

Identifying Key Sustainability Issues.

Sino-Thai Engineering and Construction Public Company Limited (STEC), a subsidiary of STECON that operates the core business, places importance on the impact on all groups of stakeholders covered in economic, social, and environmental dimensions, the Company has prioritized sustainability issues as follows:

1. Identifying key sustainability issues.

The Sustainability Management Committee collects key sustainability issues. Based on the analysis of the business value chain and from the opinions of stakeholder's support decision making in identifying issues related to business operations and stakeholders. Covering economic, social, and environmental dimensions

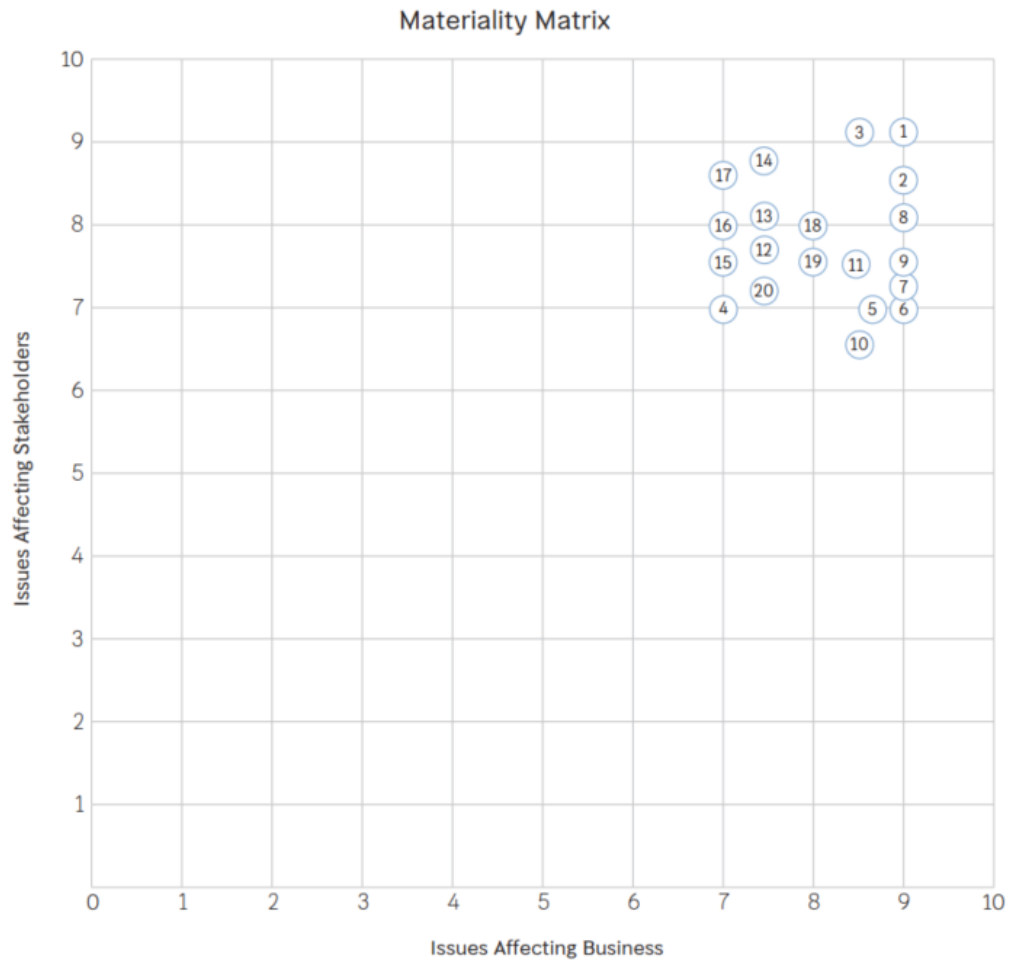
2. Assessing and prioritizing material sustainability issues.

The Company uses key sustainability issues gathered from sources through preliminary screening, as well as surveying the opinions of relevant agencies and all groups of stakeholders. Through answering questionnaires about prioritizing sustainability issues that are important to stakeholders and the organization, as well as reviewing other important issues from the same industry or related industries with stakeholders, the executives and employees of the Company participated in giving opinions.

3. Validation of key sustainability issues and continues for improvement.

The Company presents material sustainability issues to the Board of Directors. To ensure prioritization under consideration the level of influence on stakeholder assessments and decisions, along with the level of significance that affects economic, social, and environmental impacts. The Company also validates the assessment and prioritization of key sustainability issues. Especially expect views and suggestions related to the sustainability of the organization to all groups of stakeholders by gathering opinions of stakeholders and hold a meeting within the organization to review the material of the sustainability assessment process continuously.

Sustainability Materiality Matrix



Economic Dimension

1. Good Corporate Governance
2. Business Ethics and Anti-Corruption
3. Risk and Crisis Management
4. Economic Performance
5. Supply Chain Management
6. Innovation Management
7. Information Technology and Cyber Security for Business

Social Dimension

8. Human Rights and Fair Treatment
9. Employee Development
10. Motivation and Retention of Employees
11. Occupational Health and Safety
12. Community and Social Development

Environmental Dimension

13. Air Quality Management
14. Noise Management
15. Water Management
16. Waste Management
17. Climate Change and Greenhouse Gas Management
18. Energy Management
19. Cost-Effective Use of Resources
20. Environmentally friendly construction

Plan and Goals for Managing Key Sustainability Issues

Dimension	Goal	Topic	Operation
Economy	To generate operating profit appropriately and continuously by conducting business in accordance with good corporate governance with transparency, fairness, verifiability, accountability for all stakeholders.	1. Business expansion to related businesses or other interesting businesses.	1.1 Diversify investments in related businesses or other interesting businesses for creating value added and reasonable returns.
		2. Return to shareholders.	2.1 Create jobs, generate income, and create economic profits from the operation. 2.2 Regularly allocate returns to shareholders according to dividend policy.
		3. Risk management.	3.1 Risk assessment and appropriate risk management.
		4. Develop work process to be more efficient and effective and increase competitiveness.	4.1 Increase efficiency and effectiveness in work process. 4.2 Implement innovation and new technology appropriately.

Dimension	Goal	Topic	Operation
Society	<p>The Company operates our business with social responsibility.</p> <p>The Company has work standards to minimize potential impact on society and the Company's business stakeholders, including employees, partners, customers, and communities nearby the company's operations. In addition, the Company also places importance on giving assistance to the society in various aspects such as education, relief for victims, etc.</p>	1. Caring for employees	1.1 Fair compensation and benefit. 1.2 Career path development. 1.3 Human resource development. 1.4 Career security.
		2. Safety at work	2.1 Occupational environment and safety. 2.2 Establish work safety standard.
		3. Caring for communities affected by the company's operations.	3.1 Establish measures to prevent impacts from the company's operations on nearby communities, and guidelines for impact solutions.
		4. Participation in community and social development	4.1 Support local employment. 4.2 Support learning for children and youth in the community.
		5. Other Social Contributions.	5.1 Educational Support 5.2 Disaster relief

Dimension	Goal	Topic	Operation
Environment	1. Environment management according to the goals in each activity. 2. GHG emissions reduction by 20% (Compared with the base year) to achieve carbon neutrality by 2050.	1. Environment Management 1.1 Air quality. 1.2 Noise Level management. 1.3 Water management. 1.4 Garbage and waste management. 1.5 Energy and resource management. 1.6 Biodiversity.	1.1 Establish measures to mitigate impacts of air quality, noise levels, water quality, garbage and waste management, energy and resources, and Biodiversity. 1.2 Monitor and report according to the requirements. 1.3 Support the efficient use of energy and resources for maximum.
		2. Climate Change	2.1 Report on Carbon Footprint for Organization. 2.2 Support for greenhouse gas emissions reduction activities. 2.3 Encourage for renewable energy use in the organization.
		3. Green Construction	3.1 Establish policies to support green construction activities and operations. 3.2 Promote use of green materials for construction activities.

Dimension	Goal	Topic	Operation
Good Corporate Governance	The Company highly places importance on fair, transparent and verifiable business operation. Moreover, the Company realizes the importance of all stakeholders.	1. Compliance with good corporate governance guidelines as prescribed by SET, SEC and related agencies	1.1 Establish Good Corporate Governance policy and related policies and guidelines 1.2 Proper implementation of Good Corporate Governance policy
	Therefore, the Company has established the good corporate governance policy and related practices in accordance with guidelines as prescribed by the Securities and Exchange Commission, and the Stock Exchange of Thailand.	2. Obtaining certification that the Company has good corporate governance from related agencies to boost confidence among the Company's stakeholders and increase the Company's value.	1.1 Assessment of good corporate governance.