



大華建設

2025

ESG

INSIGHT REPORT





Delphi Construction has earned international recognition by securing a “Low Risk” ESG rating of 13.3 from Sustainalytics in March 2026 — achieving lowest risk rating for construction industry at a time when the industry is widely exposed to elevated ESG risks, the Company's standout performance places it firmly at the forefront of Taiwan's industry.



SUSTAINALYTICS
ESG Risk Rating

13.3
Low Risk

Delphi Construction initiative of "Natural Architecture" harkens a return-to-nature; while actively responding to the international environmental protection trends and social needs; and strives to use environmentally friendly building materials and obtain green building certification into upcoming projects. Sustainable management is Delphi Construction's primary goal.

Delphi Construction invests and constructs residential and office buildings as its core business, and does not focus on property management or commercial space leasing.

✦ Environmental Goals and Performance

	Unit	2025	2025 Target	2030 Target
GHG Intensity Reduction				
Delpha Construction	tCO ₂ e/ NTD million	0.0104	≦ 0.0080	0.0075
Huajian Construction		1.7390✔	≦ 2.00	1.90
Huachien Development		0.0776✔	≦ 0.0800	0.0700
Water Intensity Reduction				
Delpha Construction	m ³ / NTD million	0.0896	≦ 0.0850	≦ 0.0850
Huajian Construction		2.8665✔	≦ 7.00	≦ 5.5
Huachien Development		2.2225✔	≦ 2.9000	≦ 2.6000
Construction Waste Intensity				
Huajian Construction	tons/NTD million	1.386 ✔	≦ 1.50	≦ 1.35
Green Building Certification				
All building projects launched within Taipei area plan to obtain green building certificate ✔				

✦ Social Goals

Occupation Health and Safety	Obtain ISO 45001 Certification (2030)
Employee Grievance Resolution	100% resolution rate (2030)
Employee Satisfaction	80%
Customer Satisfaction	Above 4.5

✦ Social Performance

Customer Satisfaction Survey Results: Settlement	4.0 ★★★★★
Customer Satisfaction Survey Results: Purchase	4.6 ★★★★★
Welfare Subsidies	NTD\$ 19.17 million
Labor Disputes	0
Occupational Disasters, Accidents, and Diseases	0

✦ Governance Goals

Anti-Corruption Employee Training	80% participation rate
Ethics Risk Evaluation	Annually

✦ Governance Performance

Functional Committee Attendance	100% for All Committees
Board Independence	50%
Whistleblowing System with Non-retaliation Policy	Internal and External Channels
Reports of Illegal Activities	0



ENVIRONMENTAL

GHG Emissions (tCO₂e)

Unit: tCO ₂ e	2023	2024	2025
Category 1: Direct GHG emissions and removals			
Delpha Construction	4.0748	2.7217	6.4603
Huajian Construction	4.3702	92.6653	19.5087
Huachien Development	0.2702	0.4750	0.4750
Category 2: Indirect GHG emissions from imported energy			
Delpha Construction	44.6492	47.2369	57.7718
Huajian Construction	1,698.0924	1,366.5671	893.8139
Huachien Development	0.3522	0.1967	0.1443
Category 3: Indirect GHG emissions from transportation			
Delpha Construction	-	1.3554	1.3242
Huajian Construction	-	0.5545	0.1832
Huachien Development	-	-	-
Category 4: Indirect GHG emissions from products used by an organization			
Delpha Construction	0.0682	0.0739	0.0806
Huajian Construction	0.8666	4,267.9361	3,587.4722
Huachien Development	0.0075	0.0024	0.0017
Total GHG Emissions			
Delpha Construction	48.7922	51.3878	65.6369
Huajian Construction	1,703.3292	5,727.7229	4,500.9779
Huachien Development	0.6299	0.6741	0.6210
GHG Intensity (tCO₂e/ NTD million)			
Delpha Construction	0.0251	0.0084	0.0104
Huajian Construction	0.9552	2.1236	1.7390
Huachien Development	0.0734	0.0777	0.0776

Delpha Construction failed to meet its short-term targets for GHG reduction and water intensity reduction primarily due to an increase in headcount, leading to higher office space utilization and increased demand for electricity and water. Moving forward, the company will continue to promote energy and water conservation initiatives and daily management measures, while tracking the impact of staffing changes on energy and water usage to progressively improve resource efficiency.

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	2025
Water Consumption			
Delpha Construction	561.9800	539.5301	567.5465
Huajian Construction	2,280.8364	19,118.0386	7,419.3726
Huachien Development	32.0000	25.3205	17.7797



Unit: m ³	2023	2024	2025
Water Intensity (m³/ NTD million)			
Delpha Construction	0.2892	0.0886	0.0896
Huajian Construction	1.2791	7.0882	2.8665
Huachien Development	3.7278	2.9201	2.2225

Waste Management

	2023	2024	2025
Construction waste (tons)	19,358	12,544	12,548
GHG Emissions (tCO ₂ e)	-	4,263.1953	3,587.3916
Waste Intensity (tons/ NTD million)	-	1.5806	1.3860

In 2025, 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



Waste
Sorting

Sustainable Building Lifecycle

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

Building Planning and Design 1

Incorporate sustainable concepts and consider the lifecycle of the building.

Building Materials Production and Transportation 2

Choose sustainable and green building materials.

Construction and Building Process 3

Implement innovative construction methods to minimize environmental impact.

Building's Daily Operation 4

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

Building Renovation and Repair 5

Proper maintenance ensures the longevity of the building.

Building Demolition and Waste Management 6

Handle construction waste properly to avoid secondary environmental pollution.

Material Treatment and Recycling 7

Reuse materials, approach disposal from a recycling perspective.

Green Buildings

✕ GOALS

Short Term	Strengthen Green Building Certification Management	100% new construction projects in Taipei City to obtain green building certification
Mid Term	Increase Green Building Certification Percentage	Gradually increase green building label percentage.
Long Term	Expand Scope of Green Building Certification	Expand to other locations, increase building energy saving, GHG reduction and resource efficiency.



✘ Green Building Certification and Evaluation Indicators

Projects	The Urban Green	Urban Renewal Projects		Center for the Future	Yishin Section	Fengming Section new
Certification Index	Silver	Huaisheng Section	Taiyuan Road	Silver	Bronze	Silver
1.Biodiversity						△
2.Greenery	★	▲	▲	●	▲ new	△
3.Base water retention	★	▲	▲	●	▲ new	△
4.Daily energy saving	★	▲	▲	●	▲ new	△
5.Carbon dioxide reduction		▲	▲	●		△
6.Waste reduction		▲	▲	●		△
7.Indoor environment		▲		●		△
8.Water resources	★	▲	▲	●	▲ new	△
9.Sewage and waste reduction	★	▲	▲	●	▲ new	△

★ Green Building Label Certificate ● Green Building Candidate Certificate ▲ Green Building Candidate Certification to be applied.
△ Assessment of certification indicators for application, Green Building Candidate Certification to be applied.

✘ Green Building Certification Progress since 2020

Delphi construction initiated a transformation since 2020, progressively incorporating green building standards into the planning and development management of new projects. Prior to 2020 a unified foundation for green building certification statistics and management had yet to be developed and were mostly early-stage developments.

Green Building Certification	No. of Projects	As Percentage of Projects since 2020
Label Certificate Obtained ★	1	4%
Candidate Certificate Obtained ●	1	4%
Candidate Certificate to be applied ▲	4	15%
Yet to be included in green building certification planning	20	77%
Total	26	100%

Green Materials aligned with SDGs

 Reduce Pollution	 Low-carbon Operations	 Indoor Health and Comfort	 Green Energy	 Circular Sustainability
<ul style="list-style-type: none"> ● Low VOC emission interiors ● Water based cement paint ● Prioritize green materials for ceiling and partition walls ● Adhesives and grout 	<ul style="list-style-type: none"> ● Low-E Glass (low emissivity) ● Water Resource Automatic Irrigation System 	<ul style="list-style-type: none"> ● Soundproof Flooring ● Airtight/ Soundproof windows ● Air Purification System ● Water Filtration System ● Dust prevention screen, water drainage and ventilation, elevator purifying equipment 	<ul style="list-style-type: none"> ● EV Charging Stations and Dedicated Charging Cable Trench ● Aluminum Busways and Charging Pile Energy Management System 	<ul style="list-style-type: none"> ● Rainwater Harvesting ● Water-saving Toilet ● LED Motion Sensor Lights ● Permeable Concrete

Raw Material Purchasing Policy

Delphi Construction and Huajian Construction ensure 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. **100% local procurement of raw materials.**



Building Property Portfolio Mix

Planned Purpose	No.of Projects	Percentage
Residential	24	34%
Commercial	4	6%
Shopfront/Residential/Commercial Mixed	6	7%
Shopfront/Residential Mixed	40	46%
Shopfront/Commercial Mixed	2	3%
Residential/Commercial Mixed	3	4%

Smart Buildings

Plans to apply the Smart Building Silver Candidate designation for New Taipei SanYing Redevelopment District. Initial self-assessment was performed. The project's design concept integrates hardware and software, and 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 Delpha Construction serves as the highest supervisory body for climate policy and risk management. The Sustainable Development and Nomination Committee (functional committee) receives reports on the implementation status of both risk management and sustainability development.

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

Referring to TCFD, ISO 14064, and other disclosure recommendations to compile a list of relevant climate risk and opportunity factors.



Identification of risks and opportunities

The Risk Management Team conducts scenario analysis on short, medium, and long-term climate-related risks and opportunities factors.



Ranking of material risks and opportunities

Coordinate with relevant departments to assess the potential impacts and consequences of climate-related risks and opportunities and ranking.

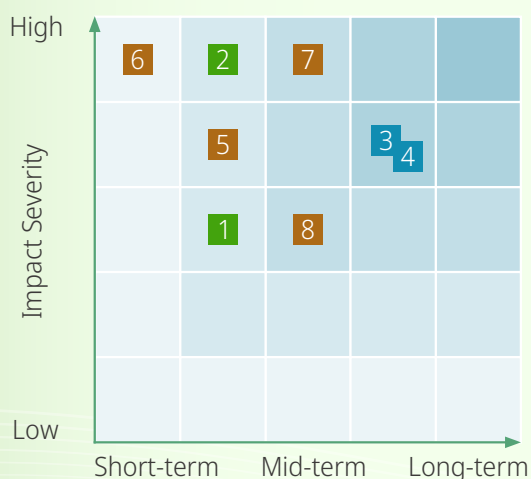


Compilation of the potential financial impacts

Examine the potential financial impacts of identified risks and opportunities to develop response strategies.

✦ Climate Change Materiality Matrix (Risks and Opportunities)

For response strategies of risks and opportunities, see 2025 Sustainability Report section 3.1.4.



Transition Risks

- 1 Supply Chain Impacted
- 2 Waste Management Risk

Physical Risks

- 3 Average temperature increase risk
- 4 Extreme weather downpour risk

Opportunities

- 5 Waste Management and Circular Economy
- 6 Enhance building and operating energy efficiency
- 7 Supply Chain and Procurement resilience
- 8 Implement digital and modular building techniques



SOCIAL

Employee Demographics

Company	Delpha Construction		Huajian Construction	
Age \ Gender	Male	Female	Male	Female
Employee Count	24	32	78	3
Total	56		81	
M:F Ratio	1	1.33	1	0.04
Average Age	41		31	

Employee Turnover

Company	Delpha Construction		Huajian Construction	
Age \ Gender	New Employees	Exited Employees	New Employees	Exited Employees
Total	18	9	29	15
New/Exited Ratio	32%	16%	36%	19%

Huachien Development did not have any employees in the past year.

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 consider market competitiveness and also emphasize fairness and reasonableness in salary distribution.

✦ Non-supervisory full-time employee salaries

	Employee Average	Employee Salary Median	Employee Salary Average	Industry Competitor Average	Compared to Industry Average
Year	Persons	NTD Thousand / Person			
Delpha Construction					
2023	30	959	1,135	905	+230
2024	31	1,104	1,137	974	+163
2025	36	1,008	1,151	963	+188
Huajian Construction					
2023	29	833	978	-	-
2024	54	864	964	-	-
2025	55	973	1,052	-	-

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.

2025 Gender Pay Equality

Company	Delpha Construction		Huajian Construction	
Gender	Male	Female	Male	Female
Person	16	23	53	2
Pay Ratio (Males as 1)	1	0.81	1	0.40

Human Rights

Delphi 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. Delphi Construction and Huajian Construction each held 4 labor-management meetings in 2025.



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 Penalty of Sexual Harassment" 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."

Employee Welfare



Employees' Welfare Committee

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

2025 Employee Welfare Committee Subsidies **NT\$6,729,096**



Welfare Subsidies

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

2025 Welfare Subsidies **NT\$19,168,216**



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.

1 male employee used parental leave in 2025.



Club Participation

Golf Club
Yoga Club
Badminton Club
Basketball Club



Employee Insurance

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



Health Checkups

Subsidize health check-ups every 2 years.



Employee Housing Purchase Discounts

Discounted home purchase plan every 5 years.



Performance Bonuses/Incentives

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



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.



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.

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

Average Training Hours per Person

Delphi Construction

Male 9.25 hours
Female 16.14 hours

Huajian Construction

Male 15.67 hours
Female none

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.





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

1st month: HR Care Interview

Assist with employees' initial adjustment and early adaptation.

2nd month: Mentor Work Interview

Conduct one-on-one with a mentor to discuss familiarity with job duties and learning support.

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.

If the assessment reveals difficulties in adaptation, the probation period may be extended or advice for transfer/reassignment may be provided.

Mentorship Program

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:

- Work Guide
- Workplace Culture Integrator
- Feedback Communication
- Growth Facilitator

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.

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



Talent Retention Strategies and Employee Relations Management

Target: Mid-to-Senior Executives



Cross-Generational Communication and Workplace Inclusion

Target: Management Trainees and Mid-to-Senior Executives



Deepening Managerial Responsibility and Role

Target: Management Trainees and Mid-to-Senior Executives



Sexual Harassment Prevention Education and Training

Target: All Employees



Workplace Harassment Prevention Awareness Course

Target: Management



Seminar on Corporate Integrity and Ethical Business Practices — Prohibition of Insider Trading and Related Case Studies

Target: Management

✦ Performance Evaluation

Delphi Construction conducts performance evaluation, where content varies depending on the position and department, and is used for promotions, salary adjustments, employee compensation, and the distribution of performance bonuses. The evaluation system applies to all permanent employees without differentiation based on gender, age, job rank, or job title.

In 2025, all permanent employees completed their performance appraisals.

**[Mid-Year] Promotion 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.

[End of Year] Bonus Evaluation

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**

Delphi 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.

Continued Education and Professional Training

Delphi 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

Delphi 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 2025 Sustainability Report Section 5.5.1.

Occupational Health and Safety

OHS Targets	2025	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 out-sourced 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.



In 2025, the total working hours of all employees in Delpha Construction amounted to 277,488 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

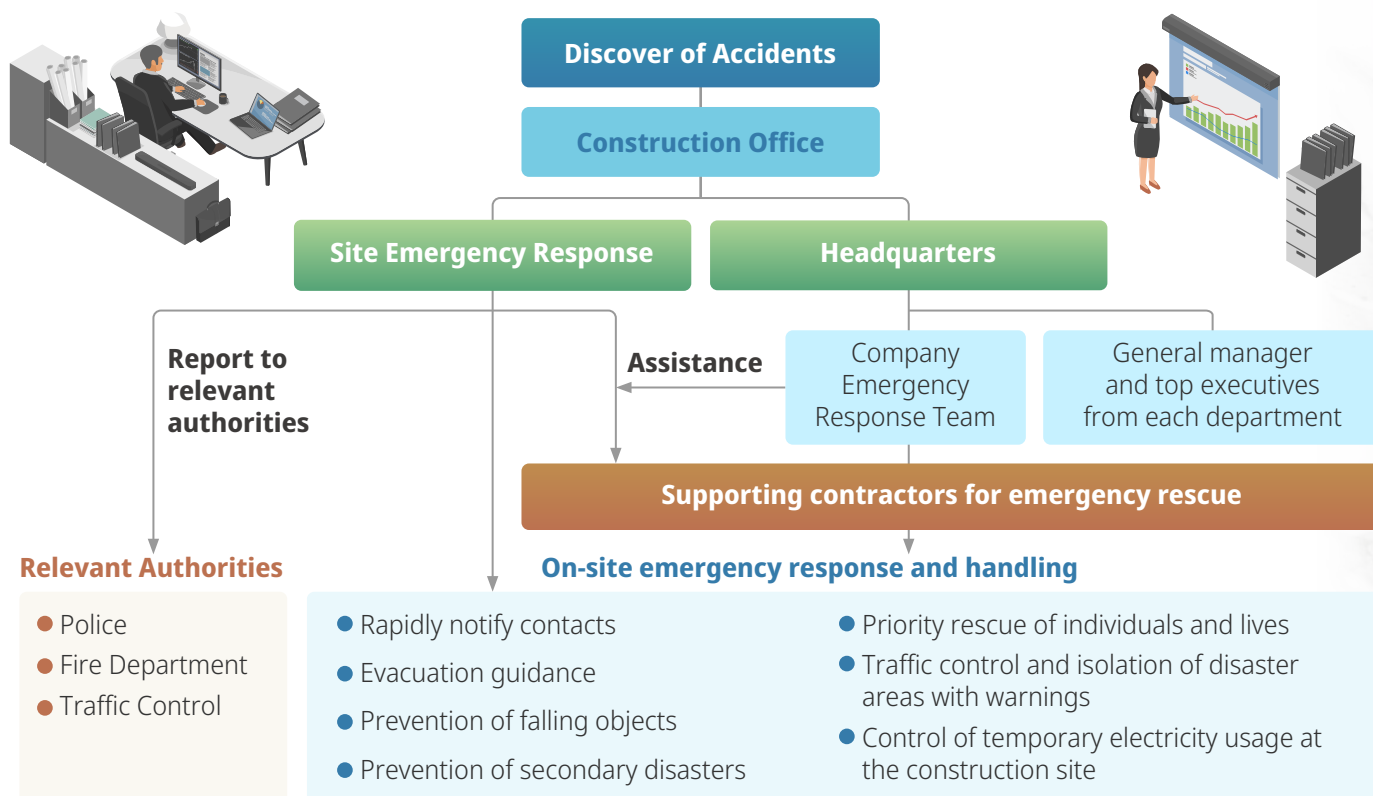
- **08:00 Site Morning Meeting:** Chaired by the on-site person in charge. Safety and health regulations and site operation rules are announced. The use of protective equipment is confirmed and logged on the safety bulletin board.
- **15:30 Work Crew Meeting:** Supervisors of each work trade daily review 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.



Certifications

Certification	Person(s) Obtained
Construction OHS Management	14
Labor Safety Management	11
Construction Industry Manager License	17
General Safety Training	4
Hazard Analysis Personnel	1
Emergency Respondent	7
Quality Control Engineer	2

Occupational Safety Expenses

All fines were paid, incidents rectified, and reviewed in accordance with regulations. Furthermore, the company has strengthened on-site safety management to mitigate the risk of similar incidents recurring through contractor management, site inspections, safety training, and high-risk operation control mechanisms. Improvement measures implemented for each violation detailed in 2025 Sustainability Report section 5.6.6.

Incidents	Number of Cases	Fine Amount
Insufficient fall prevention and opening protection	1	\$300,000
Inadequate management involving contractors and subcontractors	2	\$250,000
Falling debris risk and work suspension for rectification	1	work suspension notice
Total	4 cases	NT\$ 550,000

Social Contribution

Through social engagement and establishing connections with various stakeholders such as employees, investors, customers, and the public, Delpha 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

Reconstruction of dangerous and old building structure.

- Settlement Completed



Huaisheng Section Project

Urban Renewal

- Construction permit obtained August 2025.



Taiyuan Road Project

Urban Renewal

- Awaiting local government policy announcement, feasibility study, public hearing, and the submission of the investment proposal / draft contract.

✦ Community Engagement

Delpha supports nearby communities of our projects by providing various improvements, such as clearing and maintaining drainage, improvement of surrounding safety and cleanliness, upgrades to public spaces and maintenance. Total amount dedicated to neighborhood services is \$5,048,280.

Supply Chain Management

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

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

✦ Policy

1. Integrity Management

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

2. Human Rights and Diversity Acceptance

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

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

4. Environmental Protection

Suppliers must refrain from behaviors such as illegal waste dumping or any activities that have negative environmental impacts and cooperate with Delpha Construction and authorities regarding environment protection requirements.

5. Other Corporate Social Responsibilities for Sustainable Development

Suppliers shall support Delpha Construction in promoting sustainable supply chain management, and comply with relevant laws, regulations, contracts, and the company's sustainability management requirements.



Freedom of association



Prohibiting child labor and all forms of forced labor



Caring for disadvantaged groups



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



Collective bargaining agreements



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



No illegal foreign migrant workers

✦ 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



Legal Compliance



Labor Rights



Diversity and Equality



Occupational Health and Safety



Anti-corruption and Integrity Management

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.

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

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

* 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 have strict requirements 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		
27 Construction Standard Operating Procedure Review Meetings (81 Hours) were held.		

Product Quality Management

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.

Digitalized Quality Management and Product Quality Training

Delphi Construction has rolled out Building Information Modelling (BIM) systems in phases starting in 2025. Site supervisors and staff attended external BIM training in 2024. BIM operations were initiated on the Huaisheng Section urban renewal project in Taipei City as a pilot baseline, with plans to expand its application across future projects based on project scale, complexity, and operational needs.

The Company deployed Microsoft Project management software across all job sites and completed external training for all engineering staff in 2025. This tool enables site personnel to schedule project timelines, track critical milestones, allocate resources, and review progress deviations—linking directly to quality and cost controls to boost project transparency and managerial efficiency.

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

Delphi 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.

Complete the pre-sale housing information and standardized sales contracts, while ensuring consistency across advertising, promotional flyers, model homes, reception center displays, and contract terms.

Explicitly stipulates good-faith sales obligations in its agency agreement, requiring the real estate agency to refrain from influencing market order through false information, fictitious transactions, or misleading practices.

The sales agency center regularly reports on the status of reservations, contract signings, and payment collections. These are reconciled using reservation forms, sales contracts, payment records, and sales management reports to ensure consistency across sales information, transaction terms, contract details, and payment records, thereby keeping transaction data complete and fully traceable.

✦ Sustainable Warranty and Maintenance

15 Years

Structure
Warranty

3 Years

Waterproof
Warranty

1 Year

Building Materials
Warranty

Sound
Proofing

EV Charging
System

Customer Care and Feedback


Repair Requests

Schedule Site Inspection

Examination

Repairs

During the warranty period, Delphi Construction is responsible for repairs.

After the warranty period, assistance is provided with arranging repairs.

Reported repair requests

2,370

In Progress

529

Repairs Completed

1,841



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	4.1	4.7	Customer Satisfaction Survey was not conducted for customers in 2025, therefore data for warranty is unavailable.
Seismic design	4.1	4.9	
Visual design	4.2	4.4	
Construction schedule	4.0	4.5	
After-sales and warranty services	3.7	-	
Delivery speed	3.7	-	
Average score	4.0	4.6	

✦ Customer Privacy Protection

Personal data protection management policies and measures are in place to safeguard customer data security and privacy rights.

Management

- Cross Departmental Task Force
- Informed Consent
- Supplier/Partners

Supervision

- Access Control & Encryption
- Internal Audits
- Incident Response

Training and Performance

- Training and education
- 0 customer complaints regarding personal data leaks in 2025



GOVERNANCE

Governance Highlights

50% Board Independent Representation

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

2 Female Director Elected

2026 AGM re-election.

42 Hours of Directors' Continuing Education

15 hours dedicated to sustainability development-related training programs.

100% Independent Directors' Attendance

For 2025, the board of directors held a total of 10 meetings. Individual directors' attendance in person was 100%.

Current Board of Directors

The Board of Directors re-election during 2026 AGM.

The current term of office begins from 26th June 2026.

Title	Director Representative	Gender	Functional Committee		
			Audit	Remuneration	Sustainable Development and Nomination
Chairman	Hong-Yi Investment Limited Company Wu, Yu-Guo	M			
Director	Hong-Yi Investment Limited Company Chen, Yung-Hsin	F			
Director	Dajie Investment Co., Ltd. Tseng, Ping-Joung	M			
Director	Dajie Investment Co., Ltd. Huang, Po-Hsiang	M			
Independent Director	Chen, Shih-Yang	M	✓	✓	✓
Independent Director	Yeh, Chien-Wei	M	✓	✓	✓
Independent Director	Hsu, Chao-Ching	M	✓	✓	✓
Independent Director	Yang, Pin-Hui	F	✓	✓	✓

Board Diversity

Delpha is committed to creating and promoting a culture of diversity and inclusion. The current Board members (including Independent Directors) possess diverse professional backgrounds such as law, accounting, construction, finance, marketing, and technology, as well as a wide range of professional skills and industry experience. 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.





2025 Board of Directors and Functional Committees Attendance

This term of office was from
28 June 2023 to 26 June 2026.

○ Convener ● Member

				Functional Committee		
Title	Director Representative	Gender	Board	Audit	Remuneration	Sustainable Development and Nomination* (12 Aug 2025 onwards)
Number of Meetings Held			10	8	4	2
Chairman	Hong-Yi Investment Limited Company, Cheng, Ssu-Tsung	M	100%			
Director	Lee, Chin-Yi	M	100%			
Director	Yan, Ming-Hung	M	90%			
Director	Dajie Investment Co., Ltd. Tseng, Ping-Joung	M	100%			
Independent Director	Chen, Shih-Yang	M	100%	○ 100%	○ 100%	● 100%
Independent Director	Yeh, Chien-Wei	M	100%	● 100%	● 100%	○ 100%
Independent Director	Yu, Hung-Da	M	100%	● 100%	● 100%	● 100%

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

✦ Sustainable Development and Nomination Committee

The Committee is responsible for planning and overseeing the Company's sustainable development policies, promoting the integration of 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.

Executive Pay

Remuneration paid to each Director (including the Independent Directors), President and Vice President is disclosed in 2025 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 2025, "Taiwan Corporate Governance Association" conducted an external performance evaluation of the board of directors for the period 2024.11.1 to 2025.10.31. Overall evaluation: the Board of Directors maintains a professionally diverse composition aligned with current operational needs and fosters open, consultative decision-making, while the company continuously strengthens board functions and governance effectiveness through dedicated functional committees

Recommendations provided for amendments and implementation status:

Recommendations by the Association	Implementation
Sustainability Governance and Board of Directors	
Invite Chairman and senior executives onto Sustainable Development and Nomination Committee	Plans to incorporate.
Remuneration Committee to link ESG development with senior executive performance	✓ Policy already in place.
Include other genders onto Board	✓ Current board has 1 female director since 2026 AGM re-election.
Board Governance and Support Mechanisms	
Update Corporate Governance Code of Conduct	✓ Completed, updated 2025.12.18 by resolution of the Board.
Formalize the ad-hoc major incident escalation framework, explicitly defining event criteria, reporters, deadlines, channels, and authorization levels.	Scheduled into 2026Q4 task.
Prepare annual budget and report to Board of Directors.	Included as 2026 target.
Information Transparency and Communication	
Corporate website shows whistleblower email and uses independent director's personal email.	✓ Updated as of Oct 2026
CPA attendance during Board meetings to address inquiries	Request for CPA attendance from 2025Q4 board meetings → on track

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**

1. "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.
2. It is strictly forbidden to use Company property, non-public information or use positions held to obtain improper benefits for themselves (or relatives).

Supplier

1. 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.

Employee

1. 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.
2. Supervise employees' anti-corruption and integrity principles, and actively educates internal employees to report through whistleblowing channels.
3. Integrity is included in the assessment of senior executives.

Insider

1. Delphi Construction has established the "Operation Procedures for the Processing of Material Information" and the "Operation Procedures for Prevention of Insider Trading".
2. 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  Click for Details of Delphi Construction's Regulations

✕ Implementation of Related Integrity Management Principles

Principle	Year Formulated	Goal
Corporate Governance Code of Conduct	2017	Establish a sound corporate governance system for Delphi Construction.
Integrity Management Principles	2021	The implementation of the corporate culture and policy of integrity management has enabled Delphi Construction to operate continuously.
Sustainable Development 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 Operating Procedure and Guideline	2022	Engage in business activities with fairness, honesty, trustworthiness, and transparency to actively prevent dishonest behavior.
Employee Opinion Box Implementation Policy and Principles	2022	Facilitate employee communication channels,
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 2025, 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 has 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 2025.

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 2025.

2025 Total suppliers	368
Number of Contracts with Statement of Integrity (Anti-Corruption) Provisions	368