

Risk Management

The company prioritizes effective risk management as a fundamental way to achieving its strategic business objectives. Operating in dynamic construction markets, the company navigates multiple risk dimensions including inflationary pressures, geopolitical shifts, competitive dynamics, operational safety imperatives, and climate-related challenges that collectively shape business performance and long-term sustainability.

The company's risk governance framework operates through structured oversight by the Audit and Risk Management Committee, which establishes risk appetite, reviews exposure level, and ensures alignment between risk practices and corporate strategy. This governance structure maintains appropriate independence while ensuring risk considerations inform decision-making at the highest organizational levels.

Operationally, the company employs a comprehensive risk methodology aligned with international best practices, systematically identifying, assessing, and prioritizing risks across strategic, operational, financial, and compliance dimensions. Clear risk ownership and accountability are established throughout the organization, with designated managers empowered to implement mitigation strategies, monitor control effectiveness, and escalate issues appropriately. This distributed yet coordinated approach ensures risk management remains embedded in daily operations rather than existing as separate compliance activity.

Beyond formal structures, the company cultivates a risk-aware culture with every employee. Through regular training, transparent communication, and recognition of effective risk behaviors, the company embeds risk consciousness into decision-making at all levels, creating organizational resilience that extends beyond systems and procedures.

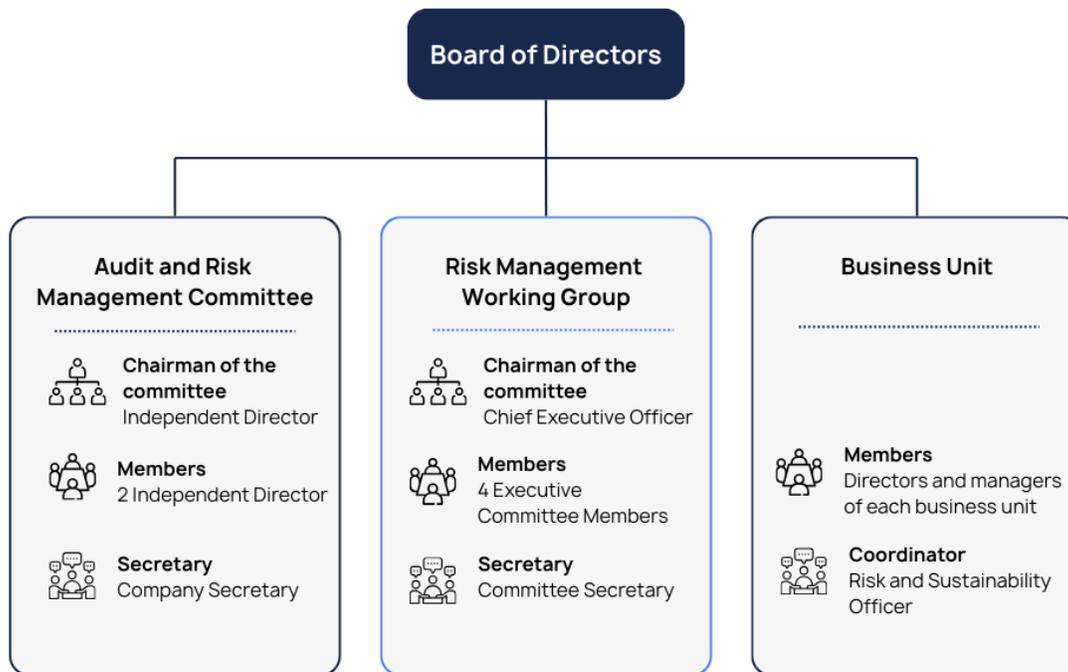
Risk Management Governance Structure

The Board of Directors maintains strategic oversight of enterprise risk management through a multi-tiered governance structure that establishes clear accountability and reporting lines. The Audit and Risk Management Committee establish risk policy frameworks, defines risk appetite parameters, and provides independent oversight of risk management effectiveness across the enterprise. Executive management translates Board guidance into operational practice, overseeing day-to-day risk processes while ensuring adequate resources and capabilities are deployed for effective risk management. At the operational level, designated risk owners within each business unit manage risks within their domains, conducting assessments, implementing mitigation measures, and monitoring control effectiveness. Risk information flows through structured reporting channels, with business unit reports consolidated by management and presented to the Committee for review. Material risk matters are elevated to the full Board, ensuring comprehensive visibility over enterprise risk exposure at all governance levels.

Risk Management Positions	Roles and Responsibilities
Audit and Risk Management Committee	<ul style="list-style-type: none"> ● Establishing comprehensive risk management policies, defining strategic risk priorities, and setting the overall direction for company risk management activities. ● Reviewing and monitoring material risks across the company, assessing the adequacy of management's response strategies, evaluating the effectiveness of risk mitigation measures, and ensuring that significant exposures receive appropriate attention and resources. ● Evaluating the overall effectiveness of risk management frameworks and processes, challenging management on risk assumptions and mitigation

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	<p>approaches, and providing independent assurance that risk governance operates as intended.</p> <ul style="list-style-type: none"> ● Ensuring risk management practices align with business ethics principles, sustainable development objectives, and ESG risk considerations.
Risk Management Working Group	<ul style="list-style-type: none"> ● Defining acceptable risk tolerance levels across various risk categories, establishing consistent methodologies for risk assessment and prioritization, and developing frameworks that enable systematic risk identification and evaluation throughout the organization. ● Translating high-level risk strategies into actionable programs, coordinating risk management activities across business units, ensuring consistent application of risk frameworks, and facilitating the deployment of risk mitigation initiatives throughout the company. ● Fostering risk awareness among management and employees through training programs, communication initiatives, and knowledge-sharing platforms. ● Analyzing interdependencies and correlations among various risk factors, tracking implementation progress of risk mitigation plans against established milestones, identifying emerging risk patterns, and providing recommendations for continuous improvement of risk management approaches. ● Preparing comprehensive risk reports for the Audit and Risk Management Committee, highlighting significant risk developments, providing transparency

Risk Management Positions	Roles and Responsibilities
	<p>on the status of key risk indicators, escalating material concerns appropriately, and demonstrating how risk management supports achievement of organizational objectives.</p>
Business Unit	<ul style="list-style-type: none"> ● Identifying risks relevant to their operational domains, evaluating potential impacts and likelihood, and maintaining awareness of evolving risk factors within their areas of responsibility. ● Developing targeted risk mitigation strategies aligned with company frameworks, implementing control measures and response plans, allocating resources effectively to address priority risks, and ensuring that risk management activities integrate seamlessly with operational processes. ● Tracking the effectiveness of implemented controls, monitoring changes in risk profiles, reporting risk status to the Risk Management Working Group, and continuous improvement.



Risk Management Framework and Methodology

The company has adopted internationally recognized frameworks to establish a systematic approach to enterprise risk management. Drawing upon the COSO Enterprise Risk Management Framework and ISO 9001:2015 quality management standards, the company integrates risk management with strategic planning and operational excellence. This approach enables clear articulation of risk policies, objectives, comprehensive assessment frameworks, and governance structures that ensure appropriate oversight and accountability throughout the risk management lifecycle.

Risk Management Tools and Methodologies

The company employs a comprehensive toolkit of analytical instruments and assessment methodologies to identify, evaluate, and respond to risks that may impact organizational objectives across business operations and investment activities. Risk mapping

provides the organization's risk landscape and enables management understanding of relative priorities and concentration areas requiring heightened attention. For each significant risk, detailed mitigation plans outline specific actions, responsibilities, resource requirements, and implementation timelines, distinguishing between avoidance, reduction, transfer, and acceptance strategies based on risk characteristics and organizational risk appetite.

Key risk indicators serve as quantitative metrics for monitoring risk exposure and detecting early warning signals of increasing risk levels. Recognizing that risk landscapes constantly evolve, the company maintains dedicated focus on identifying emerging risks through horizon scanning, scenario analysis, and engagement with external risk intelligence sources. This forward-looking approach enables proactive response strategies and helps build organizational resilience against unforeseen developments, ensuring that risk management frameworks remain relevant amid rapidly changing business environments.

Risk identification

Risk identification constitutes a systematic process of discovering potential risks, their root causes, and contributing factors by examining both internal and external elements that may impact the organization's ability to achieve its objectives and desired outcomes. The risk identification framework encompasses two principal categories:

1. *Internal Factors* such as objectives, policies and strategies, work processes, operational experience, organizational structure, and management systems.

2. *External Factors* such as government policies, economic conditions, operations of related entities, external regulations, natural events, social conditions, and political situations.

The company conducts risk identification through brainstorming sessions with employees and management to ensure comprehensive coverage of relevant risk issues. Risks are classified based on common characteristics into five categories:

1. *Strategic Risk* - Risk arising from strategy formulation and implementation that is inappropriate, including misalignment between policies, objectives, strategies, organizational structure, competitive conditions, resources, and environment, which impacts organizational objectives or goals.

2. *Operational Risk* - Risk arising from internal organizational operations resulting from personnel, work processes, infrastructure, including internal fraud.

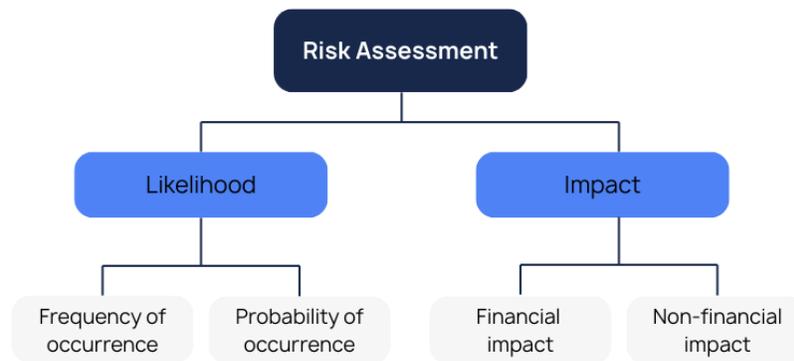
3. *Financial Risk* - Risk related to financial liquidity, financial management and financial statements, including risk from market volatility (Market Risk) and risk from counterparty failure to meet obligations (Credit Risk), risk from interest rate and exchange rate fluctuations.

4. *Compliance Risk* - Risk arising from non-compliance with laws, regulations, and rules, covering both internal and external regulatory bodies overseeing the organization.

5. *ESG Risk (Sustainability Risk)* - Risk that creates impacts across three dimensions: environmental, social, and governance, arising from organizational operations which can occur from both internal and external factors.

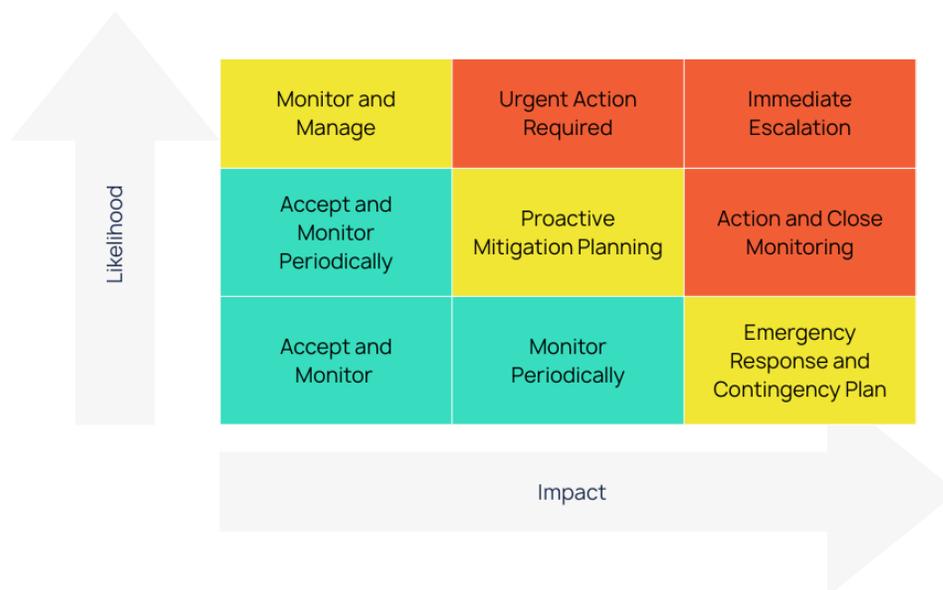
Risk Assessment

Risk assessment involves systematically evaluating the likelihood of risk occurrence and the severity of potential impact to determine risk levels for each identified event according to established criteria. Management prioritizes risks with high impact and high likelihood for immediate mitigation, as these pose the greatest threats to organizational objectives. Risk levels are calculated as the product of likelihood and impact scores, enabling consistent prioritization and resource allocation decisions.



Risk Prioritization

Risk prioritization enables the company executive management to make decisions regarding appropriate risk response strategies and resource allocation. This process integrates both quantitative and qualitative factors, including likelihood and impact of occurrence, degree of uncertainty, and alignment with organizational risk appetite. Prioritization evaluates risk severity against established tolerance thresholds, with risks approaching or exceeding acceptable levels receiving heightened priority for management attention and mitigation resources.



Management implements appropriate risk response strategies based on risk severity, prioritization, business context, and strategic objectives. Mitigation efforts focus on reducing likelihood and impact to acceptable levels through cost-effective approaches. Residual risks are addressed through additional action plans or activity avoidance where risks exceed tolerance thresholds.

Risk Appetite

Risk appetite defines the nature and level of risk the company is willing to accept in pursuit of strategic objectives, mission, and vision. Established by executive management and reviewed by the Board of Directors, this framework guides strategic decision-making by balancing financial and non-financial performance objectives against acceptable uncertainty levels.

- *Sustainable Value Creation* - Accept business activities generating societal benefits and long-term sustainability, provided they maintain operational integrity and full regulatory compliance.
- *Reputation Protection* - Maintain zero tolerance for projects posing reputational risk, regardless of potential returns, as reputation preservation takes precedence over short-term profits.
- *Informed Risk-Taking* - Decline participation in projects lacking sufficient risk understanding or adequate organizational capabilities and resources for successful execution.
- *Partnership Standards* - Pursue strategic partnerships enhancing competitive position, providing quality standards and protecting company reputation through value alignment and operational excellence.

Risk Monitoring and Reporting

Risk monitoring and reporting enhance organizational risk awareness and ensure risk considerations inform strategic and operational decision-making. The Risk Management Working Group reviews risk reports bi-monthly to monitor mitigation progress and assess control effectiveness. Material risk matters are escalated to the Board of Directors at least twice a year, maintaining board visibility over enterprise risk exposure.

Risk Culture

The company cultivates a risk-aware culture by embedding risk management into core organizational values and operational practices. Risk considerations are integrated into strategic planning, performance management, and decision-making frameworks, ensuring risk awareness influences both daily operations and strategic choices. Coordination between risk owners and risk management functions creates clear accountability while facilitating knowledge sharing and consistent methodology application. Risk management performance is incorporated into organizational and departmental KPIs, aligning objectives with enterprise risk goals.

Risk Management Training at all levels

The company provides risk management training to board members, executives, and employees, ensuring comprehensive understanding of frameworks, methodologies, and responsibilities. Training programs are tailored to audience needs, with board members receiving strategic oversight training, senior management focusing on risk governance and business strategy integration, and operational staff developing practical risk management skills within their functional areas. This approach ensures all personnel understand their specific responsibilities and contribution to organizational resilience.

Business Continuity Plan (BCP)

The company maintains [a Business Continuity Plan \(BCP\)](#) ensuring operational resilience during crisis situations and emergencies. The plan enables effective response to disruptions, maintains critical business processes, and supports recovery to normal operations within defined timeframes, minimizing operational and reputational impacts.

The BCP covers more than eight risk scenarios including pandemics, floods, fires, earthquakes, accidents, cyber incidents, and supply chain disruptions. Critical processes are prioritized with specific recovery objectives, and the plan is regularly tested and updated to ensure continued effectiveness.