



2024 ESG INSIGHT REPORT



OVERVIEW

Delphi Construction Co., Ltd. invests and constructs residential and office buildings as its core business, and does not focus on property management or commercial space leasing. The Company was officially listed on TWSE in 1995 (ticker: 2530). Delphi Construction strives to use environmentally friendly building materials and obtain green building certification into upcoming projects. Sustainable management is Delphi Construction's primary goal.

2024 ESG ACHIEVEMENTS




Sustainalytics January 2025 ESG Risk Rating



Environmental Initiatives and Goals

Official Supporter of Task Force on Climate Related Financial Disclosures (TCFD)	Since 2022
Environmental Management Objectives	Established for 2025, 2030
Green Building Certification Objective	All new buildings within Taipei area from 2024 onwards
Green Building Certifications Labels Obtained	5
Green Building Certifications Labels Applied	28 (5 additional applications in 2024)

Environmental Performance

	Unit	2024 Achievement	2025 Progress	2025 Target	2030 Target
GHG Intensity Reduction					
Delpha Construction	tCO ₂ e/ NTD million	0.0084	 On track to meet target	0.0080	0.0075
Haujian Construction		2.1236		≤ 2.00	1.90
Huachien Development		0.0777		≤ 0.0800	0.0700
Water Intensity Reduction					
Delpha Construction	m ³ / NTD million	0.0886	 On track to meet target	≤ 0.0850	≤ 0.0850
Haujian Construction		7.0882		≤ 7.00	≤ 5.5
Huachien Development		2.9201		≤ 2.9000	≤ 2.6000
Construction Waste Intensity					
Haujian Construction	tons/ NTD million	1.5806	 On track to meet target	≤ 1.50	≤ 1.35

Note 1: In compliance with the disclosure standard, carbon emissions intensity is now calculated based on revenue, whereas previously it was calculated based on floorspace, resulting in the current year's performance being non-comparable with previously set targets.

Note 2: Targets are continually tracked following the adjustment of the target this year.

Social Goals

Occupation Health and Safety	Long term Goal (2030) Obtain ISO 45001 Certification
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Social Performance

Customer Satisfaction Survey Results: Delivery	3.8 ★★★★★
Customer Satisfaction Survey Results: Purchase	4.4 ★★★★★★
Quality Management Department and System	Established 2023
Welfare Subsidies	NTD\$ 16.15 million
Labor Disputes	0
Occupational Disasters, Accidents, and Diseases	0

Governance Performance

Sustainable Development and Nomination Committee	Established in 2024
Functional Committee Attendance	100% for All Committees
Board Independence	43%
Whistleblowing System with Non-retaliation Policy	Internal and External Channels
Reports of Illegal Activities	0

ENVIRONMENTAL

GHG Emissions (tCO₂e)

Delpha Construction began preliminary GHG inventory since 2021 and in 2023 formally implemented GHG inventory audit in accordance with ISO 14064-1:2018 standards. Boundary is based on “operating control” and the audit scope covers Category 1 and Category 2 GHG emissions of 100% of entities within the Company’s operating control.

Unit: tCO ₂ e	2023	2024	2023	2024
Category 1: Direct GHG emissions and removals			Category 4: Indirect GHG emissions from products used by an organization	
Delpha Construction	4.0748	2.7217	0.0682	0.0739
Haujian Construction	4.3702	92.6653	0.8666	4,267.9361
Huachien Development	0.2702	0.4750	0.0075	0.0024
Category 2: Indirect GHG emissions from imported energy			Total GHG Emissions	
Delpha Construction	44.6492	47.2369	48.7922	51.3878
Haujian Construction	1,698.0924	1,366.5671	1,703.3292	5,727.7229
Huachien Development	0.3522	0.1967	0.6299	0.6741
Category 3: Indirect GHG emissions from transportation			GHG Intensity (tCO₂e/ NTD million)	
Delpha Construction	-	1.3554	0.0251	0.0084
Haujian Construction	-	0.5545	0.9552	2.1236
Huachien Development	-	-	0.0734	0.0777

Water Consumption

Apart from construction water usage at regular construction sites, other water consumption mainly comes from daily water use in office buildings.

Unit: m ³	2023	2024	2023	2024
Water Consumption			Water Intensity (m ³ / NTD million)	
Delpha Construction	561.9800	539.5301	0.2892	0.0886
Haujian Construction	2,280.8364	19,118.0386	1.2791	7.0882
Huachien Development	32.0000	25.3205	3.7278	2.9201

Waste Management

	Unit	2023	2024
Construction Waste	tons	0.2892	0.0886
GHG Emissions	tCO ₂ e	1.2791	7.0882
Waste Intensity	tons/ NTD million	3.7278	2.9201

In 2024, there were no occurrences of exporting waste to foreign countries, nor were there any environmental litigations or related incidents.

Key Measures to Reduce Construction Waste



Accurate Ordering
and Proper Storage



Onsite
Materials Reuse



Adopt Pollution
Prevention Measures

Sustainable Building Lifecycle

Delpha Construction aims to instill sustainability practices throughout daily operating activities and carefully considers the building lifecycle.

Building Planning and Design

Incorporate sustainable concepts and consider the lifecycle of the building.

1

Building Materials Production and Transportation

Choose sustainable and green building materials.

2

Construction and Building Process

Implement innovative construction methods to minimize environmental impact.

3

Building's Daily Operation

Design the building to be energy-efficient, utilize green building materials.

4

Building Renovation and Repair

Proper maintenance ensures the longevity of the building.

5

Building Demolition and Waste Management

Handle construction waste properly to avoid secondary environmental pollution.

6

Material Treatment and Recycling

Reuse materials, approach disposal from a recycling perspective.

7

Green Buildings

GOAL: obtain green building certification for all new buildings within Taipei area from 2024 onwards .

9 Major Evaluation Indicators for Green Buildings

Projects	Urban Renewal Projects				
	The Urban Green	Huaisheng Section	Taiyuan Road	Center for the Future	Yishin Section
Certification Index	Silver	Silver	Silver	Silver	Bronze
Biodiversity					
Greenery	★	▲	▲	●	▲ new
Base water retention	★	▲	▲	●	▲ new
Daily energy saving	★	▲	▲	●	▲ new
Carbon dioxide reduction		▲	▲	●	
Waste reduction		▲	▲	●	
Indoor environment		▲		●	
Water resources	★	▲	▲	●	▲ new
Sewage and waste reduction	★	▲	▲	●	▲ new

★ Green Building Label Certificate.

▲ Green Building Certification Label to be applied

● Green Building Candidate Certificate

Green Materials aligned with SDGs


Low-carbon Operations

- Low-E Glass (low emissivity)
- Water Resource Automatic Irrigation System


Circular Sustainability

- Rainwater Harvesting
- Water-saving Toilet
- LED Motion Sensor Lights
- Permeable Concrete


Reduce Pollution

- Air Purification System
- BWT Filtration System
- Waterproof and Soundproof Flooring
- Elevator Plasma Ion Antibacterial Purifier
- Drainage Ventilation System
- Anti-smog Screens


Green Energy

- EV Charging Stations and Dedicated Charging Cable Trench
- Aluminum Busways and Charging Pile Energy Management System

Raw Material Purchasing Policy

Delpha Construction and Huajian Construction ensures quality optimization of raw materials by controlling the procurement process and contracting stage. Main raw materials for the construction industry are rebar, steel, stone, concrete and glass.

Building Property Portfolio Mix

Planned Purpose	No. of Projects	Percentage
Residential	24	35%
Commercial	4	6%
Shopfront/Residential/Commercial	4	6%
Shopfront/Residential	31	46%
Shopfront/Commercial	2	3%
Residential/Commercial	3	4%

Smart Buildings

The Urban Green

An urban renewal project that reconstructs a dilapidated old building to a landmark smart building and was awarded the *Smart Building Silver Label in 2023*.

Through a highly integrated smart management system, the project not only achieves energy-saving goals but also significantly enhances user safety and living convenience, demonstrating the long-term benefits of building lifecycle management.

New Taipei SanYing Redevelopment District

Plans to apply the *Smart Building Silver Candidate* designation for this new redevelopment district.

A design concept that integrates hardware and software, and integrates technology with lifestyle, including smart parking management system, EV cabling, flexible space and infrastructure, safe, convenient, energy-efficient, and comfortable living environment for residents.





Climate Change Risk Management

Climate Governance

The Board of Directors of Delphi Construction serves as the highest supervisory body for climate policy and risk management. Followed by the Sustainable Development and Nomination Committee, where the functional committee receives reports on the implementation status of both risk management and sustainability development. Most recent report was on 12 November 2025.

The Risk Management Team led by the General Manager acts as the executing unit. The Team is composed of top executives from various departments, and is responsible for identifying and managing economic, environmental, and social issues, as well as their associated risks and opportunities; and regularly report to the Sustainable Development and Nomination Committee.

Climate Policy and Risk Management

 Gathering of Climate Change Issues	 Identification of Risks and Opportunities	 Ranking of Material Risks and Opportunities	 Compilation of the Potential Financial Impacts
Referring to TCFD, ISO 14064, and other disclosure recommendations to compile a list of relevant climate risk and opportunity factors.	The Risk Management Team conducts scenario analysis on short, medium, and long-term climate-related risks and opportunities factors.	Coordinate with relevant departments to assess the potential impacts and consequences of climate-related risks and opportunities and ranking.	Examine the potential financial impacts of identified risks and opportunities to develop response strategies.

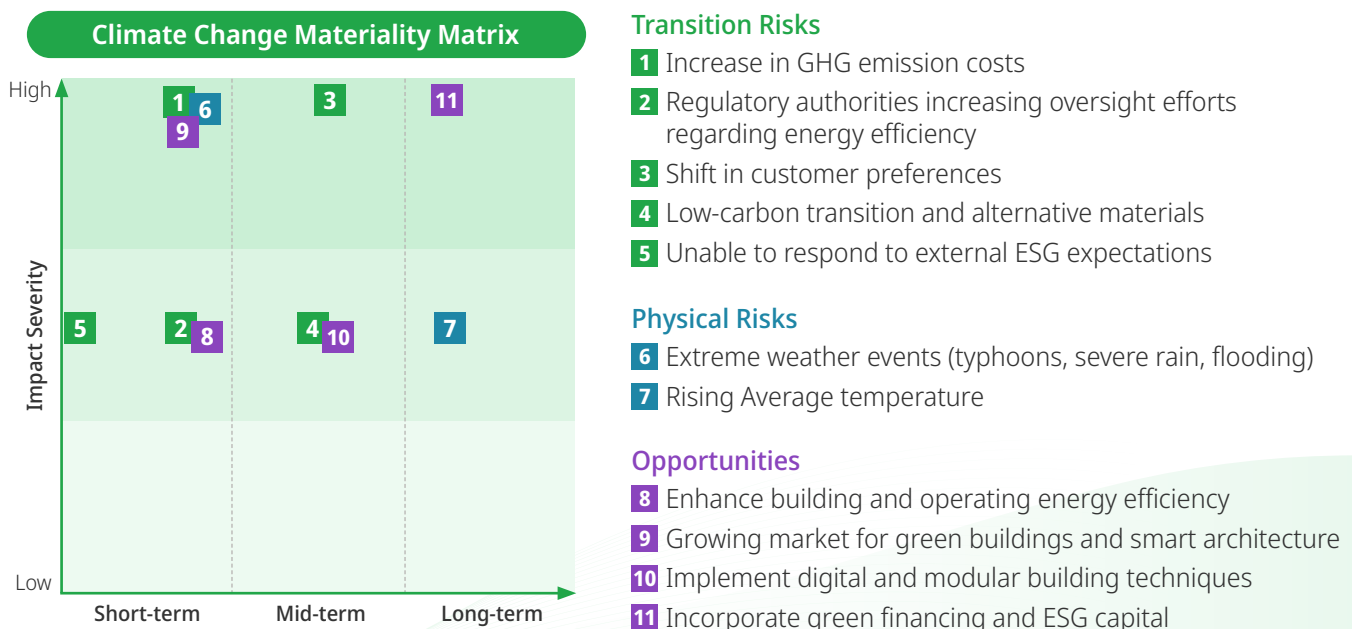
Climate Change Scenario (Stress) Test

As part of the risk assessment process, Delphi Construction conducts impact analyses for its developing and operational projects based on appropriate climate scenarios, as outlined in the Intergovernmental Panel on Climate Change's (IPCC) Sixth Assessment Report (AR6).

Risk Type	Tool	Scenario Selection	Assessment
Risks of Floods	Climate Change Disaster Risk Adaptation Platform	IPCC SSP5-8.5 (very high emissions scenario)	Identify projects that are categorized as Level 5 flood risk in the future (2036-2065).
Risks Related to Changes in Temperature and Rainfall	Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP)		Assess the impact of extreme climate conditions, including the projected average temperature and rainfall, on the projects under the highest warming scenario if temperature control measures are not effectively implemented.

Climate Change Materiality Matrix (Risks and Opportunities)

For response strategies of risks and opportunities, see 2024 Sustainability Report section 3.1.3.



SOCIAL

Employee Demographics

Company	Delpha Construction		Huajian Construction		Huachien Development	
Age \ Gender	M	F	M	F	M	F
Employee Count	22	23	70	1	1	-
Total	45		71		1	
M:F Ratio	1	1.05	1	0.01	1	-
Average Age	44		31		57	

Employee Turnover

Company	Delpha Construction		Huajian Construction		Huachien Development	
Employee type	New	Exited	New	Exited	New	Exited
Total	9	4	29	10	0	1
New/Exited Ratio	69%	31%	74%	26%	-	100%

Employee Compensation

Delpha Construction ensures that employee salaries are in line with industry standards. Performance evaluations are conducted annually, and salary adjustments are made based on the evaluation results. The criteria for salary adjustments not only consider market competitiveness but also emphasize fairness and reasonableness in salary distribution.

Non-supervisory Full-time Employee Salaries

	Employee Average	Employee Salary Average	Employee Salary Median	Industry Competitor Median	Delpha Employee Salary Median Compared to Industry Median
Year	Persons	NTD Thousand / Person			
Delpha Construction					
2022	28	1,104	932	908	+24
2023	30	1,135	959	905	+54
2024	31	1,137	1,104	-	-
Huajian Construction					
2022	19	977	857	-	-
2023	29	978	833	-	-
2024	54	964	-	-	-
Huachien Development					
2022	2	1,292	1,292	-	-
2023	2	1,076	1,192	-	-
2024	-	-	-	-	-

Note: The term "employees" refers to the number of employed staff members after deducting managers, parttime employees, and those who have been employed for less than 6 months. The calculation is based on the average number of employees. The total salary amount includes basic salary, overtime pay, allowances, bonuses, and employee rewards, but does not include estimated expenses for equity-based compensation.

2024 Gender Pay Equality

Company	Delpha Construction		Huajian Construction	
Gender	Male	Female	Male	Female
Person	13	20	69	1
Ratio	1	0.83	1	0.55

Note: Huachien Development did not have any female employees in 2024, therefore it is not disclosed.

Human Rights

Delpha Construction complies with the relevant labor laws and regulations of our country, as well as the universal values in the United Nations Universal Declaration of Human Rights, United Nations Guiding Principles on Business and Human Rights, United Nations Global Compact, and International Labor Organization.



International and Domestic Human Rights Standards

Policy: Adhere to domestic labor regulations, reference international labor standards and conventions.

Implementation: Regularly review the substantive content of labor contracts.



Labor-Management Communication and Freedom of Association

Policy: Encourages forming of social clubs, ensure freedom of association. Regularly hold labor-management meetings. Establish stable labor-management relationship.

Implementation: Summarize labor-management issues and monitor improvement suggestions. Promote departmental communication. Delpha Construction and Huajian Construction each held 4 labor-management meetings in 2024.



Gender Equality and Diversity

Policy: To achieve gender equality and cultural diversity, and to ensure no discrimination based on gender, race, age, or religion. The "Rules of Prevention, Correction, Complaint and Punishment of Sexual" in the workplace provide an effective and appropriate complaint mechanism.

Implementation: Implement gender equality education and training. All cases are handled by a dedicated unit and confidentiality procedures are maintained.



Occupational Health and Safety

Policy: Conduct health examinations and safety educational training. Comply with labor safety and health laws and regulations.

Implementation: Implement equipment inspection and risk notification mechanisms; Regularly inspect the construction environment and work procedures.



Sexual Harassment Complaint and Investigation

Policy: An anonymous mailbox and a sexual harassment complaint mechanism are provided to ensure confidentiality, impartiality, and timely handling of investigations.

Implementation: The case is handled by the Corporate Governance Office, which established an investigation team to regularly compile statistics on the number of complaints and the progress of improvements.



Human Rights Management in the Supply Chain

Policy: Establish a risk identification mechanism for human rights issues; Conduct a potential risk assessment of operational processes, suppliers, and outsourced construction work.

Implementation: Check operational and supply chain risks; Regularly review the implementation of supply chain human rights policies.



Reasonable Working Hours and Compensation

Policy: Clearly defined legal working hours and overtime management regulations to ensure the rights to leave and rest. Wages comply with the Labor Standards Act. Prohibit child labor and forced labor.

Implementation: Conduct comprehensive reviews and audits; Regularly report to the competent authority and proactively disclose information; Establish "Overtime Management Regulations", "Employee Working Hours Management Regulations", and "Employee Salary and Position Management Regulations", to protect employee rights.

*The total working hours, including normal hours and overtime, shall not exceed 12 hours per day, and the total extended working hours (overtime) shall not exceed 46 hours per month.
[Human Rights Policy and Operation Status (Article 2)]*

Employee Welfare



Employees' Welfare Committee

Wedding, childbirth, birthday, funeral, and three festivals gifts. Scholarships for employees' children, travel subsidies, and departmental gatherings.

2024 Employee Welfare Committee Subsidies **NT\$6,355,041**



Parental Leave

Employees (at least six months tenure) are eligible to apply for paid and unpaid parental leave in accordance with regulations. Parental leave can be taken for a maximum of two years until the child reaches the age of three.

8 employees used parental leave in 2024



Welfare Subsidies

Wedding, childbirth, birthday, funeral, and three festivals gifts.

2024 Welfare Subsidies
NT\$16,152,782



Employee Insurance

Labor insurance and national health insurance per regulations, and offer group insurance plans.



Performance Bonuses/Incentives

Allocated based on employee performance. When there is a surplus in the financial year, employees are also rewarded with employee compensation.



Health Checkups

Subsidize health check-ups every 2 years.



Home Rental Subsidy

For those who require housing due to the construction site location, a rental subsidy of NTD \$6,000 per month is provided.



Car Purchase and Fuel Subsidies

Employees at the assistant manager level and above receive car purchase subsidy every 5 years. Fuel subsidy for using personal vehicle for business purposes.



Club Participation

- Golf Club • Badminton Club
- Yoga Club • Basketball Club

Talent Development

Delphi Construction encourages employees to pursue further education outside of work such as apply for professional licenses related to their duties and, depending on the job level, grants an annual allowance for external training. The Employee Welfare Committee also provides a yearly education allowance of **NT\$2,000** to every employee, which can be applied to language learning, financial knowledge, IT skills, and other self-development courses.

External Education and Training

In 2024, a total of 1,513 hours of education and training were conducted, with 40 participants. The total cost of the training was NTD \$862,266.

Talent Development Framework

Delphi Construction established a comprehensive talent development framework encompassing risk assessment, new employee training, industry-academia collaboration, and professional education, shaping a robust and resilient organizational system.

Average Training Hours per Person	
Delphi Construction	Huajian Construction
Male 40.13 hours	Male 53.67 hours
Female 16.14 hours	Female none



New Employees

New hires are provided with full support to facilitate their onboarding, growth and development through a systematic process and a three-phase communication system, complemented by the upcoming Mentorship Program.

Three Phase Care Communication	Mentorship Program
<p>1st month: HR Care Interview Assist with employees' initial adjustment and early adaptation.</p> <p>2nd month: Mentor Work Interview Conducted one-on-one with a mentor to discuss familiarity with job duties and learning support.</p> <p>3rd month: Probation Period Appraisal This is a comprehensive assessment conducted by the Direct Supervisor and serves as the basis for transitioning to permanent employment and the employee is integrated into the formal employee development plan.</p> <p>If the assessment reveals difficulties in adaptation, the probation period may be extended or advice for transfer/reassignment may be provided.</p>	<p>Starting in 2025, Delphi Construction plans to fully implement a New Employee Mentorship Program to further strengthen the three-phase care mechanism. Senior colleagues with professional backgrounds and good communication skills will serve as Mentors and fulfill the following roles during the new employee's three-month adaptation period:</p> <ul style="list-style-type: none"> • Work Guide • Feedback Communication • Workplace Culture Integrator • Growth Facilitator <p>Mentors will participate in the 2nd month interview and provide input before the probation period appraisal, creating a complete guidance process from onboarding to transition to permanent employment.</p>

Existing Employees Training and Development

- **Annual Training Plan:** HR department aggregates training needs from all departments to plan the annual curriculum, covering three key directions: competency enhancement, workplace inclusion, and leadership development.
- **Course Effectiveness Tracking Mechanism:** Training is analyzed based on post-course feedback, learning process records, and supervisor performance observation, as a basis for future course design and participant evaluation.
- **Talent Development Database Construction:** Database forms the foundation for medium-to-long-term workforce planning and the cultivation of succession teams.

Leadership Development	Workplace Ethics and Legal Compliance Courses
<p> Talent Retention Strategies and Employee Relations Management Target: Mid-to-Senior Executives</p> <p> Cross-Generational Communication and Workplace Inclusion Target: Management Trainees and Mid-to-Senior Executives</p> <p> Deepening Managerial Responsibility and Role Target: Management Trainees and Mid-to-Senior Executives</p>	<p> Sexual Harassment Prevention Education and Training Target: All Employees</p> <p> Workplace Harassment Prevention Awareness Course Target: Management</p> <p> Seminar on Corporate Integrity and Ethical Business Practices — Prohibition of Insider Trading and Related Case Studies Target: Management</p>

Performance Evaluation

Delphi Construction sets organizational management indicators and team goals, regularly measuring the degree of performance achievement to understand employee work conditions. The evaluation is used as a metric for promotions, salary adjustments, employee compensation, and the distribution of performance bonuses.

The content of the performance evaluation varies depending on the position and department. The evaluation system applies to all permanent employees without differentiation based on gender, age, job rank, or job title.

In 2024, all permanent employees completed their performance appraisals.

[Mid-Year] Promotion Evaluation	[End of Year] Bonus Evaluation
The process involves reviewing employees' performance over the past six months. Employees then assess their performance goals based on their work performance in the first half of the year to determine if revisions are needed. Supervisors then evaluate employees based on their performance, and the evaluation results determine whether promotions or job adjustments are necessary.	Employees conduct a review of their work status, growth, and deficiencies for the entire year and set performance goals for the following year. Following this, the supervisor evaluates the employee's performance, and the appraisal results determine the amount of the performance bonus to be distributed.

Collaboration with Academic Institutions

Internship Collaboration	Continued Education and Professional Training
Delpha Construction signed a Memorandum of Understanding (MOU) for internship collaboration with a domestic university in 2024. In the future, the Company plans to expand its collaboration partners to gradually include colleges and universities across the Northern, Central, and Southern regions of Taiwan, systematically building a nationwide regional talent pipeline network.	Delpha Construction collaborates with academia to design professional training courses focused on different engineering phases. This collaboration aims to boost employees' learning outcomes in areas such as construction management, technical practices, and regulatory updates.


Human Capital Risk Assessment and Management

Delpha Construction has undergone human capital risk assessment as the construction industry is highly dependent on on-site execution and technical skills. Three core risks are identified with actioned mitigation strategies. The risks are (i) Construction Site Workforce Scheduling Risk, (ii) Technical Talent Shortage Risk and (iii) High Employee Turnover Risk. For full details see 2024 Sustainability Report section 5.5.1 Human Capital Risk Assessment and Management Mechanism.

Occupational Health and Safety

OHS Targets	2024 Results	2025 (Short)	2027 (Mid)	2030 (Long)
Maintain zero disasters, zero accidents, and zero occupational diseases	● Achieved	●	●	●
Continual Occupational Health and Safety Training and Advocacy	● Achieved	●	●	●
Formulate OHS Management Plan			●	
Establish OHS Committee				●
Implement ISO 45001 OHS Management System				●

Policy Objectives

 Legal Compliance Full adherence to Occupational Safety and Health regulations; all personnel entering the site must wear safety helmets and receive necessary training.	 Internal Regulations Adherence Establishment of the " Safety and Health Work Rules ", which are incorporated into Construction Management Department protocols, site self-management, and outsourced operations guidelines.	 Training and Education Annual educational courses covering fire drills, fall prevention, emergency response, and construction safety.	 Triple Zero Target Zero disasters, Zero accidents, and Zero occupational diseases through Standard Operating Procedures (SOPs), construction management audits, regular inspections, and a Safety and Health performance evaluation system.
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In 2024, the total working hours of all employees in Delpha Construction amounted to 187,696 hours, with no cases of occupational diseases, injuries, or work-related accidents occurring.

Occupational Safety Measures and Monitoring

1. Labor and Safety Coordination Group

A group is established at each construction site, chaired by the site supervisor includes safety personnel, engineering staff, and the operation supervisors from subcontracts. The group meets regularly to review site risks and propose preventative countermeasures.

Members

1 Site Supervisor	Serve as the overall responsible person of the organization and preside over the meetings of the organization.
1 Labor Health and Safety Personnel	Convene meetings of the organization and provide occupational safety and health management information and suggestions to the site supervisor.
Responsible Persons from Each Subcontractor	Participate in meetings of the organization and assist in supervising on-site safety.
Engineering Personnel	
Supervisors from Each Subcontractor	

2. Pre-Entry Management Procedures

- All personnel entering the site must complete "[Sign-in Registration](#)" and "[Occupational Safety Education and Training for New Personnel](#)".
- Contractors and sub-contractors must complete "[Safety and Health Education and Training](#)".
- Education and training must include basic site hazard identification, protective measures, and key points for emergency response.

3. Daily Entry Control

- Daily sign-in is conducted to inform workers of regulations regarding the work environment, hazard factors, and occupational safety, and they must sign a [Safety Discipline Commitment Letter](#).
- A "[Construction Hazard Factor Notification Form](#)" is provided, which clearly lists potential risks (such as electric shock, falling, slipping) and preventative measures, and is signed by the workers for confirmation.

4. Meeting and Awareness System

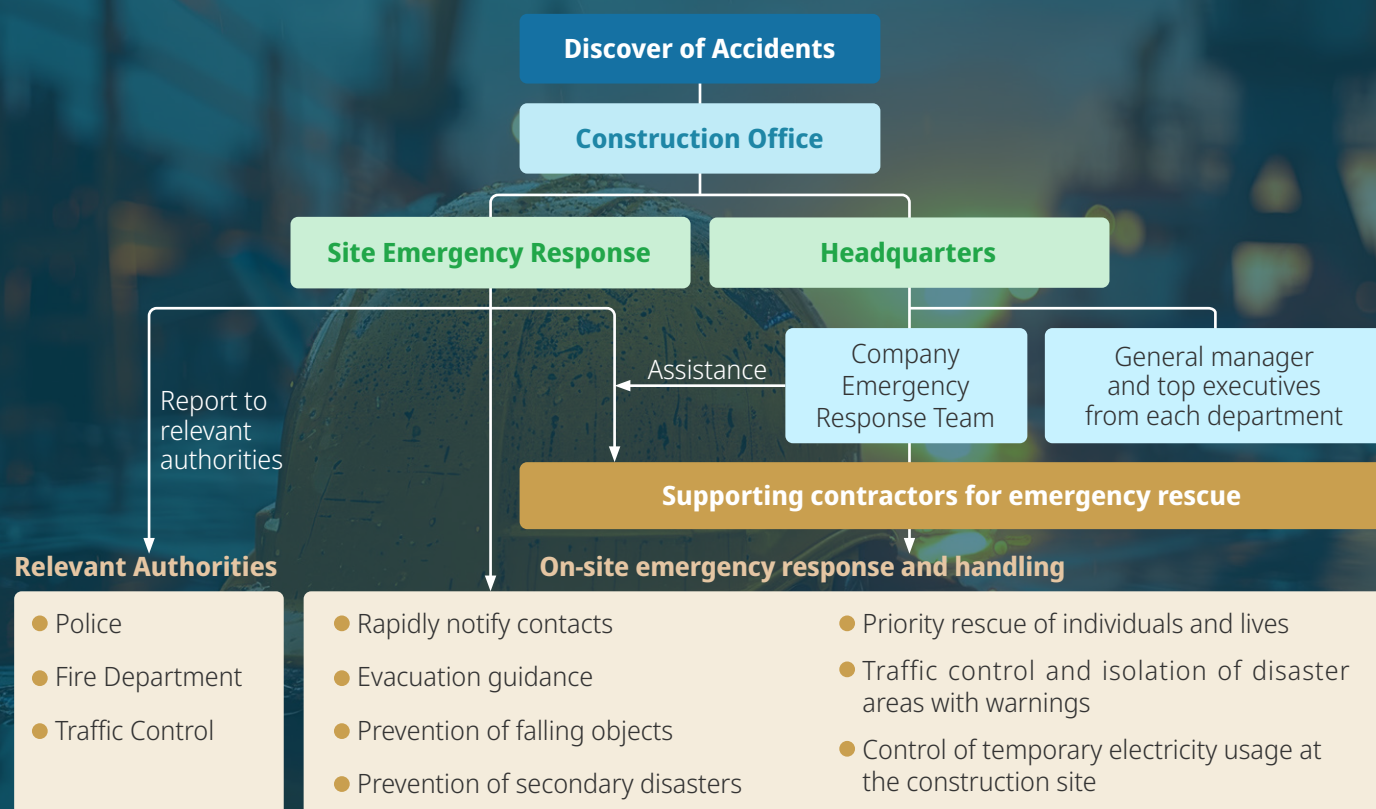
- **08:00 Site Morning Meeting:** Chaired by the on-site person in charge. Safety and health regulations and site operation rules are announced. The use of protective equipment is confirmed and logged on the safety bulletin board.
- **15:30 Work Crew Meeting:** Supervisors of each work trade daily review construction progress, coordination and scheduling, elevator usage, and operational safety.
- **17:00 Internal Site Office Meeting:** An internal review is conducted on personnel management, quality control, and the implementation results of safety and health measures, including early warning notifications.

5. Site Inspection and Audit

- The Site Manager and engineers conduct weekly site inspections, focusing on: operational safety, construction quality, traffic flow planning, material stacking, and environmental tidiness.
- Deficiencies are recorded and tracked for improvement; before-and-after improvement comparison records must be produced as the basis for acceptance verification.

Emergency Response and Safety Management

Delpha Construction has established an emergency response process to ensure effective handling and proper management in the event of emergencies. SOPs are implemented to facilitate timely and appropriate responses to emergency incidents. Each construction site includes real-time surveillance systems connected to the site security office, allowing for immediate identification and rectification. AED devices also Installed in the office and all construction sites.



Additional Professional Training

In 2024, Delphi Construction arranged Cardiopulmonary Resuscitation (CPR) + Automated External Defibrillator (AED) training courses for all employees to enhance their basic life-saving skills. AED devices are also installed in the office and all construction sites.

Certifications

Certification	Person(s) Obtained
Construction Site Supervisor License	12
Class A Occupational Health and Safety Manager (Construction Industry)	10
Class C Occupational Health and Safety Manager (Construction Industry)	5
Occupational Health and Safety Manager	3
Construction Safety Assessment Personnel	4

Occupational Safety Expenses

Despite continuous promotion of various protection systems and educational training in accordance with the Occupational Safety and Health Act, in 2024, several occupational safety incidents occurred with fines levied by the competent authority. Improvement measures have been implemented for each violation, for details see 2024 Sustainability Report section 5.5.6.

Incidents	Number of Cases	Fine Amount
Insufficient Safety Protection Facilities	4	NT\$ 609,000
Lack of Planning and Supervision for Hazardous Operations	2	NT\$ 200,000
Abnormal Safety Control of Machinery and Equipment	1	NT\$ 100,000
Total	7 cases	NT\$ 909,000

Social Contribution

Through social engagement and establishing connections with various stakeholders such as employees, investors, customers, and the public, Delphi Construction aims to make a positive impact and demonstrate its role as an integral part of society.

Urban Renewal and Reconstruction of Dangerous Old Buildings

	The Urban Green	Huaisheng Section Project	Taiyuan Road Project
Building Time	1997	1960 ~ 1961	1965
Consolidation Time	2015 ~ 2022	2011 ~ Now	2005 ~ Now
No. of Rebuilt Households	1 Unit Demolished 28 Newly Built Units	18 Unit Demolished 100 Estimated New Units	74 Unit Demolished 402 Estimated New Units
Status	Completed Settlement.	Urban renewal approved. Construction permit obtained August 2025.	Awaiting the Market Management Office's policy announcement, feasibility study, public hearing, and the submission of the investment proposal/draft contract.
Original Issues	<ul style="list-style-type: none"> • Age of the building exceeds 30 years • No elevator • Structural integrity does not meet seismic assessment standards • Insufficient public facilities • Lack of green and beautification planning and design 	<ul style="list-style-type: none"> • Age of the building exceeds 30 years • Several illegally constructed buildings encroach on the road space, preventing the development of planned roads • Building structures are unstable and pose a risk to public safety and passage 	<ul style="list-style-type: none"> • Age of the building exceeds 30 years • The original market was found to be sea-sand house, constructed with poor-quality materials, causing severe corrosion of the steel reinforcement and compromising the structural integrity of the building • The building has been abandoned due to significant concrete degradation and spalling

Community Engagement

Delphi supports nearby communities of our projects by providing various improvements, such as clearing weeds, removes standing water, and erects fences to prevent the breeding of mosquitoes, thereby avoiding potential dengue fever outbreaks; sidewalk upgrades and garden features to enhance ecological diversity and provide nearby residents with a healthy and green recreational environment. Total amount dedicated to neighborhood services is \$4,831,900.

Supply Chain Management

Delphi Construction emphasizes the suitability and stability of suppliers through ESG risk assessment and audit procedures, in addition to regular supplier selection processes and verification.

Delphi Construction actively implements local procurement, with 100% of the procurement expenditure coming from local suppliers.

Policy

1. Integrity Management Responsibility

Suppliers must not provide gifts, bribes, commissions, intermediation fees, kickbacks, hospitality, or other improper benefits to Delphi Construction's related parties, stakeholders, or their designated individuals.

2. Social Welfare Responsibility

Suppliers should adhere to internationally recognized labor rights, such as freedom of association, collective bargaining rights, care for vulnerable groups, prohibition of child labor, elimination of forced labor in all forms, and elimination of employment discrimination. They must also ensure equal treatment without discrimination based on gender, race, socioeconomic status, age, marital status, or family situation in their human resource policies.

3. Occupational Safety Management Responsibility


Suppliers are required to provide safety training, personal protective equipment, and conduct risk assessments.


4. Environmental Protection Responsibility


Suppliers must refrain from behaviors such as illegal waste dumping or any activities that have negative environmental impacts.


5. Other Corporate Social Responsibilities for Sustainable Development


Delphi Construction regularly conducts sales workshops for its downstream product sales personnel to ensure marketing and advertising abides integrity management clauses, including no improper benefits by adopting illegal or unethical sales strategies, and to provide accurate information to customers.


- 


Freedom of association
- 

Caring for disadvantaged groups
- 

Prohibiting child labor and all forms of forced labor
- 

Collective bargaining agreements
- 

No illegal foreign migrant workers
- 

Prohibit bribery, commissions, agency fees, post-gratuities, rebates, gifts and other improper interests or activities
- 

No employment discrimination (such as equality based on gender, race, socioeconomic class, age, marital and family status)

Supplier Selection

STEP 1 Adhering to Guidelines

Internal control system as basis for screening, parameters include assessing the social and environmental responsibility risks of new suppliers to ensure compliance with internationally recognized labor rights and environmental regulations.

STEP 2 Supplier Evaluation

Supplier Category	Constructor	Sales and Design	Others
	Constructor, engineering consultant	Architect, public landscaping, and reseller	Equipment and material procurement vendors and subcontractor
Supplier Selection	1. Qualification Review <ul style="list-style-type: none"> Business qualification Engineering experience and track record 2. Content Evaluation <ul style="list-style-type: none"> Workmanship quality Delivery speed Competitive pricing Professional competence Cooperation level 	<ul style="list-style-type: none"> Market analysis Sales capability Product planning Compatibility with the project Submission content Quotation comparison 	<ul style="list-style-type: none"> Service quality evaluation Competitive pricing Workmanship quality Delivery speed Professional competence Cooperation level

STEP 3 Evaluation Audit

After each of the construction sign-off, warranty, and post-warranty phases, Delphi Construction will continue to monitor the quality and service performance of suppliers and conduct evaluations.

94 NUMBER OF SUPPLIERS

93 Level A	>80	Preferential contracting based on the current payment terms and conditions.
1 Level B	70-79	Based on the current payment terms and conditions.
0 Level C	60-69	Based on the current payment terms and conditions with an additional 15 days.
0 Unqualified	<60	Not recommended.

Note 1: The evaluation criteria include "Material/Construction Quality", "Delivery/Completion Schedule", "Price Advantage", "Professional Capability", "Cooperation" and "ESG related ISO certification".

Note 2: The evaluation threshold applies to contracts with a value of 2 million or more, excluding landowners and volume transfer suppliers.

STEP 4 Continual Improvement

In case where a non-tolerable controversy in a supplier arises, Delphi Construction will immediately cease cooperation and blacklist the offending supplier. For other controversies and issues, Delphi Construction will categorize the event into tiers, and request suppliers to provide improvement plans and measures within a time frame, and regularly review these items. If they fail to improve within the time frame, they will be listed as inferior manufacturers and will not be included in the priority list when screening suppliers in the future. Payment schedules may also be adjusted.

Review of Construction Standard Operating Procedures

Projects undertaken by Huajian Construction, strict requirements are placed on site supervisors to develop the following plans based on the project schedule, analyze and review the execution of project plans.

1 Site Investigation	2 Geotechnical review, excavation, and shoring plan	3 Ground floor elevation plan
4 Showroom plan	5 Tiling plan	6 Scaffolding plan
7 Plan for application for occupancy permits		

2024 Standard Operating Procedure Review Meetings

Huajian Construction Sites	Number of Sites	Total Hours
North	9	6
Central/South	3	36

Product Quality Management

Quality Management Department established at the end of 2023. Starting in 2024, the quality management operating system will be gradually incorporated into the construction process of new projects.

1. Three-Tier Quality Control System



Level 1

Self-Inspection by Construction Contractors



Level 2

Auditing by the Project Supervising Unit



Level 3

Spot Checks and Verification by the Quality Management Department

2. Quality Management Objectives

Core objectives to systemically strengthen construction quality and internal governance efficiency:

- Construction complies with design drawings, contracts, and technical specifications.
- Joint quality management standards by the project team, construction units, and vendors.
- Establish internal and external audit mechanisms to strengthen systemic execution and the ability to prevent defects.
- Develop standardized operating procedures, accumulate construction knowledge, and improve management efficiency.

3. Key Tasks for Construction Quality Management

Based on the building type and engineering characteristics, the **construction contractor** must formulate a quality management system before commencement of work and implement the following tasks:

- **Establish a QC Organization:** Set up dedicated quality auditing personnel and assign responsibilities based on the project scale.
- **Define Construction Methods/Work Instructions:** Establish standardized execution processes and detailed steps for each construction technique.
- **Formulate Quality Management Standards:** Clearly specify the quality requirements for every item of work and material based on design drawings and contract conditions.
- **Establish a Self-Inspection Checklist System:** On-site personnel must carry out self-inspection for every work item according to the checklist.
- **Establish a QC Document and Record Management System:** Retain construction drawings, inspection records, review documents, etc., to ensure information traceability.

4. Continuous Optimization and Internal Benchmarking

The Quality Management Department will continuously review the construction process of all projects, regularly hold cross-project reviews and share best construction practices, establishing a knowledge feedback mechanism. This is combined with the SOP review meeting system and the project progress meeting system, serving as a governance platform for timely problem notification, system correction, and accountability assignment.

Product Safety and Quality Certification

Product traceability and construction transparency are reinforced through document archiving, obtaining legal certifications, and verifying work with third-party testing, ensuring the delivered quality meets safety regulations and market expectations.

1. Construction Record and Drawing Data Management

2. Quality Assurance and Certification Issuance

All construction projects obtain relevant passing certifications and government-issued documents during the construction and completion phases, including but not limited to:

- Construction Permit and Occupancy Permit (Use License)
- Fire Safety Inspection Certificate
- Structural Safety Assurance: (i) No radioactive rebar guarantee certification, (ii) No use of sea sand concrete certification

3. Third-Party Quality Verification Reports

Third-party institutions to perform inspections after the completion of each construction stage, including:

- Steel rebar tensile strength test reports
- Concrete compressive strength test reports
- Chloride content test reports
- Fire-resistant building material inspection and certification (e.g., fire doors)
- Functionality test reports for specific facilities (e.g., emergency power generation, lightning protection, elevators, mechanical parking systems, etc.)

Customer Service and Care

Marketing and Sales Integrity

Dahua Construction adheres to the principles of "honest communication and information transparency", believing that responsible marketing and sales integrity are fundamental to establishing brand trust and customer loyalty.

The company has established control mechanisms for the consistency of advertisements, contracts, and property handover to avoid consumer disputes and misleading risks.



Three-tiered review process for advertising materials.



All public information check for consistency and documented.



No false or mis-leading information to attract customers by advertising agency.



Dedicated customer hotline and unit to handle disputes regarding product descriptions and contractual terms, and regularly compile cases for internal review.

Sustainable Warranty and Maintenance

Delpha Construction provides a "Service Manual" and "House User Manual" upon property handover. These manuals include instructions for maintenance and upkeep of building materials and equipment, information about warranty coverage, repair fees, and after-sales service. We also provide contact information for relevant suppliers, allowing customers to receive comprehensive consultation and support when needed.

Delpha Construction Warranty and Soundproofing, Charging Equipment Installation Goals

15 Structure (year)	3 Waterproofing (year)	1 Materials (year)	 Soundproofing Equipment	 Charging Pile Cable Trough
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Customer Care and Feedback



Repair Requests

Customers can call our service hotline or contact the dedicated unit to request repairs.



Schedule Site Inspection

Proactively contact the residents to arrange a site inspection. During the inspection, we will record the reported issues, confirm contact information, and review the warranty period.



Examination

Examine the defects, and once completed a professional will be appointed to explain to the customer.



Repairs

During the warranty period, Delpha Construction are responsible for repairs. After the warranty period, assistance is provided with arranging repairs.

In the event of an earthquake, Delphi Construction requires the project's responsible technician and architect to promptly conduct site inspection and examination. After ensuring there are no structural safety concerns and damages repaired, an excerpt of the Safety Appraisal Report is provided to the project sales personnel to explain the Company's post-earthquake response and handling procedures to customers.

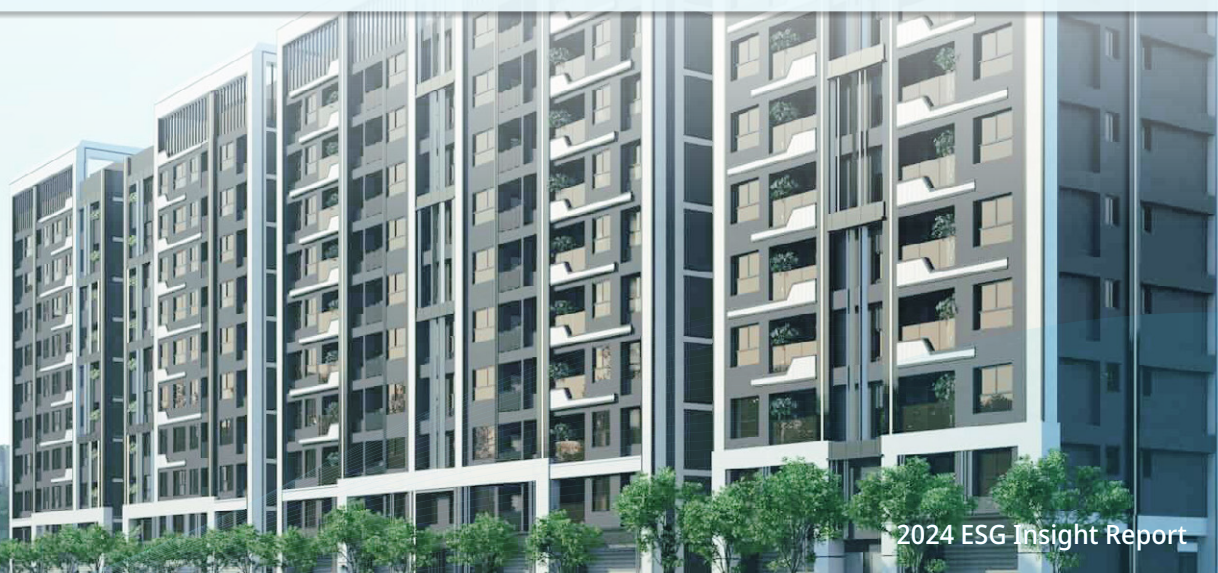
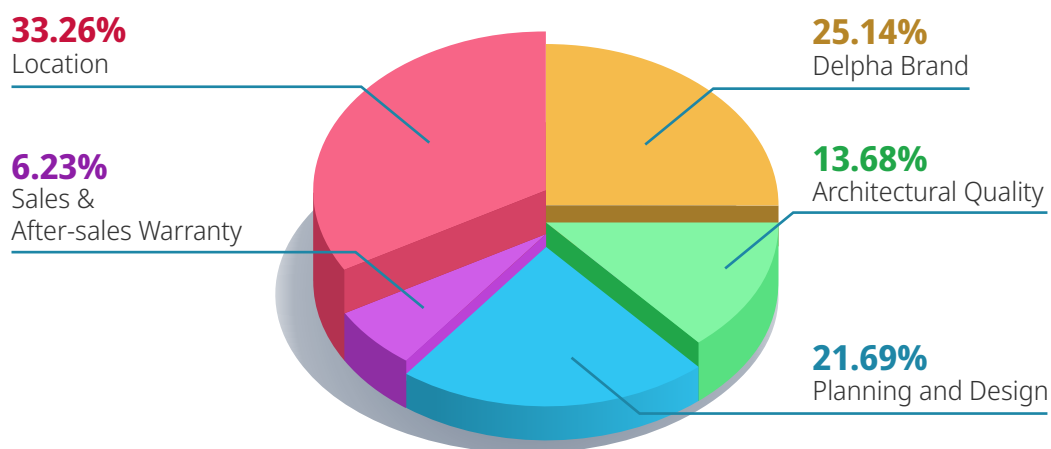
Customer Satisfaction Survey

Satisfaction surveys are conducted based on a 5-point scale (from highly satisfied to unsatisfied) during three stages: purchase, delivery, and warranty period. Improvement plans are developed for areas with lower ratings.

Customer Satisfaction Survey Results

Item	Delivery	Purchase	Warranty
Architectural planning	3.9	4.4	Customer Satisfaction Survey was not administered to customers in 2024, data for Warranty is unavailable.
Seismic design	4.1	4.4	
Visual design	4.1	4.4	
Construction schedule	3.6	4.4	
After-sales and warranty services	3.6	-	
Delivery speed	3.8	-	
Average score	3.8	4.4	

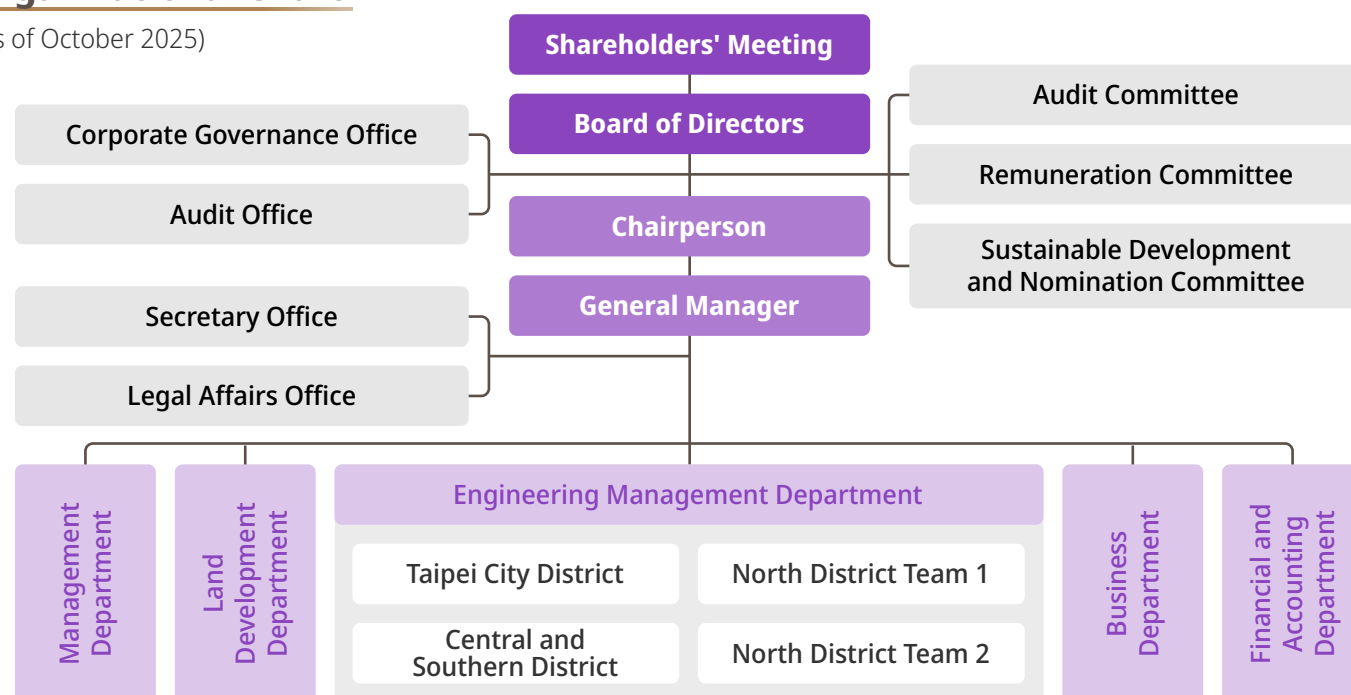
Main Reason for Choosing Delphi Construction



Governance

Organizational Chart

(As of October 2025)



Board of Directors

The current Board of Directors' term of office is from 28 June 2023 to 27 June 2026.

Title	Director Representative	Gender	2024 Board Attendance	Construction	Finance	Accounting	Law	Architecture	Operation Management	Risk Management
				Industry Experience		Professional Skills				
Chairman	Hong-Yi Investment Limited Company Cheng, Ssu-Tsung	M	100%	✓	✓				✓	✓
Director	Lee, Chin-Yi	M	100%	✓					✓	✓
Director	Yan, Ming-Hung	M	82%		✓				✓	✓
Director	Dajie Investment Co., Ltd. Tseng, Ping-Joung	M	91%	✓					✓	✓
Independent Director	Chen, Shih-Yang	M	100%			✓			✓	✓
Independent Director	Yeh, Chien-Wei	M	100%	✓			✓		✓	✓
Independent Director	Yu, Hung-Da	M	100%	✓				✓	✓	✓

Governance Highlights

43% Board Independent Representation

Independent directors have at least five years of work experience in business, law, finance, or corporate affairs.

45 Hours of Directors' Continuing Education

6 hours were dedicated to sustainability development-related training programs.

100% Independent Directors' Attendance

For 2024, the board of directors held a total of 11 meetings. Individual directors' attendance in person was 100%.

Board Diversity

Delpha is committed to creating and promoting a culture of diversity and inclusion. In the upcoming Board election at the 2026 Annual General Meeting, the Company plans to further increase the proportion of female Directors to enhance the quality of corporate governance, optimize decision-making processes, and align with global trends.

Functional Committees

C Convener ● Member

Independent Director	Audit	Remuneration	Integrity Management ^{Note} (till 12 Aug 2025)	Sustainable Development and Nomination ^{Note} (12 Aug 2025 onwards)
Yeh, Chien-Wei	●	●	C	●
Chen, Shih-Yang	C	C	●	●
Yu, Hung-Da	●	●	●	●

Note : Integrity Management Committee was dissolved on 12 Aug 2025 and the Sustainable Development and Nomination Committee was established in its place.

Audit Committee

This committee supports the Board of Directors in ensuring the quality and honesty of the Company's financial processes, accounting, and risk management.

10 meetings held in 2024
100% attendance

Compensation Committee

Its role is to assist the Board in managing the Company's overall compensation policies and the pay of directors and executives.

5 meetings held in 2024
100% attendance

Sustainable Development and Nomination Committee

The Committee is responsible for planning and overseeing the Company's sustainable development policies, promoting the integration of environmental, social, and corporate governance (ESG) practices. It also assists the Board of Directors in fostering a corporate culture that upholds integrity and ethical values, embedding these principles into the Company's business strategies.

Additionally, the Committee oversees matters related to the nomination and evaluation of directors to ensure a diverse and professional Board composition, thereby enhancing the corporate governance framework

Integrity Management Committee was dissolved on 12 Aug 2025. Its integrity management role and responsibilities to strengthen the Company's operational transparency and legal compliance culture (including anti-corruption mechanisms, stakeholder management, and whistleblowing systems) will be assumed by the Sustainable Development and Nomination Committee.

1 Integrity Management Meetings held in 2024
100% attendance

Executive Pay

Remuneration paid to each Director (including the Independent Directors), General Manager and Vice President is disclosed in 2024 Annual Report, including base compensation, severance pay (if any), director's compensation, allowance, salary, bonuses and employee compensation.

Sustainability Linked Pay

Delphi Construction explicitly links the compensation mechanisms for senior managers and department heads to ESG key performance indicators.

ESG-related performance is incorporated into the annual performance-based compensation evaluation framework, which is then passed down to all levels of management, ensuring that ESG objectives are concretely implemented in all departmental operations.

ESG performance indicators cover areas such as operational performance, construction quality and safety, risk management, corporate governance, integrity management, talent development, and supply chain sustainability.

External Board Performance Evaluation

In 2022, "Taiwan Corporate Governance Association" conducted an external performance evaluation of the board of directors and provided 3 evaluation recommendations, see implementation of the recommendations below:

Recommendations	Implementation
1. Establish an independent director (or audit committee) to directly receive whistleblower emails, thereby enhancing the independence and credibility of the whistleblower mechanism.	Implemented in 2023. Whistleblower email reporting channel is directed to Galaxy Attorneys-at-law, the legal practice of independent director Yeh Chien-Wei.
2. Involve audit committee members in the annual performance assessment of managers.	Implementation in 2024.
3. Integrate the risk management processes of the internal audit and risk management teams to comprehensively assess the Company's risks and regularly report the execution of risk management to the board of directors.	Implemented in 2023.

Ethics and Integrity Management

In August 2025, Delphi Construction established Sustainable Management and Nomination Committee replacing the Integrity Management Committee and continues the role of integrity management under the supervision of the board of directors. The Corporate Governance Office serves as the dedicated unit responsible for promoting the operation of corporate integrity management.

Director

- "Integrity Management Principles", "Integrity Management Committee Procedures", "Integrity Management Operating Procedure and Behavior Guideline", requires directors to act in compliance with ethical standards, and no fraudulent intentions or deceptive behaviors are allowed.
- It is strictly forbidden to use Company property, non-public information or use positions held to obtain improper benefits for themselves (or relatives).

Employee

- Organize integrity management training courses as needed and develop internal SOPs to ensure a comprehensive understanding of the relevant operational standards that should be followed.
- Supervise employees' anti-corruption and integrity principles, and actively educates internal employees to report through whistleblowing channels.
- Integrity is included in the assessment of senior executives.

Supplier

- Integrity management clauses are included in contracts, requiring suppliers to commit to adhering to the integrity management policy and restraining their employees from directly or indirectly offering, promising, requesting, or accepting any improper benefits or engaging in other dishonest acts or actions that violate entrusted obligations during business operations.

Insider

- Delphi Construction has established the "Operation Procedures for the Processing of Material Information" and the "Operation Procedures for Prevention of Insider Trading".
- To prohibit Company insiders from using undisclosed information on the market to buy and sell securities to protect the rights and interests of shareholders and the general public.

Click for Details of Delphi Construction's Regulations

CLICK



Implementation of Related Integrity Management Principles

Principle	Year Formulated	Goal
Code of Practice on Corporate Governance	2017	Establish a sound corporate governance system for Delpha Construction.
Integrity Management Principles	2021	The implementation of the corporate culture and policy of integrity management has enabled Delpha Construction to operate continuously.
Sustainable Development Code of Conduct (Former: Corporate Social Responsibility Code of Conduct)	2021	Implement corporate social responsibility and promote economic, environmental, and social progress and sustainable development.
Measures for Reporting and Handling Cases of Illegal and Immoral or Dishonest Behavior	2021	In order to implement ethical behavior and operate with integrity, we encourage reporting any behavior that does not comply with laws and regulations and violates the Company's "Integrity Management Principles" or other internal regulations.
Integrity Management Committee Procedures (repealed in 2025)	2022	Set standards for the effective functioning of the Integrity Management Committee.
Integrity Management Operating Procedure and Guideline	2022	Engage in business activities with fairness, honesty, trustworthiness, and transparency to actively prevent dishonest behavior.
Sustainable Development and Nomination Committee Procedures	2025	To formulate standards to ensure the effective operation of the Sustainable Development and Nomination Committee.

Whistleblowing/ Complaint Reporting System

A reporting and whistleblower complaint channel is established to ensure whistleblowers are not subjected to unfair treatment such as dismissal, termination, salary reduction, or other improper actions because of their reporting. Delpha Construction also takes emergency protection measures when there is a risk of harm to whistleblowers due to their reporting.

For 2024, there were no reports of illegal activities received by Delpha Construction.

1. Internal Whistleblowing Cases

Delpha Construction has formulated "Employee Opinion Box Implementation Policy and Principles", when employees discover illegal or improper conduct, they can make a formal and detailed complaint by providing their names and describing the reported incidents. The cases will be personally handled by the General Manager.

2. External Whistleblowing Cases

In accordance with "Measures for Reporting and Handling Cases of Illegal and Immoral or Dishonest Behavior", and recommendations by external board evaluation consultant, Delpha Construction provides an independent whistleblowing email (yecharles@galaxylaw.com.tw) and have published it with regulating policies on the official website. Galaxy Attorneys-at-law, the legal practice of independent director Yeh Chien-Wei, acts as the dedicated unit responsible for receiving complaints, consolidating all reported incidents, documenting the handling process, and implementing follow-up review and improvement measures and report to the Board of Directors as appropriate.

Sexual Harassment Prevention

Delpha Construction has established a "Workplace Sexual Harassment Prevention, Measures, Grievance and Disciplinary Measures Policy" to protect employees from threats of sexual harassment, promote the concept of gender equality, and create a diverse, friendly working environment.

1. Workplace Sexual Harassment Complaint Handling Committee

The number of female committee members shall not be less than half. The employer and the employee representatives are jointly formed to be responsible for handling sexual harassment complaints in the workplace, and give appropriate punishments based on the results of the review.

2. Case Handling

The investigations of sexual harassment incidents are conducted in a confidential manner. The investigation process attaches great importance to the privacy of the parties, gives the parties sufficient opportunities to express themselves, and provides relevant psychological counseling care.

Not received any relevant illegal reports in 2024.

Legal Compliance and Internal Control

Internal Control System

The Audit Office is responsible for conducting audits based on the internal control system. They annually develop an audit plan for the following year, which is submitted to the Board of Directors for approval and subsequent implementation. After conducting audits, the Audit Office prepares audit reports and regularly presents them at Board of Directors meetings.

Legal Compliance

The Delpha Construction management periodically reports to the Board of Directors and the Audit Committee on matters related to professional ethics and legal compliance. They are responsible for overseeing the implementation of professional ethics and conducting investigations and disciplinary actions in reported cases.

To ensure compliance with government regulations in real estate transactions, Delpha Construction continues to promote integrity, insider trading regulations, intellectual property rights, personal data protection, contract formulation, and other relevant laws and regulations. Regular educational training sessions are conducted, and real estate-related regulations are closely monitored (construction, land administration, land development). Through dedicated employee development to achieve sustainable business operations.

Legal Compliance Commitment



Human Rights Regulations

- Compliance with Labor Laws
- No Use of Child Labor
- No Forced Labor
- Non-discrimination (including race, gender, nationality)
- Respect Indigenous Rights Projection
- Respect Freedom of Association



Company-related Regulations

- No Violation of Company Law
- No Violation of Securities and Financial Regulations
- No Violation of Commercial Accounting Laws
- No Involvement in Corruption Cases
- No Political Donations



Anti-competitive Behavior

- No Involvement in Anti-competitive Behavior
- No Cases of Monopolistic Practices

Anti-Corruption

Supplier Integrity Policy

The integrity (anti-corruption) clause, centers around "prohibiting employees from accepting gifts or other benefits as a condition of business dealings", serves as a measure to prevent "bribery" and "accepting unreasonable gifts, entertainment, or other improper benefits".

Integrity (anti-corruption) clause was 100% adopted in 2024.

2024 Total suppliers	291
Number of Contracts with Statement of Integrity (Anti-Corruption) Provisions	291