



DELPHA CONSTRUCTION CO., LTD.

## Operation Procedures for Prevention of Insider Trading

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### Chapter 1 – General Provisions

#### Article 1. Purpose

These Regulations are established in accordance with applicable laws and the Company's "Regulation and Policy Control Procedures" and "Detailed Rules for Regulation and Policy Control." All management concerning the prevention of insider trading shall be conducted in accordance with these Regulations.

#### Article 2. Regulated Persons under Insider Trading Provisions

According to Article 157-1, Paragraph 1 of the Securities and Exchange Act, the following people are subject to the prohibition of insider trading:

1. Directors, managers, and natural people designated under Article 27, Paragraph 1 of the Company Act to perform duties on behalf of the juristic people of the Company.
2. Shareholders holding more than ten percent (10%) of the Company's shares.
3. People who acquire information due to professional or control relationships.
4. Persons who have lost any of the identities described in the preceding three subparagraphs within the past six months.
5. People who acquire information from those described in the preceding four subparagraphs.

#### Article 3. Securities Subject to Insider Trading Regulation

The financial products subject to regulation under these Regulations include those traded on the TWSE, over-the-counter markets (TPEX or Emerging Stock Market), or Taiwan Futures Exchange, including:

1. Shares.
2. Other equity-based securities.
3. Non-equity corporate bonds.
4. Futures transactions.

#### Article 4. Scope of Insider Information

In accordance with Article 157-1, Paragraphs 5 and 6 of the Securities and Exchange Act and



the “Regulations Governing the Scope and Disclosure Methods of Material Information,” insider information includes the following:

1. Information related to the Company’s finances or business, the specific content of which has a significant impact on the Company’s stock price or may materially influence the investment decisions of reasonable investors.
2. Information related to the market supply and demand or tender offers for the Company’s securities, the specific content of which has a significant impact on the stock price or may materially influence the investment decisions of reasonable investors.
3. Information that materially affects the Company’s ability to pay principal and interest.

## **Chapter 2 – Duties of the Designated Unit**

### **Article 5. Designated Unit for Preventing Insider Trading**

The designated unit responsible for preventing insider trading within the Company is the Corporate Governance Office. Its responsibilities are as follows:

1. Responsible for drafting and revising the provisions of these Regulations.
2. Responsible for handling inquiries, deliberations, and providing recommendations related to these Regulations.
  - (1) If the regulated parties under these Regulations are uncertain whether the undisclosed information they possess constitutes material information, they shall treat it as material information and consult the Corporate Governance Office before trading in the financial products specified in Article 2.
  - (2) When necessary, the Corporate Governance Office may issue alerts, through appropriate channels, to directors or employees who have access to the Company’s material information. Recipients of such alerts shall maintain confidentiality and must not disclose the fact or content of such alerts to others.
3. Responsible for establishing and maintaining records of the Company’s directors, managers, and shareholders holding more than 10% of the Company’s shares, including their spouses, minor children, and those using another person’s name for trading.
4. Timely deliver educational materials and relevant information regarding the prevention of insider trading to the parties regulated under these Regulations.

### **Article 6. Prohibition of Insider Trading**

When any regulated person under these Regulations becomes aware of material information that may significantly affect the Company’s stock price, they shall not disclosure, buy or sell the Company’s listed stocks or other equity-based securities in their own name or in the name



of others, within the period between the confirmation of such information and eighteen (18) hours after its public.

When any regulated person becomes aware of material information that may significantly affect the Company's ability to pay principal and interest, they shall not sell the Company's listed non-equity corporate bonds in their own name or in the name of others, within the same period. The Company's directors are prohibited from trading the Company's shares during the blackout period, which is thirty (30) days prior to the annual financial report announcement and fifteen (15) days prior to each quarterly financial report announcement.

#### **Article 7. Compliance with the Principle of Confidentiality**

All regulated parties under these Regulations shall perform their duties with the due care of a prudent manager and in good faith and shall comply with the principle of confidentiality.

When a regulated person becomes aware of the Company's material non-public information, they shall not disclose such information to others, nor shall they inquire about or collect any internal material information unrelated to their own duties from other people who are aware of such information. Furthermore, they shall not disclose to others any material non-public information obtained outside the scope of their duties.

Where external institutions or individuals participate in mergers, memoranda of understanding, strategic alliances, other business cooperation projects, or execution of important contracts with the Company, the project leader shall request such parties to sign a confidentiality agreement to ensure they undertake not to disclose any material information of the Company to others.

#### **Article 8. Disclosure of Material Information: Content, Timing, Method, and Responsible Personnel**

The content, timing, method, and responsible personnel for public disclosure of the Company's material information shall be handled in accordance with the Company's "Internal Material Information Handling Procedures."

#### **Article 9. Handling of Violations**

If any Company insider or other employee becomes aware of a leak of material information, they shall promptly report it to the Corporate Governance Office, which shall formulate a response plan (including but not limited to considering public disclosure of the material information or reporting the violation to authorities).

If any Company employee violates the provisions of these Regulations, the Company shall impose disciplinary action depending on the severity of the case (including dismissal) and pursue liability in accordance with applicable regulations.

### **Chapter 3 – Supplementary Provisions**



**Article 10.**

These Regulations shall be implemented upon approval by the Board of Directors; the same shall apply to any amendments.

**Article 11.**

These Regulations were first established on March 24, 2015.

The first amendment was made on March 23, 2018.

The second amendment was made on May 12, 2022.

The third amendment was made on November 10, 2023.