

# Materiality

In alignment with the Company's vision of integrated construction that enhances people's lives, the Company has identified material sustainability topics that reflect its commitment to balancing business growth with responsibility toward stakeholders across economic, social, and environmental dimensions. These topics serve as key drivers for the organization's long-term sustainability journey.

## **Step 1: Identification of Material Topics**

The ESG Working Group reviews material sustainability topics by considering both domestic and international contexts, global trends, and the Global Reporting Initiative (GRI) framework. This analysis encompasses the Company's vision, mission, corporate culture, value chain, business strategy, risks and opportunities, as well as industry directions and trends. Stakeholder interests are also gathered through various engagement channels.

## **Step 2: Assessment and Prioritization**

The Working Group collects input from representatives of all relevant stakeholder groups through questionnaires on sustainability topic prioritization. These inputs are analyzed alongside an assessment of topics that impact business operations within the same or related industries. The prioritized topics are then presented to senior management for approval.

## **Step 3: Validation and Continuous Improvement**

The Working Group presents the material topics to the Chief Executive Officer and senior management for validation, ensuring completeness, accuracy, and alignment with both internal and external stakeholder expectations. Prioritization considers both the level of influence on stakeholder assessments and decision-making, as well as the significance of economic, social, and environmental impacts. The Executive Committee reviews and approves the annual materiality assessment results, which are presented in the materiality matrix.

## Step 4: Stakeholder Communication

The Working Group communicates the results to organizational stakeholders in accordance with established disclosure standards and guidelines, ensuring that stakeholders are informed and can provide feedback or recommendations to meaningfully participate in the process.



## Materiality Topics in 2025

Based on CIVIL's materiality review for 2025, five material topics have been identified:

### 1. Health & safety

Impacts on the Company	<ul style="list-style-type: none"> <li>+ Enhanced employee and client confidence in the Company's safety management</li> <li>+ Reduced risk of incidents resulting in loss of life and property</li> <li>- Investment required in equipment and training for employees and suppliers</li> </ul>
Impacts on Stakeholders	<ul style="list-style-type: none"> <li>+ Reputation and credibility of the Company's construction operations</li> <li>+ Reduced risk and community concerns regarding construction-related accidents</li> </ul>
Key Stakeholders	<ul style="list-style-type: none"> <li>● Employees / suppliers</li> <li>● Communities and society</li> </ul>
Management Strategies	<ul style="list-style-type: none"> <li>● Elevate occupational health and safety management through international standards including ISO 45001</li> <li>● Foster a safety culture among both employees and suppliers</li> <li>● Conduct safety risk assessments and reviews before and during project construction</li> </ul>

## 2. Quality control

Impacts on the Company	<ul style="list-style-type: none"> <li>+ Work deliverables are recognized and accepted by clients and society</li> <li>+ Enhanced reputation and opportunities to bid for high-value projects</li> <li>+ Reduced unnecessary costs from rework due to client complaints, warranty repairs, and damages from hazards caused by substandard quality</li> </ul>
Impacts on Stakeholders	<ul style="list-style-type: none"> <li>+ Quality deliverables that meet requirements and provide value for investment</li> <li>+ Reduced risks to communities and society</li> </ul>
Key Stakeholders	<ul style="list-style-type: none"> <li>● Regulators / Clients</li> <li>● Communities and society</li> </ul>
Management Strategies	<ul style="list-style-type: none"> <li>● Develop work systems and inspections from pre-project through project completion, with employee and stakeholder participation throughout the process to ensure comprehensive improvement and quality control</li> <li>● Elevate quality control systems through international standards including ISO 9001, ISO 14001 and ISO 45001</li> <li>● Implement technology to enhance operational efficiency and quality inspection throughout the process</li> </ul>

### 3. Labor

Impacts on the Company	+ The continue of skilled and quality workforce in the Company production
Impacts on Stakeholders	+ Employees and workers quality of work life
Key Stakeholders	<ul style="list-style-type: none"> <li>● Employees / suppliers</li> </ul>
Management Strategies	<ul style="list-style-type: none"> <li>● Collaborate with external organizations to enhance human rights protection measures in accordance with international principles</li> <li>● Communicate and build understanding of employee and worker rights and welfare throughout the value chain</li> <li>● Develop feedback and grievance channels to enable stakeholders to provide recommendations for improving the Company's labor and employee care</li> </ul>

#### 4. Employee development

Impacts on the Company	<ul style="list-style-type: none"> <li>+ Enhanced employee capabilities and skills to respond to industry changes</li> <li>+ Reduced employee turnover and retention of talented personnel within the organization</li> <li>+ Competitive advantage through quality and skilled workforce</li> </ul>
Impacts on Stakeholders	<ul style="list-style-type: none"> <li>+ Employees have opportunities for growth and career advancement</li> <li>+ Enhanced job security and improved quality of life</li> </ul>
Key Stakeholders	<ul style="list-style-type: none"> <li>● Employees / suppliers</li> </ul>
Management Strategies	<ul style="list-style-type: none"> <li>● Develop human resource development plans aligned with organizational direction and strategy, focusing on essential skills for modern construction industry</li> <li>● Establish clear and transparent career advancement pathways to motivate and engage employees</li> <li>● Extending development opportunities to suppliers and subcontractors to elevate working standards throughout the value chain</li> </ul>

## 5. Climate change impact

Impacts on the Company	<ul style="list-style-type: none"> <li>+ Enhanced capacity to respond to and reduce damages from severe disasters</li> <li>+ Reduced risk of project disruptions and costs from resulting damages</li> </ul>
Impacts on Stakeholders	<ul style="list-style-type: none"> <li>+ Reduced risk to life and property of users and surrounding communities</li> <li>+ Infrastructure with extended lifespan and better return on investment</li> </ul>
Key Stakeholders	<ul style="list-style-type: none"> <li>● Regulators</li> <li>● Clients</li> <li>● Communities and society</li> </ul>
Management Strategies	<ul style="list-style-type: none"> <li>● Assess disaster risks arising from climate change in each project area, including floods, heat waves, and intensifying storms</li> <li>● Integrate climate adaptation measures into project work plans</li> <li>● Develop disaster response plans and Business Continuity Plans to minimize impacts on construction operations during crisis events</li> <li>● Build awareness and develop capabilities of employees and suppliers in construction operations that consider climate change adaptation</li> </ul>