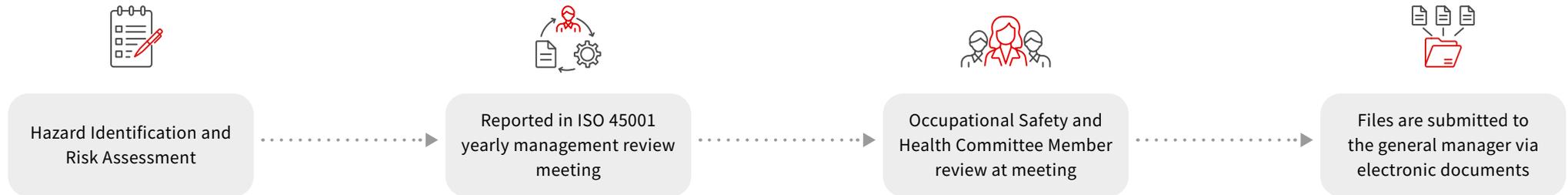
Hazard Identification and Risk Assessment	
Types	Descriptions
Regular	<p>Every year, HQ and all department stores shall complete hazard identification and risk assessment at their respective locations before the annual ISO 45001 review meeting. Each department store formulates occupational safety and health plans to monitor progress and the HQ Occupational Safety and Health Department compiles the data into a report that is presented at the review meeting.</p>
Ad-hoc	<p>When the following situations occur, ad-hoc hazard identification and risk assessment are conducted by the respective departments:</p> <ul style="list-style-type: none"> • Equipment replacement, adjustments in work content or documentation within the scope detailed in Change Management Procedures. • Corrective and preventive measures proposed due to designated occupational safety and health improvement. • Occurrence of false alarms, occupational injuries, abnormal situations or scopes defined in the Occupational Accident Reporting and Investigation Process and Analysis Guidelines. • Other situations such as changes in workplace layout, alterations to regular operations, increased use of chemicals, etc., which may affect safety and health, as deemed necessary by the management representative and implemented by the designated departments.



After conducting hazard identification and risk assessment at each operational location, SKM submits the results to Committee for review at the annual ISO 45001 review meeting. Relevant records are then provided to the president in the form of a digital report. In 2022, there were approximately 6,997 identified risks in the Occupational Safety and Health Hazard Identification and Risk Assessment Form. Out of these, about 2,733 risks were considered significant with a residual risk value exceeding 100 points and all were included in the Risk Management Measures Plan. After careful evaluation of materiality and likelihood of occurrence, a total of 67 management plans were developed and implemented at various department stores. The occupational safety and health personnel at each department store regularly monitors progress to safeguard all employees and prevent workplace accidents and hazards.



Hazard identification and risk assessment at each operational location



If risk value is greater than 100, the OSH should plan the risk and opportunity management measures process



For instance, in 2022, Taipei Nanxi Store identified potential chemical hazards in the air conditioning room, including the risk of exposure to chemical agents and the possibility of skin allergies. To address these risks, specific management plans were created before May of that year. Measures such as installing emergency showers and eye wash stations were implemented, and equipment inspections were conducted monthly to prevent chemical accidents. As a result, zero chemical-related accidents involving AC room operators occurred that year. Four additional goals were established for 2023 as part of regular inspections, such as developing chemical and organic solvent management measures, setting up safety data sheets and spill containment trays to prevent leaks, installing emergency showers and eye wash stations in the AC room along with automated checklists for monthly inspections, include self-management of stores as on independent audit item and conduct regular inspections.



保存年限：三年 新光三越百貨股份有限公司
沖身洗眼器定期檢查紀錄表

廠別： 型式規格： 檢查日期： 年 月 日

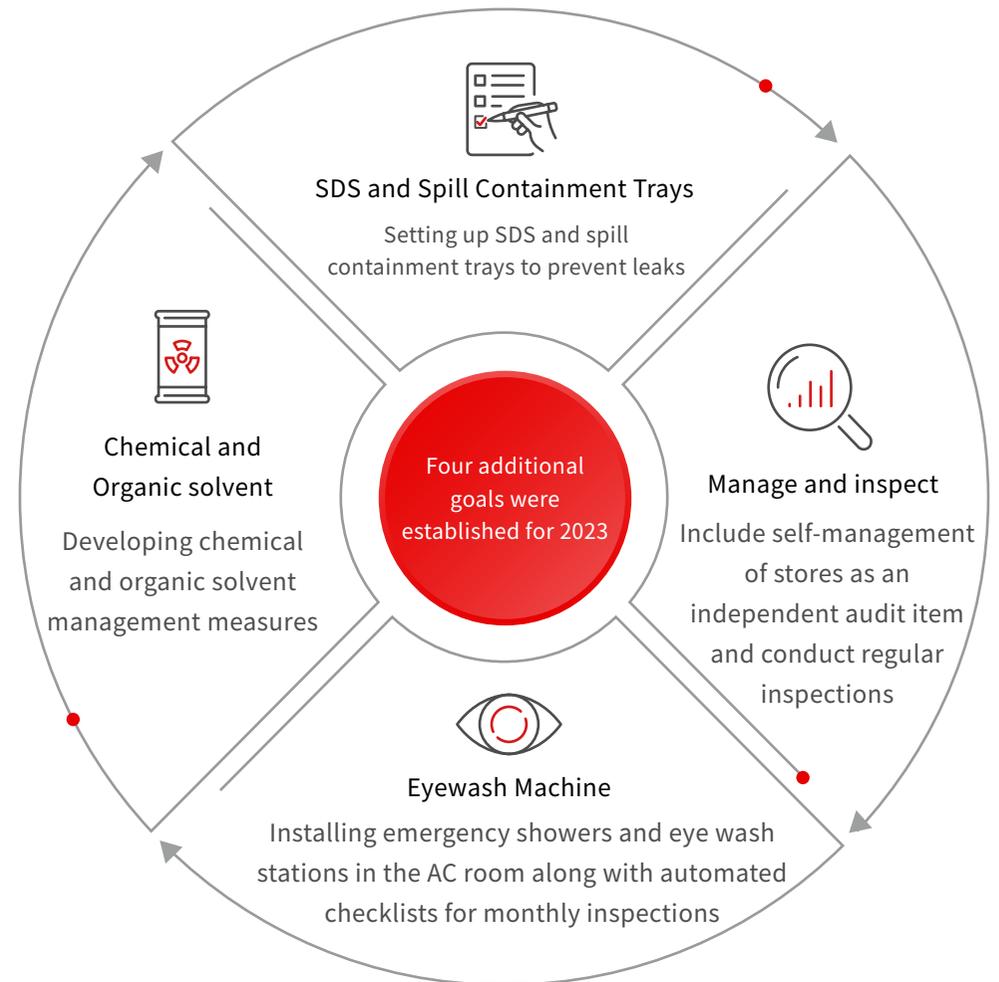
項目	檢查部位(項目)	檢查方法	檢查結果	檢點量結果 無異常	備註
設置場所	周圍 1.5 公尺內或通道無阻塞，地面堅固平坦。				
機體	無鏽蝕、漏液、變形、雜音(零件)尖銳鬆動，各功能正常，無漏水。				
水管	入水閥保持常閉，接頭密封，不漏液，開閉無損壞、變形。				
水源	除菌器(長絨或腳踏)機能正常，噴灑調整器適應無阻礙，破損、異物阻塞。				
排水管	確認水管無堵塞情形。				
請水室	保持乾燥。				

注意事項
1. 依職業安全衛生管理辦法第三十二條實施。
2. 檢查日期：每月一次。
3. 檢查結果應詳實記錄，檢查結果正常者打(√)，異常者打(X)，無此項打(/)，異常異常結果應立即維修，未來自修由各實施單位。
4. 以上所列項目與內容，各實施單位應視現場情況自行增加或修改其項目並落實記錄。

檢查人員： 單位主管： 職安人員： 職安業務主管：

Shower and Eyewash machine

Note: Taipei Xinyi Place (A4, A8, A9, A11) and Taipei Nanxi Store installed emergency showers and eye wash stations in the AC rooms.



Occupational Health and Safety Educational Training

To enhance occupational safety and health awareness among employees to ensure attentive and meticulous customer service in a safe working environment, SKM regularly holds educational training for occupational health and safety at each department store. In 2022, SKM provided occupational safety and health training to a total of 285 new employees at HQ (excl. five individuals who left shortly after joining), for a completion rate of 100%. The remaining department stores provided training for new and existing employees according to the regulations of each store. In 2022, SKM (incl. HQ and department stores) conducted a 1-hour Traffic Safety Seminar and a 3-hour OTJ Occupational Safety and Health Training for employees. A total of 1,822 and 1,455 employees completed the respective trainings. SKM Taipei Xinyi Place A8 also provides occupational safety and health training to employees or contractors providing technical support.



Course	Target Audience				Number of Participants	Note
	New hires	All SKM full-time employees	Appointed employees	Electrical engineering staff and contractors at department stores		
Onboarding - Online	✓				280	HQ
Onboarding - In-person	✓				285	HQ
Traffic Safety Seminar		✓			1,822	Company-wide
OTJ Training for Existing Employees		✓			1,455	Company-wide
Medical First Aid			✓		1,040	Various department stores
Others (Electrical safety, Chemical handling, Grinder operation)				✓	76	Taipei Xinyi Place A8

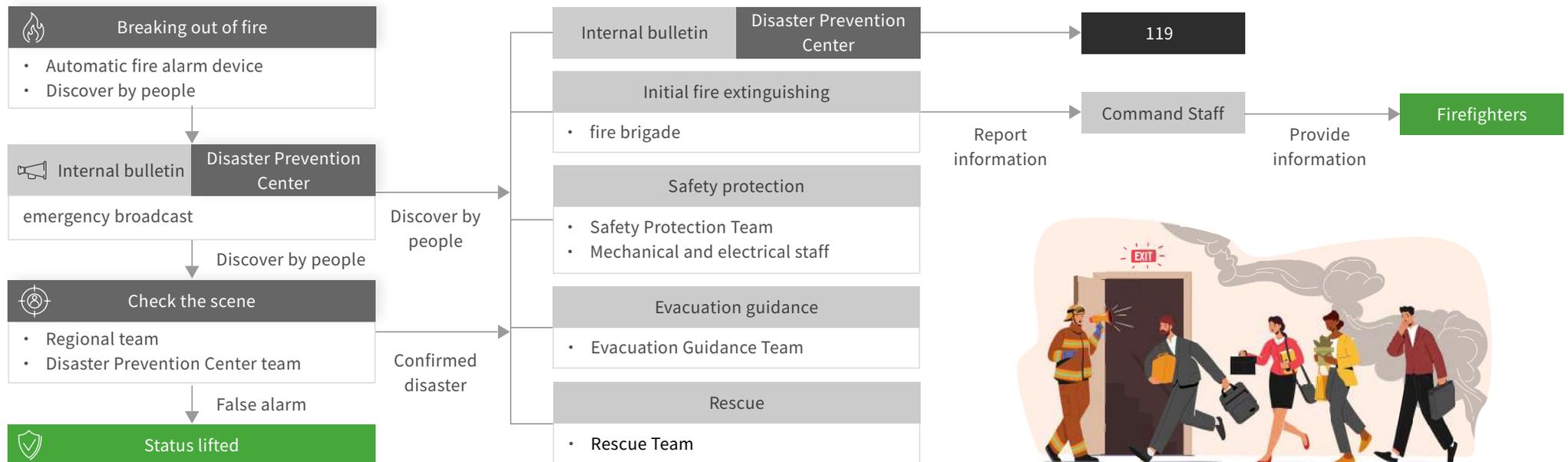
Routine Equipment Checks to Ensure Occupational Safety and Health

SKM believes that safety should be implemented in every detail of our operations, promoted to every corner of the company. In accordance with the Regulations of Occupational Safety and Health Management and other provisions, SKM routinely inspects and maintains equipment, machinery, and appliances - any identified deficiencies are promptly addressed to ensure a high level of safety. Detailed inspection records, including the inspection date, method, location, results, names of personnel involved in the inspections, and proposed improvement measures based on the inspection results, are kept in compliance with the law for a period of three years. Thorough tracking helps mitigate and minimize any potential impact on employees' occupational safety and health.

Fire Accident Prevention and Emergency Response

To reduce the likelihood of emergency fire incidents, SKM has formulated a Fire Protection Plan. Standard fire safety equipment and evacuation facilities are installed at each department store and undergo regular inspections to ensure compliance and functionality, allowing employees or customers to quickly evacuate or operate equipment during emergencies. SKM also conducts routine fire drills to enhance employee awareness and practice firefighting and evacuation, etc. Furthermore, SKM has established a Emergency Fire Response Flowchart, detailing immediate reporting, evacuation guidance, initial firefighting, and rescue measures in the event of a disaster, minimizing the injuries caused by such incidents.

Fire Emergency Response Flowchart



Occupational Disaster Investigation, Handling, and Prevention

In accordance with SKM's Occupational Accident Reporting and Investigation Process and Analysis Guidelines, in the event of any occupational accident involving SKM personnel, counter staff, contractors, or workers, the relevant units are required to report the incident to the occupational safety and health unit of each department store within 24 hours, with flexibility allowed for initial notification through telephone or verbal communication if necessary. In the case of a major occupational disaster, the occupational safety and health unit must report to the labor inspection authorities within eight hours in accordance with the Occupational Safety and Health Act. SKM also mandates the the occupational safety and health supervisor convenes with relevant personnel within four hours of the accident to initiate an investigation and conduct a meeting. The results of the investigation are reported to the Occupational Safety and Health Committee and the Department of Security and Surveillance.



In the event of any sudden accidents involving SKM personnel, counter staff, contractors, or workers, the occupational safety and health unit personnel are required to submit an Occupational Accident Investigation Report based on the investigation findings within 48 hours to prevent similar accidents from recurring. For affected employees, SKM conducts a health assessment through occupational healthcare professionals to determine if further medical treatment is necessary. If required, colleagues accompany the affected employees for medical treatment and reassess the frequency and severity of hazard identification and risk assessment, determining if additional improvements are necessary. When colleagues return to their work positions after occupational accidents, injuries, or long-term illnesses, a return-to-work assessment is conducted by occupational physicians to ensure physical recovery. Moving forward, SKM will continue to promote equipment inspection and upgrades in environmental safety and health, implementing a continuous improvement approach toward achieving "Zero Injuries, Zero Occupational Diseases, and Zero Accidents".



SOP for Handling Occupational Accidents

Executive focus

Accident Occurs

Deal with the on-site and casualty

Report the Accident

Investigation of Occupational Accidents

Submission of Investigation Report

Implementation of improvement measures

Closure of accident investigation report



Deal with the on-site and casualty

- Respond immediately to emergency situations according to the SOP for handling incidents.
- Control the scene and prevent secondary disasters.
- Give aid to the injured and keep the scene intact.



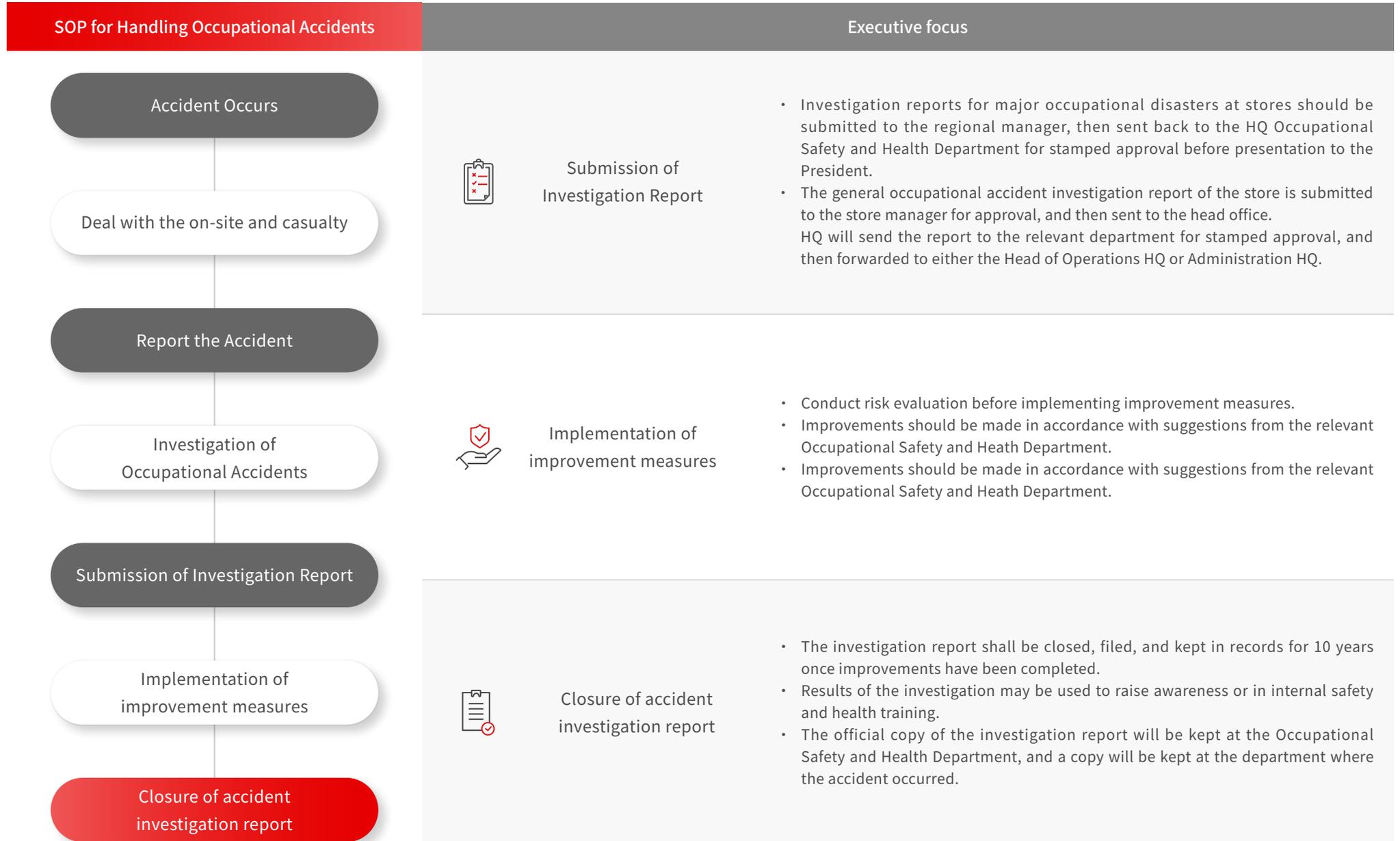
Report the Accident

- Fill in the form to report emergency accidents.
- Occupational accidents should be reported to the relevant occupational health and safety authorities.
- Reporting should be done in accordance with the Occupational Safety and Health Act, as well as the Occupational Accident Reporting and Investigation Process and Analysis Guidelines.



Investigation of Occupational Accidents

- If it is an occupational accident, the Labor Safety and Health department should conduct an investigation and fill in the occupational accident report (SKM-0-appx.26-00-00).
- Major occupational accidents will be investigated by an investigation team convened by the director of occupational safety and health.
- The Occupational Accident Investigation Report form should be filled out within 48 hours of the accident occurring.



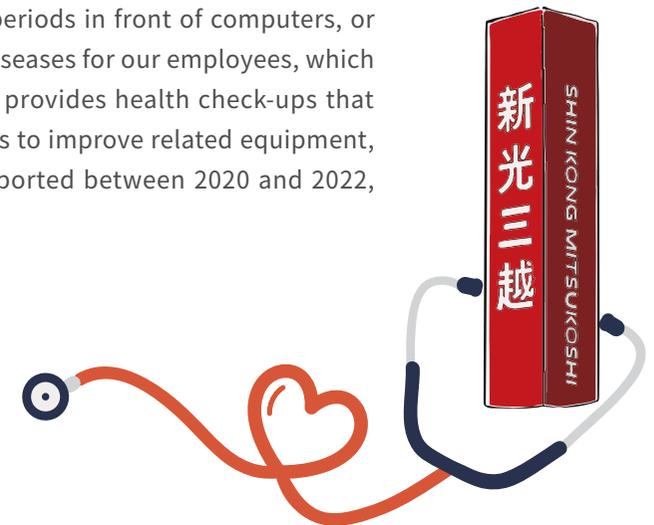
SKM's Mid- to Longterm Occupational Safety and Health Management Goals



Employee Health Management and Promotion

SKM considers characteristics of working in the retail department store industry, where employees often sit for long periods in front of computers, or stand for long periods of time, move goods, etc. As such, we've identified the common types of potential occupational diseases for our employees, which include occupational carpal tunnel syndrome, tenosynovitis, and tendonitis. To prevent occupational diseases, SKM provides health check-ups that exceed regulatory requirements based on employee age groups and job levels. The Health Hazards Prevention Measures to improve related equipment, conduct health promotion activities and courses, and maintain employee health. No occupational diseases were reported between 2020 and 2022, highlighting the effectiveness of SKM's efforts to reduce the risk of occupational diseases.

In the future, SKM plans to introduce occupational medical resources based on Health Hazards Prevention Measures. For high-risk groups identified through musculoskeletal symptom surveys, priority will be given to arranging on-site service consultations with occupational physicians to provide guidance on health hazards and assistance. Additionally, office employees can seek occupational medicine consultations and assessments. Following the doctor's recommendations, SKM will provide ergonomic aids such as mouse pads and back cushions. 2022, SKM implemented five major health promotion activities, including health check-ups, health management, on-site health services, hygiene care, and health promotion activities.



SKM's Five Major Employee Health Promotion Activities

Categories	Item
Health check-ups	<ul style="list-style-type: none"> • Arrange annual health check-ups for employees, exceeding legal requirements (once every three years for employees aged 45 and younger, and once every two years for employees aged 45 and older). Different plans are provided based on age and job to safeguard employee health.
Health management	<ul style="list-style-type: none"> • Maternal health protection: Assess needs for pregnancy and postpartum employees, and implement preliminary risk assessments. On-site physicians should implement hazard control and improvements based on the assessment results. • Prevention of abnormal work burden prevention: Conduct risk assessments of abnormal work burdens for employees by nursing staff and occupational safety and health personnel. Potential risk groups that may be prone to diseases due to abnormal work burdens are screened and graded, and final decisions on whether individual cases require consultations are made by on-site physicians. • Human-induced hazards (musculoskeletal injuries) prevention: Conduct musculoskeletal injury surveys by nursing staff, evaluate the identified major hazard factors by occupational safety and health personnel, and develop improvement plans and measures based on the evaluation results. • Workplace violence prevention: Conduct workplace violence risk assessments by occupational safety and health personnel, and provide relevant education and training by nursing staff. • Psychological health care: Promote mental health by offering lectures, stress-relieving activities, and courses covering various aspects to help employees understand how to find resources and cope with stress.
On-site healthservices	<ul style="list-style-type: none"> • Provide health consultation clinics with contracted occupational medicine specialists.
Hygiene care	<ul style="list-style-type: none"> • Emergency personnel equipped with the "Emergency Personnel Safety and Health Education Training" certification are allocated based on the total number of employees in each store. • Certified safe public space (AED+CPR): Occupational safety and health departments will offer regular AED and CPR training courses, with dedicated personnel conducting routine inspections of AED. • Measures for pandemic management: During the peak periods of communicable diseases each year, measures are planned to manage and monitor the health of employees, as well as to enhance cleanliness and hygiene. The aim is to provide customers with a safe and comfortable shopping environment.
Health Promotion Activities	<ul style="list-style-type: none"> • Health Needs Assessment: Occupational safety and health personnel conduct surveys, assessments, and develop appropriate health workplace activities and plans for employee health management. • Implement Health Activities: Provide relevant information for health promotion (such as fat burning, strength training, aerobic exercises, relaxation and stretching yoga, stress relief massage, and walking activities) to create a healthy workplace. • Voluntary Certification Program: Regularly carry out Health Promotion Certification Marks for a healthy workplace and reward stores that meet the certification criteria.

Counselling

Department store employees often face significant customer service pressures. SKM plans to conduct a comprehensive survey on the mental health status of all employees in 2023. Cases of concern will be analyzed and individuals experiencing high psychological stress will be provided with one-on-one counseling. For high-risk cases, psychological counseling services, relevant psychological education, and contact information for professional organizations or medical units will be provided.

The Million Steps Walking Event

Considering that the majority of SKM HQ employees work at a desk and may experience problems associated with prolonged sitting and lack of exercise, SKM rewards employees for participating in the walking event, aiming to promote the establishment of self-management and exercise habits. Held from June to August 2022, the event offered prizes such as iWatch, Xiaomi wristbands, and almost 6,000 NT dollars in merchandise vouchers. The solo division had 51 participants, and 12 groups were in the team division. All participants achieved the target of 200,000 steps, and the event was well-received. After the event, SKM conducted an employee satisfaction analysis, evaluating aspects such as the method of the event (total monthly step count), schedule (a total of 3 months), calculation method for lottery draws (solo: 200,000 steps, team: 1,000,000 steps), and the difficulty. Adjustments and improvements for the following year were made according to the evaluation.

Workplace Maternity Protection Program

Female employees who are pregnant, within one year postpartum, breastfeeding, or of childbearing age and have concerns about workplace health and their own needs can apply for the program. Once approved, occupational safety and health personnel and medical staff will visit the individual's work environment, assess and classify risks using the Workplace Hazard Assessment and Maternal Health Protection Measures form. Individuals are required to fill out the Self-Assessment Form of Health Status for Workers who are Pregnant or within One Year Postpartum and arrange for occupational health consultations. If work or working hours need to be adjusted according to the assessment, the wishes of the individual should be respected, and the outcome and measures should be communicated to them.



3.2.3 Occupation Injuries and Diseases Statistics

In 2022, a total of 6 occupational accidents was reported among all workers (both employees and non-employees) at SKM - 0 reported cases of occupational fatalities, disabling injuries, or severe occupational diseases resulting from these accidents. The rates of disabling injury frequency rate and recordable work injury rate were 0 and 0.47, respectively. In the past year, there have been a significant number of traffic accidents. SKM has been raising awareness for traffic safety among all employees, especially for common accidents and accident-prone areas.

2022 Occupational Injury Statistics						
Item	Employees			Non-employees		
	Male	Female	Total	Male	Female	Total
Fatalities	0	0	0	0	0	0
Occupation injury fatality rate	0	0	0	0	0	0
Disabling injuries (excl. fatalities)	0	0	0	0	0	0
Disabling Injury Frequency Rate (FR)	0.00	0.00	0.00	0.00	0.00	0.00
Disabling Injury Severity Rate (SR)	0.00	0.00	0.00	0.00	0.00	0.00
Recordable occupational injuries	1	5	6	0	0	0
Recordable work injury rate	0.65	1.73	1.35	0.00	0.00	0.00
Working hours (lost-time)	64	64	128	0	0	0
Total hours of work	1,545,792	2,898,360	4,444,152	3,846,552	12,571,512	16,418,064

2022 Occupational Injury Statistics

Item	Employees			Non-employees		
	Male	Female	Total	Male	Female	Total
Type of Occupational Injuries	Others*1	Falls*3 Collapsed Objects/ Buildings*1 Machine Entrapments*1	Other*1 Falls*3 Collapsed Objects/ Buildings*1 Machine Entrapments*1	-	-	-

Note:

- Employees are official and part-time staff; Non-employees are contractors, sequential contractors and counter staff. Does not include counter employees
- Total working hours=the statutory limit for working hours in 2022 (1992 hours) multiplied by 12 months and the total number of company staff (Source: SKM Human Resources Department).
- Each statistic is calculated independently for men and women, i.e.: disabling injuries for males are calculated with the total number of male employees, etc.
- Recordable occupational injuries: falls, entrapments, crush injuries, and impact injuries.
- All statistical data (incl. the number of occupational injuries/deaths, lost days, and rates of disabling injuries and severity) is calculated in accordance with the Occupational Safety and Health Administration (OSHA) of the MOL.
 - Occupational Injury Fatality Rate = (Number of Occupational Fatalities * 1,000,000) / Total Work Hours
 - Disabling Injury Frequency Rate (FR) = (Number of Severe Occupational Injuries * 1,000,000) / Total Work Hours
 - Disabling Injury Severity Rate (SR) = (Lost Workdays due to Disability * 1,000,000) / Total Work Hours
 - Recordable Work Injury Rate = (Number of Recordable Occupational Injuries * 1,000,000) / Total Work Hours
 - Working Hours (Lost-time) = Provided by the Human Resources Department
- There are two methods for determining occupational hazards that could potentially lead to disabling injuries:
 - Regular calculation of Frequency Rate (FR) and Severity Rate (SR) based on injury statistics
 - After conducting hazard identification and risk assessment, the Occupational Safety and Health Committee determines the occupational hazards that could potentially result in disabling injuries by considering the remaining risk scores.
- Currently, the threshold for occupational hazard risk classification and control at SKM is a score of 100. If the remaining risk value exceeds 100, it will be included in the Risk Management Measures Plan. The Occupational Safety and Health Committee will then decide on the occupational safety and health plan for the current year to initiate improvements. If the remaining risk value is below 100, the existing control measures will continue to be implemented to maintain their effectiveness.
- 0 persons received disabling occupation injuries at SKM in 2022.

SKM identified the main types of occupational diseases in our industry, which include occupational carpal tunnel syndrome, tenosynovitis, and tendonitis. After conducting hazard identification and risk assessment, the Occupational Safety and Health Committee determines the remaining risk scores to prioritize the handling of risk items by using the Occupational Safety and Health Hazard Identification and Risk and Opportunity Assessment form, which considers the following factors: task frequency, past occurrence rates, and existing control measures. Based on the severity, probability of occurrence, and effectiveness of risk control measures, a remaining risk score is calculated. If the score exceeds 100, the item is included in the Risk Management Measures Plan. The Committee will then decide upon the occupational safety and health plan for the year to initiate improvements.

In 2022, there were 0 fatalities and recordable occupational injuries among all SKM employees and non-employees (employees are official and part-time staff, and non-employees are contractors, sequential contractors and counter staff). The related calculations do not include employees working at the counters because the management of each store needs to comply with regulations set by local governments. The definition of workers and the requirements imposed by labor inspectors may vary from place to place, making it difficult to consolidate and compile statistics.

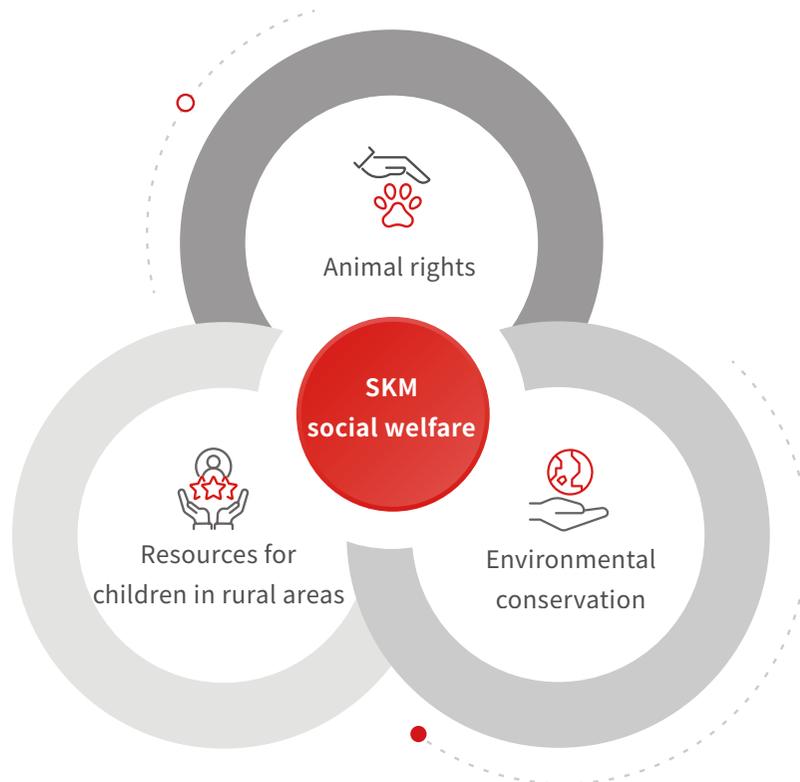
2022 Occupational Disease Statistics						
Item	Employees			Non-employees		
	Male	Female	Total	Male	Female	Total
Occupational disease fatalities	0	0	0	0	0	0
Occupational disease fatality rate	0.00	0.00	0.00	0.00	0.00	0.00
Recordable occupational diseases	0	0	0	0	0	0
Types of occupational diseases	-	-	-	-	-	-

Note:

1. The main types of occupational diseases identified by SKM in the our industry include occupational carpal tunnel syndrome, tenosynovitis, and tendonitis.
2. According to the definition provided by the Occupational Safety and Health Administration of the Ministry of Labor, there were no recorded cases of occupational diseases at SKM in 2022.

3.3 Social Engagement and Artistic Education Promotion

Shin Kong Mitsukoshi (SKM) operates under a genuine and sincere business ethos, striving to improve people's lives. It has a long-standing commitment to social welfare, providing assistance to disasters. The company also maintains a focus on issues such as access to resources for children in rural areas, animal rights, and environmental conservation. Collaborating with NGOs like the Taiwan SPCA and the Child Welfare League Foundation, SKM strives to raise public awareness on these important matters. Furthermore, SKM regularly organizes exhibitions in the fields of craft design, children's art education, and visual arts to promote Taiwan's art. Each year, the company brings together talented Taiwanese artists who utilize diverse mediums to convey the stories of this land. These artworks are showcased in touring exhibitions across all SKM department stores nationwide, harnessing the power of art to co-create a more beautiful society.



Craft design



Children's art education



Visual art

3.3.1 Social Engagement for the Common Good

In the first half of 2022, SKM partnered with the Taiwan SPCA to launch a gift program for SKM credit card holders. In the second half of the year, an event was organized in collaboration with the Child Welfare League Foundation for Christmas, using creativity to raise awareness for abused animals and underprivileged children. Since 2014, SKM has been organizing an annual Charity Lantern Festival and Charity Sale event, contributing its efforts to society. Although these events were temporarily suspended for two years due to the impact of the COVID-19 pandemic, they will make a comeback in 2023. SKM remains committed to providing support in response to both domestic and international incidents. Additionally, we periodically donate a portion of our proceeds to contribute to society.



Charity Card-holder Gift - Pet Lover Coaster

Due to the COVID-19 pandemic, people's lifestyles and environments have undergone significant changes. The concept of sustainable development has been ignited, leading globally recognized brands to reflect on the relationship between sustainable living and fashion. With the idea that "the pandemic has increased people's quality time at home and allowed for more emotional connection with pets," SKM conceptualized the "Animal Color Palette - PET MATCHING FASHION" for its 2022 spring collection, selecting seasonal fashion elements inspired by the patterns found on animals.

In an effort to promote the idea of fashion with a sense of care for sustainable living, SKM not only encourages people to cherish their pets but also emphasizes the importance of advocating for the rights and well-being of animal lives. Collaborating with the Taiwan SPCA, SKM invited dogs under the association's care to be featured as "Furry Stars" in the spring collection's promotional photo shoot.



"Animal Color Palette - PET MATCHING FASHION" SKM X Taiwan SPCA

In addition, SKM has collaborated exclusively with the 3x3 International Illustration Show award-winning illustrator, Dee Chu, to create a series of fashion animal illustrations called "Fashion Pet Lover Coasters." Limited to 1,490 sets in Taiwan, during the event, customers can obtain the coasters by opening the skm app, deducting 50 skm points, and paying NT\$100 with skm pay. This collaboration aims to raise awareness for animal rescue and medical assistance. From February 18 to March 20, 2022, a total of 127 coasters were sold, resulting in the collection of 6,550 points and NT\$12,700 in sales revenue, which has been donated to the Taiwan SPCA.



新光三越
SHIN KONG MITSUKOSHI

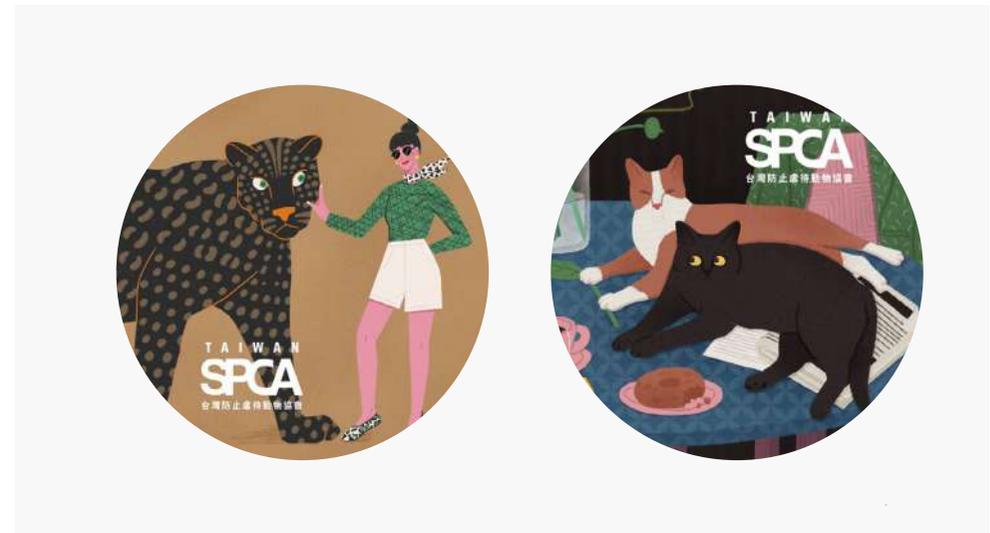
deducting 50 skm points, and paying NT\$100 with skm pay

TAIWAN SPCA
台灣防止虐待動物協會

Obtain Fashion Pet Lover Coasters raise awareness for animal rescue and medical assistance



Animal rescue and medical assistance refund from February 18 to March 20,2022



Award-winning illustrator, Dee Chu, to create a series of fashion animal illustrations called "Fashion Pet Lover Coasters."

Brighten up Christmas - Subscribing to Christmas Gifts

Every year during the Christmas season, SKM erects giant Christmas trees outside SKM department stores, creating unique and popular photo spots for the public. In 2022, SKM collaborated with the Child Welfare League Foundation to launch the "Subscribing to Christmas Gifts" campaign, encouraging members to turn their points into acts of kindness. From November 18th to December 11th, 2022, customers could select various gifts such as watches, thermos bottles, backpacks, basketballs, and more in the "Brighten up Charity" category within the skm app's points section. By deducting the designated skm points according to the chosen gifts, customers could subscribe to the Christmas gifts. During the campaign, a total of 63 Christmas gifts were subscribed to, valued at approximately NT\$75,790. SKM delivered the gifts to the Child Welfare League Foundation volunteers, who distributed them to children, allowing SKM members to help children enjoy a joyful Christmas.



Total of 63 Christmas gifts
were subscribed to



Brighten up Charity



Furthermore, SKM Tainan Place planned a series of Christmas activities outside the store every week. The series kicked off with the "Brightening up-Charity Christmas Concert" on December 1st. Representatives from the Child Welfare League Foundation and collaborative partners joined the heartwarming music performances, creating warm Christmas memories.



Brighten up Charity-Subscribe to Christmas Gifts



Brightening up-Charity Christmas Concert

Lantern Festival Charity Light Exhibition and Sale

Since 2014, SKM has regularly held charity light exhibitions and sales. Each year, more than a hundred artists, celebrities, and brands participate in the event, and the exhibition items are auctioned off for charity on online platforms. The proceeds from the sale and the exhibition items are then donated to various social welfare organizations and schools in remote areas. However, due to the impact of the COVID-19 pandemic, the Charity Light Exhibition and Sale were suspended in 2021 and 2022. With the easing of the pandemic restrictions, SKM was pleased to announce the resumption of the event in 2023, and we were reaching out to members to participate in their charitable initiatives. From January 20 (Friday) to February 19 (Sunday), members had the opportunity to make a difference by using their SKM points for a good cause. By simply deducting 100 SKM points through the SKM app, members could donate NT\$10 to a charitable organization supported by SKM. Additionally, by deducting 3,900 points, members could choose to exchange them for a charity item made by Heart Of Taiwan Animal Care, either a stylish "Vest Canvas Bag - Dog Design" or a practical "Ticket Holder." It's worth noting that the equivalent value of the points redeemed would be entirely donated to the HOTAC's "Stray Dog Program."

Explanation of Donations from Charity Sale

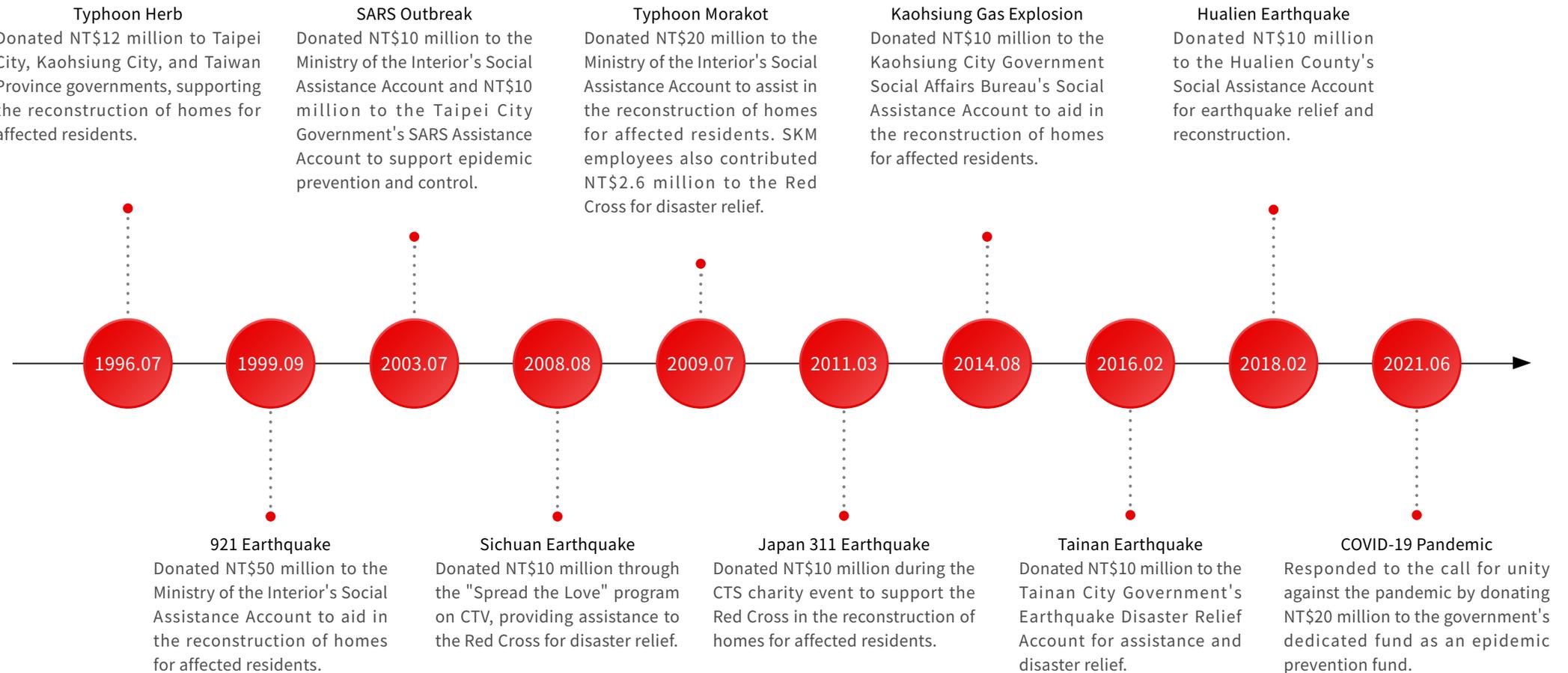
Year	Recipient Organizations	Overview	Results of Charity Sale
2019	 <p>東基醫德財團法人 TAITUNG CHRISTIAN HOSPITAL 台東基督教醫院</p>	 <p>Donating all proceeds from the auctions to assist the Taichung Tzu Chi Hospital's "Mobile Early Intervention Team" in providing treatment and care to developmentally delayed children from disadvantaged families in remote areas of Taitung.</p>	<p>Sold 22 items in 2019, donating a total of NT\$573,999</p>
2020	 <p>有成基金會 慈兒謝謝您</p>	 <p>Donating all proceeds from the auctions to support the Yu-cheng Social Welfare Foundation's ongoing efforts in providing long-term care for individuals with intellectual disabilities and early intervention services for children, as well as adult vocational rehabilitation programs.</p>	<p>Sold 11 items in 2020, donating a total of NT\$234,999</p>

Explanation of Donations from Charity Sale

Year	Recipient Organizations	Overview	Results of Charity Sale
2023	 <p>台灣之心 愛護動物協會</p>	 <p>Donating all proceeds from its charity sale/points to support the "Stray Dog and Cat Neutering Program" (Fundraising Permit No.: MOHW-RES-1111363680), coordinated by Heart Of Taiwan Animal Care.</p>	Results to be provided in 2023
2023	 <p>World Vision 台灣世界展望會</p>	 <p>Donating all proceeds from the points to support the "Domestic Child Education Support Program" (Fundraising Permit No.: MOHW-RES-1111362912), in collaboration with the World Vision Taiwan.</p>	Results to be provided in 2023

Yearly Donation Milestones

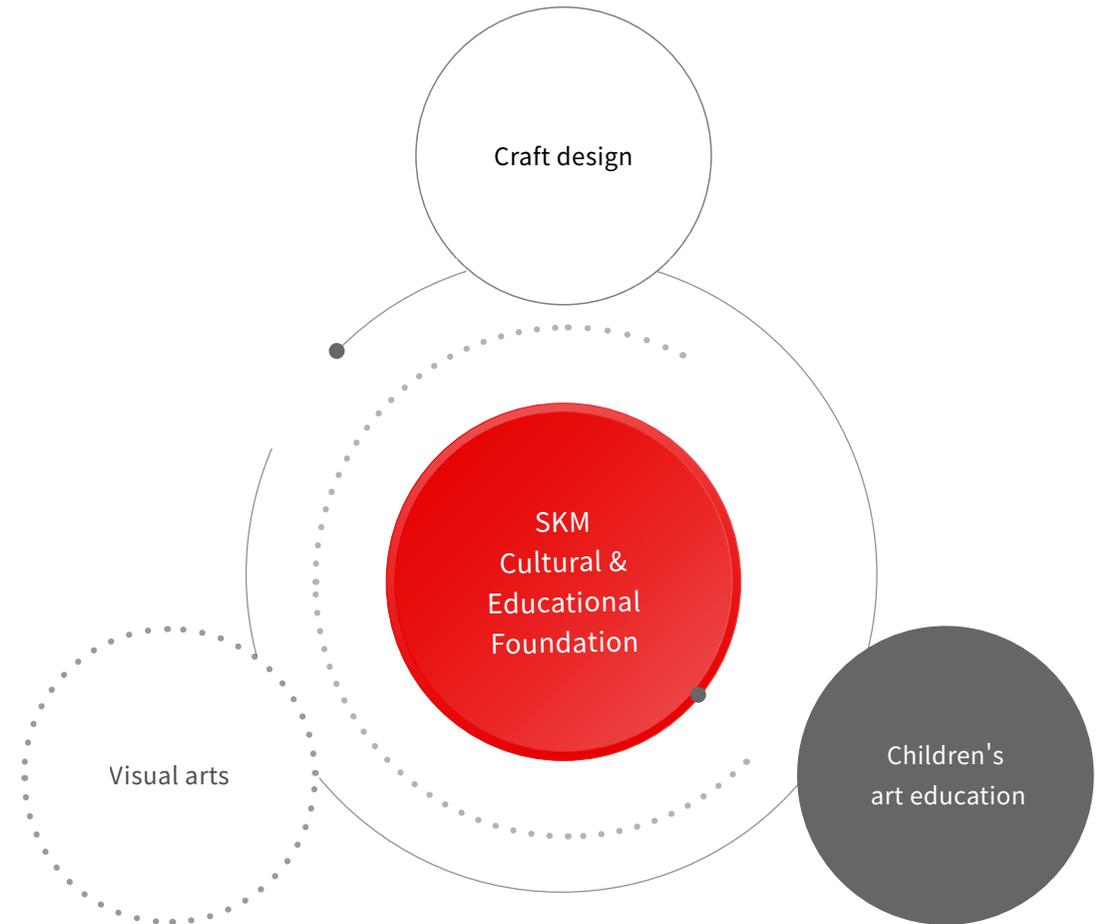
Shin Kong Mitsukoshi, driven by its commitment to corporate social responsibility, promptly extends support to major disasters in Taiwan and internationally. From the devastating Typhoon Herb in 1996 to the Hualien earthquake in 2018, SKM has consistently provided assistance to affected communities. During the COVID-19 pandemic, SKM donated NT\$20 million in 2021 to the government's dedicated fund, demonstrating its solidarity with healthcare professionals and the nation's collective efforts in fighting the pandemic.



3.3.2 Artistic and Cultural Promotion

From its inception, SKM has been committed to pioneering a new era of aesthetics in Taiwan. In 1995, the company sponsored the establishment of the Shin Kong Mitsukoshi Cultural & Educational Foundation, which has been dedicated to promoting arts and cultural development. Over the years, the focus has gradually shifted towards three main pillars: craft design, children's art education, and visual arts. Today, SKM utilizes its department stores as exhibition venues, hosting regular exhibitions and events in these three domains. These initiatives not only invite domestic and international brands, experts, and artists to participate but also provide competition prizes to support and nurture outstanding Taiwanese artists.

Annually, SKM collaborates with interdisciplinary artists to tell stories through their creations, organizing the "This Summer" exhibition. This highly successful event has attracted more than 5 million participants to date. In addition, in 2022, SKM proactively collaborated with foreign artists to incorporate spatial art installations within the stores, integrating art into everyday life. Moving forward, SKM will continue to promote various cultural and artistic activities, opening the doors for the public to engage with art and providing greater visibility for talented individuals within society.



Shin Kong Mitsukoshi Cultural & Educational Foundation events

Jan.–Mar.

SKM children's creative art competition

July–Aug.

SKM Summer Art Festival

To cultivate artistic creation talents and inspire children's unlimited creativity, SKM cooperates with Pentel Feilong Stationery to sponsor approximately 120 award-winning children in the annual "Children's Creative Art Competition" with prizes and gifts ranging from NT\$800 to NT\$3,000. "SKM Summer Art Festival" was founded in 2002 and has been held for 21 years.



Feb.–Apr.

SKM International Photography Exhibition Events

Sept.–Oct.

SKM International Photography Contest

SKM cooperates with Epson to cultivate photography creative talents and activate the photography art market. Every year, 20 to 30 winners of the "SKM International Photography Competition" will receive prizes and gifts ranging from NT\$4,000 to NT\$120,000. "SKM PHOTO SKM International Photography Exhibition Events" was founded in 2007 and has been held for 16 years.



May–Aug.

Fayaque City 24 Hours Marathon Digital Photography Competition

Shin kong Mitsukoshi hopes to show the public the beauty of the day and night of each city through the lens, and sponsors the "Fayaque City 24 Hours Marathon Digital Photography Competition" with NT\$360,000 per year, and has sponsored a total of 1.44 million since 2016 (the events were canceled in 2020, 2021 and 2022 due to the pandemic).



May

Taiwan Craft competition

Dec.–Jan.

The Dream of Craft

To inherit Taiwan's traditional craftsmanship and encourage craft design talents to continue to invest in industrial development, SKM provides NT\$500,000 a year as sponsorship for the "Taiwan Craftsmanship competition", with a total sponsorship of 9.9 million; 29 years have been held since 1994 (retrospective exhibition hold in 2022 so didn't hold craft competition)



Craft Design - The Dream of Craft

In a world of rapid technological advancements that bring convenience to people's lives, many traditional craftsmanship techniques have gradually declined. In order to preserve Taiwan's diverse cultural heritage in craftsmanship, since 1994, SKM has joined hands with the National Taiwan Craft Research and Development Institute to organize the "Taiwan Craft Competition." This competition has been instrumental in nurturing both traditional and emerging Taiwanese craftsmen. Since 1994, SKM has been providing a special award, accompanied by a sponsorship of NT\$200,000, which was increased to NT\$500,000 in 2007. As of 2022, the "Taiwan Craft Competition" has successfully held 29 events (including 28 competitions and 1 retrospective exhibition), attracting over 13,000 entries, with an average of about 480 entries per year. To date, there have been 28 winners of the SKM Special Award, with a total sponsorship amount of NT\$9.9 million.

29

Total held events

13k

Accumulated entries

480

average of entries per year

28

Winners of the SKM Special Award

9,900k

Total sponsorship amount

Every year, SKM and the National Taiwan Craft Research and Development Institute host the captivating "The Dream of Craft" exhibition at the end of the year, showcasing outstanding award-winning works selected from the "Taiwan Craft Competition." The exhibition travels to SKM department stores in Northern, Central, and Southern Taiwan from November to January, bringing the world of craftsmanship closer to enthusiasts.

The exhibitions not only gather a diverse range of creative works, including woodworking, grass weaving, metalworking, ceramics, and more, but also offers craft experience workshops, lectures, and the "Shin Art Store," which offers a sales channel for local Taiwanese craft design brands and social innovation brands. This event provides art enthusiasts with the opportunity to incorporate the aesthetics of craftsmanship into their daily lives.



..... Dream of Craftsmanship

In 2022, the theme of the "The Dream of Craft Special Exhibition" was "Taiwan Craft Stage" which presented the various creative aspects of the Taiwan Craft Competition over the past 28 years, using the concept of a "stage." The exhibition attracted 86,000 visitors, with a total of over 1.56 million visitors throughout the years. SKM hopes that through this event, the spirit of Taiwanese craftsmanship and exquisite skills can be conveyed to a broader audience, fostering a virtuous cycle of social inclusion. Starting from 2023, the "Taiwan Craft Competition" will transition into the "Taiwan Craft Awards," providing a platform for contributors to the craft industry from a broader perspective. It will not only reward individual creations but also recognize researchers, educators, collaborators, and others who contribute to the development of the craft ecosystem. The exhibition will be managed by the Shin Kong Mitsukoshi Cultural & Educational Foundation.

2022 [29th] The Dream of Craft Special Exhibition - Taiwan Craft Stage



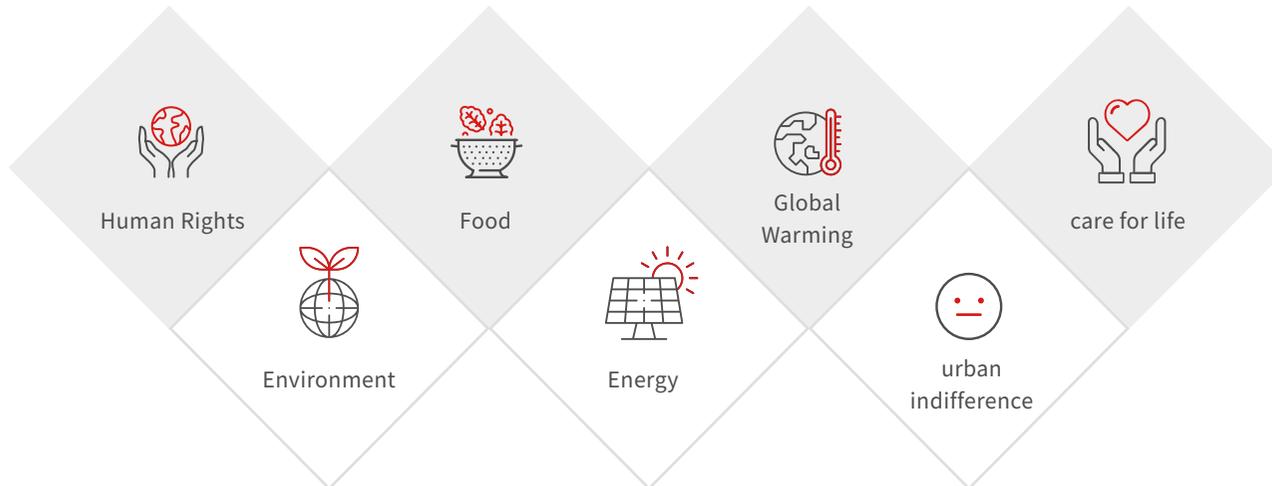
• Store : Taipei Xinyi Place/Taichung Zhonggan Store/Tainan Place



Dreams of Craftsmanship Special Exhibition

Children's Art Education - Shin Kong Mitsukoshi Summer Art Festival

Shin Kong Mitsukoshi aims to nurture artistic talent, ignite limitless creativity in children, and foster a vision of future careers in the art industry for both parents and children. Since 2002, the company has partnered with Pentel TAIWAN to organize the esteemed "Shin Kong Mitsukoshi Children's Art Competition". This competition recognizes the artistic expressions of elementary school children in Taiwan through their paintings. Each year, around 120 winners are awarded cash prizes, gifts, and the opportunity to showcase their artwork in physical exhibitions and compete internationally. To date, the competition has received over 237,000 submissions across its 21 events. The winning artworks are proudly exhibited during the annual "Shin Kong Mitsukoshi Summer Art Festival," held during summer vacation at SKM department stores in Northern, Central, and Southern Taiwan. Moreover, selected artworks also have the chance to be showcased in the prestigious "Global Children's Art Exhibition" in Japan, enabling the outstanding works of Taiwanese children to be admired worldwide.



Shin Kong Mitsukoshi Children's Art Competition



The annual "Shin Kong Mitsukoshi Summer Art Festival" features a distinguished lineup of domestic and international art experts showcasing their works. The festival also serves as a platform to promote important causes such as environmental protection and education for underprivileged children in remote areas. In 2020, for instance, the Shin Kong Mitsukoshi Cultural and Educational Foundation collaborated with the Skidschool to create a captivating themed exhibition area. SKM invited renowned picture book authors to create large-scale illustrated walls, using vibrant illustrations to portray seven major social issues: human rights, environment, food, energy, global warming, urban indifference, and care for life. The illustrations were both child-friendly and educational, receiving high praise.

In 2022, SKM utilized a maze-like design, planning five exhibition areas that brought together comics, animations, and picture books. Interactive games were also set up to allow visitors to simultaneously view the exhibitions and engage in interactive experiences. This attracted a total of 107,000 visitors. From 2002 to the present, the cumulative number of visitors has exceeded 1.7 million (except for 2021 when the physical exhibition was canceled due to the severe pandemic situation and moved online).

2022 [21th] Shin Kong Mitsukoshi Summer Art Festival



- Event Sessions : **87 (including press conferences)**
- Visitor Count : **107,000**
- Total Submissions : **4,859 pieces**
- Winning pieces : **123**

• Stores : Taipei Nanxi Store/Taichung Zhonggan Store/Kaohsiung Zuoying Store

Furthermore, the Shin Kong Mitsukoshi Cultural and Educational Foundation initiated the "SKM Artistic Proposal" to expand the exhibition's reach beyond the traditional exhibition areas to more distant counties and cities, commencing in 2023. Through artistic aesthetic training programs, volunteer empowerment courses, and artistic aesthetic workshops, the foundation aims to bring aesthetic appreciation into schools, spreading the joy and warmth of aesthetic education to children in more regions.



..... Summer Art Festival

Visual Arts-SKM PHOTO Shin Kong Mitsukoshi International Photography Exhibition Events

Shin Kong Mitsukoshi, with a people-centered approach, aims to cultivate diverse styles of photography and enhance the visibility of Taiwanese visual arts worldwide. Therefore, in 2007, SKM established the "SKM PHOTO Shin Kong Mitsukoshi International Photography Series" event. Each year from September to October, the "Shin Kong Mitsukoshi International Photography Contest" is held to recognize and reward talented photographers. Approximately 20-30 winners receive cash prizes, gifts, and opportunities for physical exhibitions. To date, the contest has been held for 16 events, attracting nearly 100,000 submissions and sponsoring nearly 480 awards. Furthermore, from April to June, the captivating "SKM PHOTO Shin Kong Mitsukoshi International Photography Exhibition" unfolds, showcasing a series of themed exhibitions and engaging activities. These exhibitions circulate among Shin Kong Mitsukoshi department stores in Northern, Central, and Southern Taiwan, inviting renowned domestic and international photographers to participate. Over the course of 16 events, the exhibitions have accumulated over 1.23 million visitors.



In the "2022 SKM PHOTO Shin Kong Mitsukoshi International Photography Exhibition," the Shin Kong Mitsukoshi Cultural and Educational Foundation collaborated with Anastasia Photo Gallery from New York, USA. They invited British documentary photographer Claire Thomas to showcase three major series and premiere new works for the first time globally. Her works primarily revolve around political and military conflicts, humanitarianism, and environmental crises. In addition, acclaimed photographer Kyo, known for his extreme travel photography and numerous international competition awards, participated in the exhibition. The exhibition also featured the solo exhibition of the annual grand prize winner of the Shin Kong Mitsukoshi International Photography Contest, Li Tung, and other outstanding award-winning works.



..... Photography Exhibition

The exhibition showcased the works of 25 photographers, comprising 223 visual stories. It allowed the public to explore the beauty of nature through the lens of photographers and traverse every corner of the world. SKM also aspires to harness the power of visual arts to unite society and raise awareness of international issues, global warming, animal welfare, and more. In the future, SKM plans to invite domestic and international creators from various generations in the photo industry to participate in exhibitions, covering diverse visual media and integrating the promotion of art sales.

2022 [16th] SKM PHOTO SKM International Photography Exhibition Events



..... SKM International Photography Exhibition

- Event Sessions : 30 (including press conferences)
- Visitor Count : 89,000
- Total Submissions : 925 pieces
- Winning pieces : 23

• Stores : Taipei Xinyi Place/Taichung Zhonggan Store/Tainan Place

"This Summer" Touring Exhibition

Shin Kong Mitsukoshi, upholding the belief that art originates from life and embracing the spirit of caring for humanity and the land, initiated the "This Summer" Touring Exhibition in 2011. The exhibition aims to gather Taiwanese artists from different backgrounds to tell stories about Taiwan and spread the warmth of this land to the world. It endeavors to interpret the beauty of contemporary culture by incorporating various perspectives and themes, adhering to the principles of co-creation, sharing, and mutual benefit, and integrating culture into everyday life. Over the past 12 years, the series has evolved from "This Summer is Full of Drama," "This Summer, Play the Guitar," "This Summer, Play with Dolls," "This Summer, Go Crazy for Circus," "This Summer, Celebrate Together," to "What Will You Play This Summer," marking SKM's 25th anniversary. From 2017 to 2018, it encompassed "This Summer, Animals on the Move" and "This Summer, Resting in the Woods." It further resonated with the audience with the resounding success of "Who Cut the Onion," which extended from 2020 to 2022. Each May, these exhibitions are showcased at SKM department stores throughout Northern, Central, and Southern Taiwan. To date, more than 500 groups of visual artists, performing artists, and lifestyle creators from Taiwan have participated, accompanying over 5 million consumers through the summer.



2011



2012



2013



2014



2015



2017



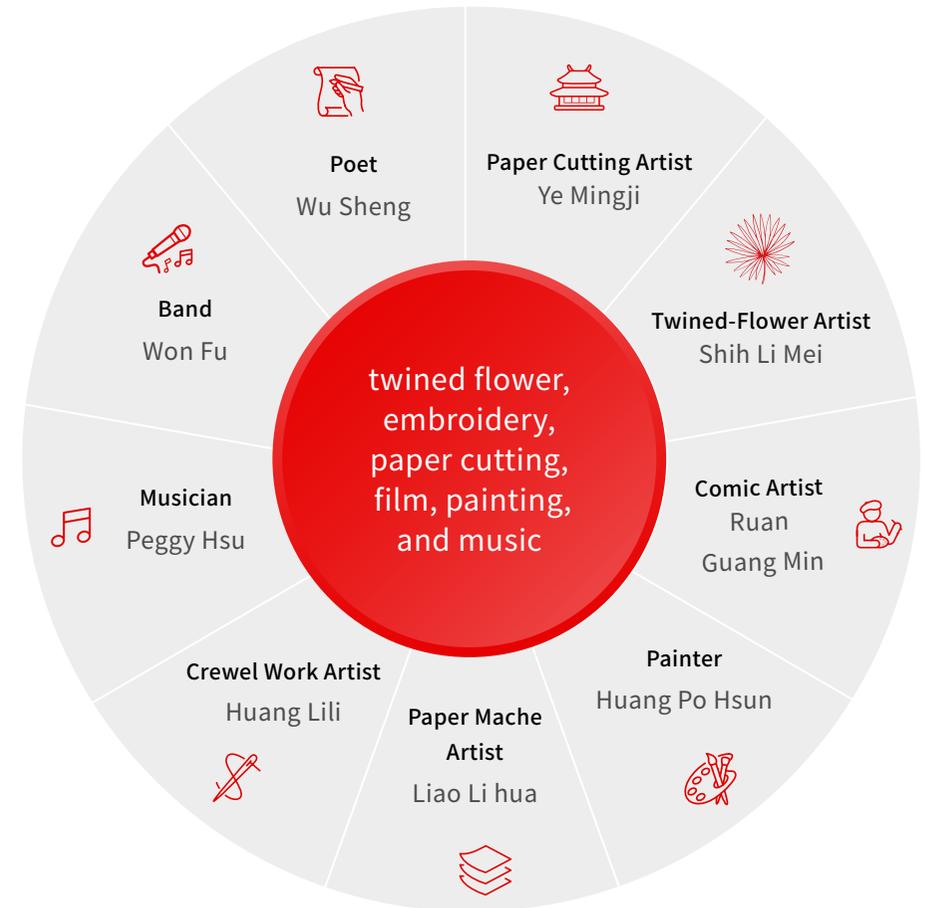
2019



2020

Among them, "Who Cut the Onion" originated in 2020 with the aim of unearthing stories of "love" that reside deep within. In 2022, the exhibition sought to resonate with visitors by introducing the concept or catalyst of artistic creation through stories of "love." It encouraged visitors to contemplate who brings them happiness and joy in life. This marks the second phase of the "Who" series, as the curatorial direction of the "This Summer" series evolves towards highlighting the core of creators and their storytelling. It aims to delve deeper into the diverse creative dimensions and showcase a range of topics from Taiwanese artists, providing a dynamic platform for creators and the public to share and appreciate art regardless of age and gender.

The "Who Cut the Onion" touring exhibition in 2022 brought together artists, including poet Wu Sheng, paper cutting artist Ye Mingji, Twined-Flower artist Shih Li-Mei, comic artist Ruan Guang Min, painter Huang Po-Hsun, Paper mache artist Liao Li-hua, Crewel Work artist Huang Lili, musician Peggy Hsu, and the band Won Fu. Through various mediums such as twined flower, embroidery, paper cutting, film, painting, and music, they interwove interpretations that bridged traditional craftsmanship and contemporary creations. The exhibition toured six SKM stores across Taiwan. During the exhibition, weekly master events engaged the public with the artists. One highlight was the live performance of "Miss Lily and Miss SKM with the Phoenix Crown," a collaboration between Shih Li-Mei and the SamadhiTang Creative Puppet Troupe. In addition, traditional 35mm film screenings brought generations together, offering an authentic experience from the past. In the end, the exhibition garnered great success, drawing over 150,000 visitors and generating over 1,000 shares on social media platforms.



6

touring exhibitions on branch

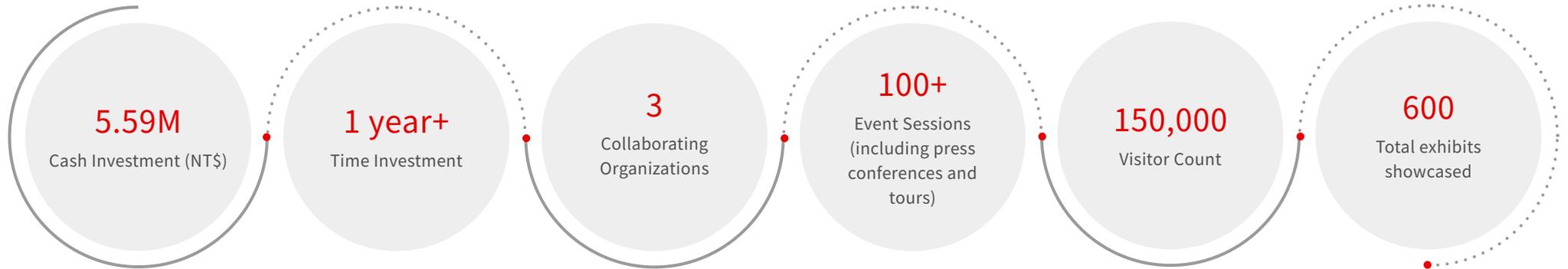
1,000

shares on social media

150,000

visitors

2022 This Summer "Who Cut the Onion" touring exhibitions



• Stores : Taipei Station Store/Taoyuan Station Store/Taoyuan Dayou Store/Taichung Zhonggan Store/Chiayi Chuiyang Store/Kaohsiung Zuoying Store



"Who Cut the Onion" touring exhibition

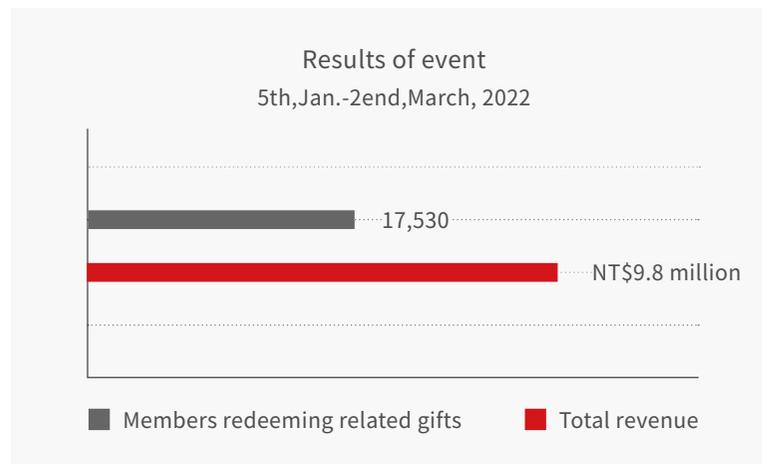
Other Art Promotion Projects

Shin Kong Mitsukoshi, apart from organizing annual art competitions and touring exhibitions, also introduced temporary exhibitions on spatial art and installations in selected stores. In 2022, SKM Marketing Department curated engaging pop-up events. These events took place in Q1 (January to March) and Q2 (April to June) and revolved around warm and therapeutic art. When curating the event, SKM took into consideration the post-pandemic era and the gradual revival of the economy and daily life. Additionally, the department considered the cautious approach towards international travel within the country.

Q1 Art Space Exhibition - Prosperous Tiger

Taking a therapeutic and happiness-inducing approach to contemporary international art, the Marketing Department chose to collaborate with Chinese artist Bù Èr Mǎ and the character that he created: "Fat Tiger." After months of negotiations with Bù Èr Mǎ and his product agent, a large-scale three-dimensional installation featuring the beloved "Fat Tiger," making its debut in Taiwan, was unveiled. This exhibition cleverly combined the theme of "Year of the Tiger" with a friendly, playful, and relatable presentation, turning the mighty beast into a heartwarming and delightful art installation.

From January 5th to March 2nd, 2022, the exhibition took place at the outdoor areas of SKM Taipei Xinyi, Taichung, and Tainan Place stores. Admission was free for visitors to take photos and share on social media. In addition, pop-up stores were set up at Taoyuan Station Store, Taichung Store, and Taipei Xinyi Store, offering SKM points for the purchase or redemption of "Fat Tiger" themed red envelopes, Spring Festival couplets, and lucky bags. The results of the event exceeded expectations, with over 17,530 members redeeming related gifts within two months, generating a total revenue of NT\$9.8 million. This not only boosted the department store's sales but also brought comfort to people's hearts during the pandemic-induced gloom.



- Promotional video : 1 video (total views : 875)
- Social media likes : 7,158 likes
- Merchandise Revenue : NT\$9.8 million

Q2 Art Space Exhibition - Healing Place

Building upon the success of Q1 achievement, SKM Marketing Department continued the journey with the theme "Returning to True Self" for Q2. They invited Hong Kong artist Kila Cheung to co-curate the exhibition. Starting from December 2021, SKM engaged in a four-month collaboration with Kila Cheung, his agent, and a curatorial company to secure authorization as well as plan, arrange, and assess the willingness of various stores to exhibit and sell the artworks. The exhibition was ultimately launched at Taipei Xinyi Place, Taichung Zhonggang Store, and Tainan Place.

This marked a significant milestone for Kila Cheung, as it was his first large-scale exhibition featuring three-dimensional reproductions of his captivating artworks. Storefront displays and peripheral gifts featured authorized paintings, including seed bookmarks and SKM points redemption for masks and eco-friendly bags. Through Cheung's vibrant and emotionally rich artworks, SKM aimed to convey a positive and heartwarming message, creating a meaningful experience. The outdoor art installations attracted numerous visitors, resulting in 12.3 million footfall and 1,274 gift redemptions from members and the public.

2022 Art Space Exhibition — Healing Place 2022/3/17-6/30



Totally 1,274 gift redemptions



12.3 million footfall



- Promotional video : 1 video (total views : 206,936)
- Social media likes : 7,152 likes
- 12.3 million visitors, with 1,274 gift redemptions

