



BTS GROUP HOLDINGS PCL MATERIALITY ASSESSMENT FY 2025/26

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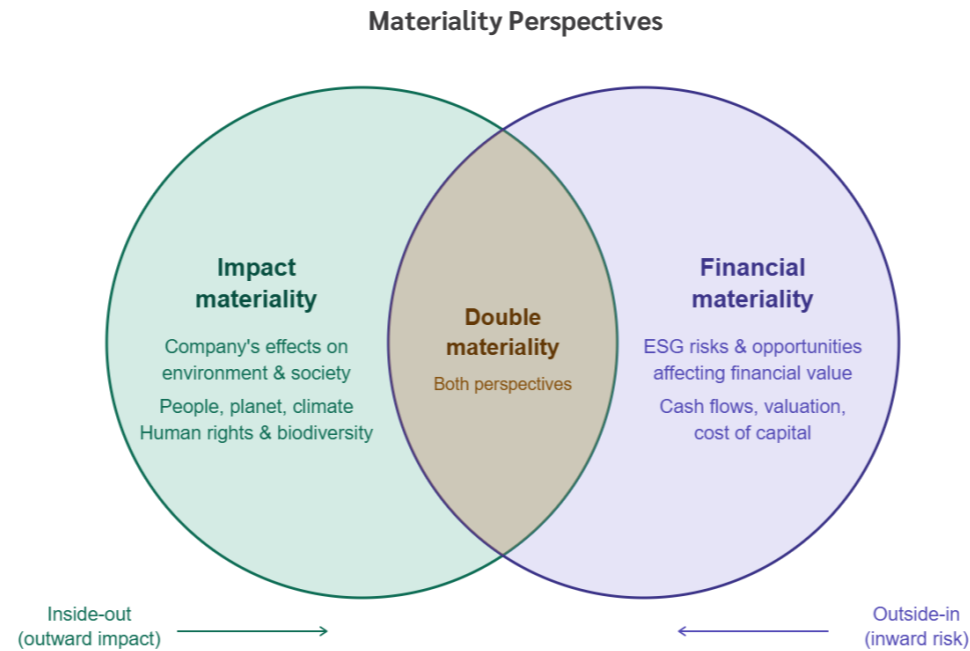
1 | INTRODUCTION

BTS Group conducts the materiality assessment annually. The materiality assessment process is crucial for BTS Group to determine its relevant and significant sustainability topics. BTS Group determines its material topics based on their impact to stakeholders (economy, environment and people, including human rights impacts), as well as impact to the company. The materiality assessment is integrated into the Company's Enterprise Risk Management guidelines. This report discloses BTS Group's double materiality assessment in 2026, which was conducted by an external consultant.

The double materiality assessment is a systematic approach to identify and prioritise ESG topics based on business impact, stakeholder relevance, regulatory and market trends which helps companies focus on what matters most for sustainable value creation. Companies must understand their operating context, value chain, and stakeholder expectations to identify what truly matters. Double materiality is a framework to identify a company's material issues by considering how the company's actions affect the environment and society, along with how ESG issues impact a company's financial performance.

Impact Materiality refers to matters that reflect actual or potential significant impacts on people and the environment, connected to a company's operations and value chain.

Financial Materiality refers to sustainability risks and opportunities that may impact the performance, development and position of the company.



2 | MATERIALITY ASSESSMENT PROCESS

2.1 | Materiality Assessment Steps



Step 1:
Understand the organisation's context

BTS Group has identified material issues and their impacts through analysis of the Company's activities and business relationships in the value chain, material issues in the previous fiscal year (FY 2024/25), global and domestic sustainability context and trends, the United Nations Sustainable Development Goals (SDGs), international standards, competitors' industry and stakeholder interests. Sustainability impact pathways and financial impact pathways are developed to link the Company and their impacts on the environment and society, and vice versa.



Step 2:
Identify actual and potential impacts

BTS Group engaged with relevant internal and external stakeholders (as listed in BTS Group's Sustainability Report FY 2024/25 Chapter 2.4: Stakeholder Engagement) through interviews and surveys. Impacts are determined qualitatively, including actual or potential impacts, negative or positive impacts, short- or long-term impacts, reversible or irreversible impacts, human rights impacts and business relationships. Impacts are also assessed based on the principle of double materiality. The results are then aggregated into material issues and divided into negative and positive impacts.



Step 3:
Assess the significance of impacts

The significance of impacts of material issues is assessed based on the scale and likelihood of impacts, as well as human rights impacts. The scale of an impact is determined by degree of impact, size, mitigation and remediation measures, which are identical to the scales used as part of the Company's Enterprise Risk Management assessment process. These factors determine the significance of each material topic, in which some are then used to represent the Company's risk factors. Interviews are also conducted with industry experts to obtain additional viewpoints. The final prioritised material issues are presented according to their impacts.



Step 4:
Prioritise the most significant impacts for reporting

The selected material issues are prioritised, ranked by their significance of impacts, and then presented to the Sustainability Committee, where they are approved, signed off, and then published in the Sustainability Report. The Company's social and environmental performance indicators, and materiality assessment process were verified by LRQA (Thailand), an independent third-party auditor. For more information, see BTS Group's Sustainability Report Chapter 6.2: Independent Assurance Statement.

2.2 | Stakeholder Engagement

Part of BTS Group’s materiality assessment involves engaging with relevant internal and external stakeholders to identify relevant sustainability issues, identify impacts, risks & opportunities from BTSG’s operations and business, and to gain insights from stakeholders for assessment of impacts, risks & opportunities. The materiality assessment process is carried out according to GRI 3: Material Topics 2021 reporting standards.

2 interview session with BTS Group executives

10 interview sessions with stakeholders covering 5 stakeholder groups:

- 1 Government Agency/Regulator
- 5 Suppliers/Business Partners
- 2 Customers
- 1 Community
- 1 Investor/Shareholder

249 responses from online survey covering 5 stakeholder groups:

- 4 Government Agencies/Regulators
- 10 Communities/Societies
- 13 Investors/Shareholders
- 45 Suppliers/Business Partners
- 2 Civil society organisations

Key insights from interviews:

1. BTS Group plays a key role in Thailand’s climate and Net Zero efforts as a mass transportation provider, helping reduce greenhouse gas emissions. Energy consumption, which accounts for about 60–70% of climate impact, is the main lever for decarbonisation, with both operations and corporate functions expected to contribute.
2. Environmental resource and waste management, especially e-waste, has significant long-term environmental impact. Poor practices can cause lasting harm, while improved management and new technologies can greatly boost resource efficiency.
3. Health and safety for all are high-impact priorities with direct risks to human life. Although current performance is positive, any incident—especially during construction—could have serious consequences, making proactive prevention and community communication essential.
4. Strong governance, transparency, and a clear organisational structure at BTSG build stakeholder trust. Effective risk management and business continuity planning are essential for managing disruptions and sustaining long-term relationships.
5. IT security and data privacy are considered high-risk areas where any breach could severely damage trust and reputation. As services are technology-driven, strong IT security systems are essential to mitigate these risks.

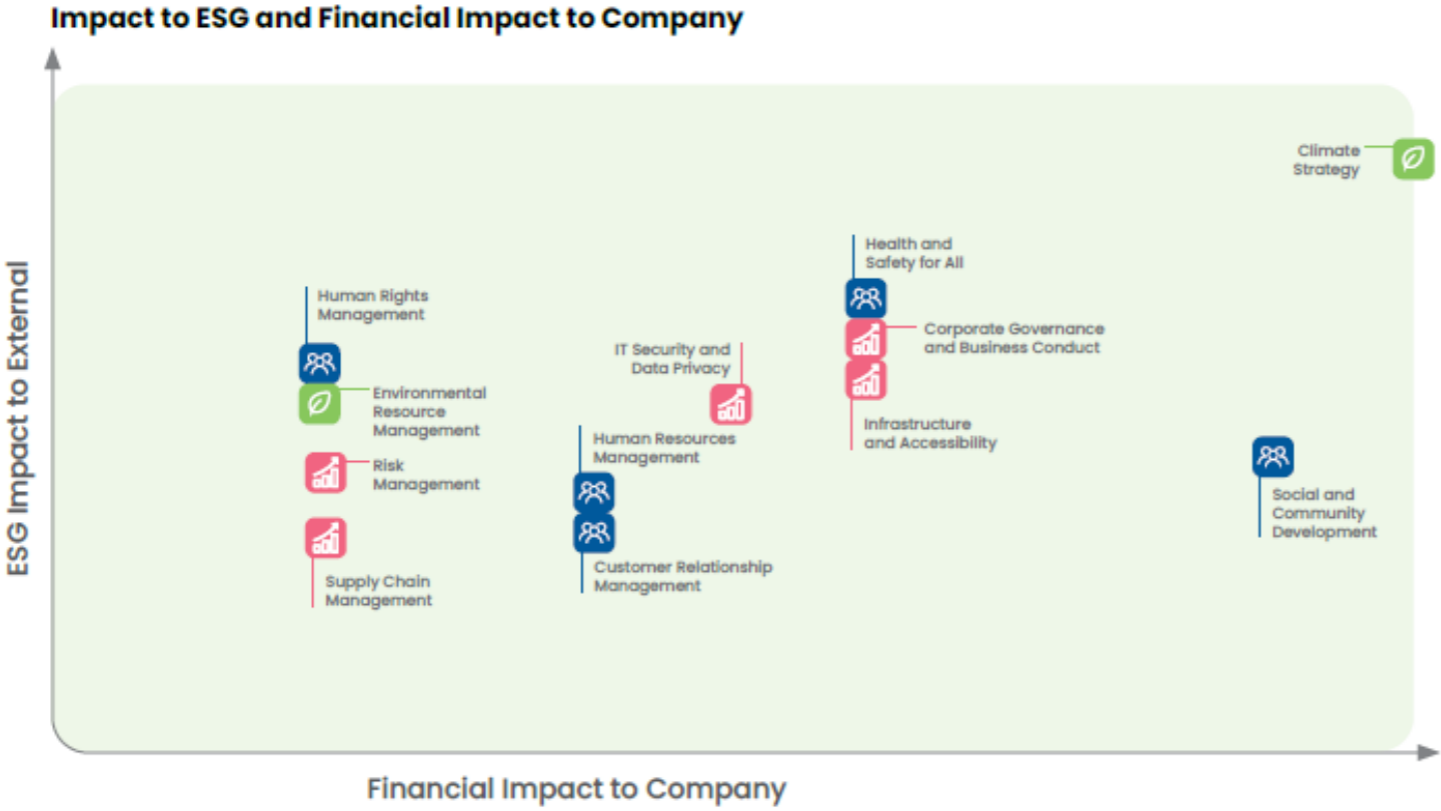
3 | MATERIAL ISSUES

3.1 | BTS Group FY 2025/26 Material Issues

Material Issue	Impact to stakeholders	Chapter in Sustainability Report
Environmental Sustainability		
Climate Action	If we conduct our business with little regards for the surrounding environment, the climate crisis will accelerate, affecting all stakeholders. If we do not comply with the latest climate regulations, government and investor confidence may dwindle.	3.1 Climate Action
Environmental Resource Management	Excessive energy consumption can lead to higher operational costs and ticket price, which will reduce the number of customers using our system. This in turn will lead to reduced margins and weaker financial performance, and lead to decreased trust and reduced investment from investors.	
Economic Sustainability		
Corporate Governance and Business Conduct	Weak corporate governance, non-compliance, bribery, and breaches of the Code of Conduct reduce stakeholder confidence in the Company, lead to human rights violations and harm the interests of investors.	4.1 Corporate Governance and Business Conduct
Risk and Crisis Management	Failure to conduct a thorough risk assessment and weak crisis management will damage reputation and investor confidence.	4.2 Risk Management
Supply Chain Management	Negligence in ESG assessment of suppliers, especially significant suppliers, may lead to non-compliance, lower quality of operations, and environmental degradation.	4.3 Supply Chain Management
Infrastructure and Accessibility	The Company could face public backlash due to inadequate facilities to support all types of customers. The livelihoods of communities surrounding the BTS network could be affected and, in the worst case scenario, they could be forced to relocate.	4.4 Infrastructure and Accessibility
IT Security and Data Privacy	Any breach of IT and any data leakage will severely affect the confidence of our customers. Backlash, protests, and litigation may result from these incidents.	4.5 IT Security and Data Privacy

Material Issue	Impact to stakeholders	Chapter in Sustainability Report
Social Sustainability		
Health and Safety for All	Weak safety precautions result in injuries to passengers, employees and contractors, which drastically affects trust and reputation and ultimately results in fewer passengers using the BTS SkyTrain system.	5.1 Health and Safety for All
Human Rights Management	Violation of human rights affects the health, wellbeing and safety of our direct stakeholders and leads to a loss of trust. This can ultimately lead to backlash and public outcry.	5.2 Human Rights Management
Customer Relationship Management	Poor response to customer complaints and inability to incorporate customer needs into operations will lead to weaker brand perception and reputation. Unreliable service, including train and ticket reliability, has a major impact on our customers' perception of and trust in our company, as well as on their safety.	5.3 Customer Relationship Management
Human Resources Management	Inefficient management of our most important asset leads to employee dissatisfaction, resulting in high turnover rates and damaging the Company's reputation as a caring and supportive workplace.	5.4 Human Resources Management
Social and Community Development	Our community engagement has a major impact on the well-being of our communities. Any negative impact could lead to public protests or community relocation.	5.5 Social and Community Development

3.2 | Material Issues By Prioritisation Matrix



3.3 | Impact Materiality Assessment Result

Material Topic	Impact Score		Highest Impact Score	
	Positive	Negative		
Climate Strategy	4.66	3.82	4.66	Critical
Health and Safety for All	3.96	3.65	3.96	Significant
Corporate Governance and Business Conduct	3.88	3.37	3.88	Significant
Infrastructure and Accessibility	3.78	2.66	3.78	Significant
Human Rights Management	3.66	3.21	3.66	Significant
Environmental Resource Management	3.60	2.36	3.60	Significant
IT Security and Data Privacy	3.27	3.54	3.54	Important
Social and Community Development	3.32	0.00	3.32	Important
Risk Management	3.27	3.16	3.27	Important
Human Resources Management	3.11	2.38	3.11	Important
Customer Relationship Management	3.00	2.84	3.00	Important
Supply Chain Management	2.70	2.96	2.96	Important

3.4 | Financial Materiality Assessment Result

Material Topic	Financial Impact Score		Highest Financial Impact Score	
	Opportunity	Risk		
Climate Strategy	5.00	1.50	5.00	Critical
Health and Safety for All	4.50	1.00	4.50	Significant
Corporate Governance and Business Conduct	0.00	3.00	3.00	Important
Infrastructure and Accessibility	3.00	1.00	3.00	Important
Human Rights Management	3.00	0.00	3.00	Important
Environmental Resource Management	2.50	1.50	2.50	Important
IT Security and Data Privacy	2.00	1.50	2.00	Informative
Social and Community Development	2.00	1.00	2.00	Informative
Risk Management	1.00	1.00	1.00	Minimal
Human Resources Management	0.00	1.00	1.00	Minimal
Customer Relationship Management	0.00	1.00	1.00	Minimal
Supply Chain Management	1.00	1.00	1.00	Minimal

4 | APPENDIX

4.1 | Materiality Assessment Survey

Question No.	Question	Rating	Government Agencies	Communities	Investment Community	Customers	Suppliers/ Contractors	Employees	Civil Society / Media
1.	If the Company implemented positive climate strategy and energy management initiatives? For example, renewable energy procurement (RECs), energy efficiency improvements such as LED lighting and Solar PV installation, and promoting electric train usage to reduce GHG emissions. To what extent do you think these initiatives impact the environment?	1 – No impact 2 - Minor 3 - Moderate 4 - Significant 5 - Severe	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2.	If the Company faced climate-related and energy management risks, such as emissions from purchased goods and services (Scope 3), fuel combustion in construction machinery and operations, electricity consumption in the electric train system, and refrigerant leakage. To what extent do you think these issues affect the environment?		Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	If the Company implemented positive environmental resource management initiatives? For example, green procurement of environmentally friendly materials and equipment, sustainable station design in accordance with LEED standards, and the use of zero-emission electric trains. To what extent do you think these initiatives impact the environment?		Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.	If the Company used resources and generates environmental impacts from its operations. For example, water consumption for train washing, passenger waste, electronic waste (e-waste), advertising material waste (e.g., vinyl), air pollution from construction, and biodiversity impacts from network expansion. To what extent do you think these issues affect the environment?		Yes	Yes	Yes	Yes	Yes	Yes	Yes
5.	If the Company implemented positive health and safety initiatives? For example, safe infrastructure design, station safety systems, emergency exits, fire prevention systems, and an occupational health and safety management system (ISO 45001), including safety training. To what extent do you think these initiatives affect society?		Yes	Yes	Yes	Yes	Yes	Yes	Yes
6.	If the Company faced health and safety risks, such as community safety risks resulting from construction activities, and disputes or complaints related to occupational health and safety involving contractors, suppliers, or employees. To what extent do you think these issues affect society?		Yes	Yes	Yes	Yes	Yes	Yes	Yes
7.	If the Company implemented social and community development initiatives? For example, local sourcing of materials and products, community economic development, and community engagement activities. To what extent do you think these initiatives affect society?		No	Yes	No	Yes	No	No	Yes

8.	If the Company's infrastructure development and operations created impacts on communities, such as noise and dust from construction, land expropriation and community displacement, noise and vibration from train operations, and changes to the community environment. To what extent do you think these issues affect society?	1 – No impact 2 - Minor 3 - Moderate 4 - Significant 5 - Severe	No	Yes	No	Yes	No	No	Yes
9.	If the Company implemented positive human resources initiatives? For example, job creation from network expansion, employee well-being programs, diversity and inclusion policies, employee engagement initiatives, fair compensation and benefits, and employee skills development. To what extent do you think these initiatives affect society?		No	No	No	No	Yes	Yes	No
10.	If the Company faced human resources risks, such as employee turnover and challenges in retaining employees. To what extent do you think these issues affect society?		No	No	No	No	Yes	Yes	No
11.	If the Company implemented positive customer relationship management initiatives? For example, expanding networks to reach new customer areas, managing customer satisfaction, and providing reliable and on-time services. To what extent do you think these initiatives affect society?		No	No	Yes	Yes	No	No	No
12.	If the Company's operations negatively affected customers, such as construction disturbances, service interruptions and delays, and maintenance activities that affect service availability. To what extent do you think these issues affect society?		No	No	Yes	Yes	No	No	No
13.	If the Company implemented positive human rights management initiatives? For example, human rights due diligence (HRDD) for employees and the supply chain under the UN Guiding Principles, employment of persons with disabilities, fair labor policies, non-discrimination, and safe working conditions. To what extent do you think these initiatives affect society?		No	Yes	No	No	Yes	Yes	No
14.	If the Company faced human rights risks, such as the use of child labor or forced labor in the supply chain, unfair wages and excessive working hours, discriminatory lending practices, and violations of labor rights involving employees or subcontractors. To what extent do you think these issues affect society?		No	Yes	No	No	Yes	Yes	No
15.	If the Company implemented positive corporate governance and business conduct initiatives? For example, effective governance and board structure, whistleblowing and grievance channels, business ethics, and transparent procurement practices. To what extent do you think these initiatives affect you?		Yes	Yes	Yes	Yes	Yes	Yes	Yes
16.	If the Company faced governance and business conduct risks, such as ethical misconduct, fraud, or corruption. To what extent do you think these issues affect you?		Yes	Yes	Yes	Yes	Yes	Yes	Yes
17.	If the Company implemented positive supply chain management initiatives? For example, selecting suppliers with ESG standards, supporting and developing local suppliers, supplier training and capacity building, and supply chain transparency. To what extent do you think these initiatives affect you?		No	Yes	Yes	Yes	Yes	Yes	Yes
18.	If the Company faced supply chain risks, such as suppliers failing to meet environmental standards (e.g., pollution, waste), labor rights violations (e.g., child labor, unfair wages), or lack of transparency in the supply chain. To what extent do you think these issues affect you?		No	Yes	Yes	Yes	Yes	Yes	Yes

19.	If the Company implemented positive cybersecurity and data privacy initiatives? For example, cybersecurity management systems, PDPA-compliant personal data protection, employee security training, cyber-incident response and recovery systems, and building digital security trust. To what extent do you think these initiatives affect you?	1 – No impact 2 - Minor 3 - Moderate 4 - Significant 5 - Severe	Yes	No	Yes	Yes	Yes	Yes	Yes
20.	If the Company faced cybersecurity and data privacy risks, such as cyberattacks and data breaches, privacy violations, system outages and service disruptions, security vulnerabilities from third parties and payment systems, and insider threats. To what extent do you think these issues affect you?		Yes	No	Yes	Yes	Yes	Yes	Yes
21.	If the Company implemented positive enterprise risk management initiatives? For example, enterprise risk management (ERM) systems, business continuity planning (BCP), crisis management and emergency response, insurance and risk transfer mechanisms, and building a risk-aware culture. To what extent do you think these initiatives affect you?		Yes	Yes	Yes	Yes	Yes	Yes	Yes
22.	If the Company faced various operational risks. For example, operational risks (system failures, service disruptions), financial risks (market, credit, liquidity), strategic risks (competition, business model changes), regulatory risks, emerging risks (climate change, pandemics, geopolitics), reputational risks. To what extent do you think these issues affect you?		Yes	Yes	Yes	Yes	Yes	Yes	Yes
23.	If the Company implemented positive infrastructure development and service accessibility initiatives? For example, expanding mass transit networks to connect more areas, designing stations and services that are accessible to all (Universal Design), including persons with disabilities and the elderly, and upgrading infrastructure with modern technologies. To what extent do you think these initiatives affect society?		Yes	Yes	Yes	Yes	Yes	Yes	Yes
24.	If the Company faced infrastructure and service accessibility risks, such as delays or backlogs in infrastructure maintenance, maintenance activities that disrupt service availability for customers, and risks arising from aging or outdated infrastructure. To what extent do you think these issues affect society?		Yes	Yes	Yes	Yes	Yes	Yes	Yes

Thank you for your response.

The World's Most Sustainable Rail Transportation Company



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