1.0 INTRODUCTION

D.M. Wenceslao & Associates, Inc. (DMW) recognizes the importance of identifying and prioritizing sustainability topics that are relevant to its business, stakeholders, and long-term value creation.

This policy establishes the principles and approach guiding DMW's materiality assessment process. It supports the Company's commitment to responsible corporate governance, sustainability management, stakeholder engagement, risk management, transparency, and informed decision-making.

2.0 MATERIALITY ASSESSMENT PRINCIPLES

2.1 Stakeholder Inclusiveness

2.1.1 DMW recognizes that stakeholder perspectives are essential in identifying and evaluating sustainability topics.

2.1.2 The Company seeks to consider the interests, concerns, expectations, and feedback of relevant stakeholders in determining material sustainability matters.

2.1.3 Relevant stakeholders may include employees, tenants, customers, suppliers, contractors, investors, regulators, communities, business partners, and other groups affected by the Company's operations and activities.

2.2 Business Relevance

2.2.1 DMW seeks to identify sustainability topics that may significantly affect the Company's operations, strategy, financial performance, reputation, compliance obligations, and long-term value creation.

2.2.2 Material topics may include environmental, social, governance, economic, technological, operational, and regulatory considerations relevant to the Company.

2.3 Environmental, Social, and Governance Considerations

2.3.1 DMW considers the actual and potential impacts of its operations on the environment, society, and the economy when assessing material sustainability topics.

2.3.2 The Company seeks to identify sustainability-related risks, opportunities, dependencies, and impacts that may influence business performance and stakeholder interests.

2.3.3 In assessing material sustainability topics, DMW may consider:

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- The significance of sustainability-related impacts on the Company; and
- The Company's actual or potential impacts on the environment, society, and the economy.

2.4 Objectivity and Transparency

2.4.1 Materiality assessments shall be conducted using a structured, consistent, and evidence-based approach.

2.4.2 The Company seeks to maintain transparency regarding the process used to identify, assess, prioritize, and review material sustainability topics.

3.0 MATERIALITY ASSESSMENT PROCESS

3.1 Identification of Topics

3.1.1 DMW may identify potential material topics through various sources, including:

- Sustainability reporting frameworks and standards;
- Industry trends and emerging issues;
- Regulatory developments;
- Enterprise risk assessments;
- Stakeholder engagement activities;
- Internal business planning and management discussions; and
- Sustainability assessments and benchmarks.

3.1.2 DMW may gather inputs from relevant stakeholders through stakeholder engagement surveys, consultations, interviews, feedback mechanisms, or other appropriate engagement activities.

3.2 Assessment and Prioritization

3.2.1 Identified topics may be assessed based on their significance to stakeholders, their actual or potential impacts on the Company, and the Company's actual or potential impacts on the environment, society, and the economy.

3.2.2 Assessment criteria may include:

- Strategic relevance;

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- Financial implications;
- Regulatory considerations;
- Environmental and social impacts;
- Stakeholder interest;
- Risks and opportunities; and
- Potential effects on business continuity and long-term value creation.

3.1.4 The Company may facilitate discussions, workshops, or other collaborative engagements with employees, management, and relevant internal stakeholders to identify and evaluate sustainability priorities.

3.1.5 Senior Management and business leaders may participate in the assessment and prioritization of sustainability topics based on business relevance, stakeholder significance, risks, opportunities, and long-term value creation considerations.

3.1.6 DMW may consider recognized sustainability reporting standards, frameworks, benchmarks, and assessment methodologies when evaluating and prioritizing material sustainability topics.

3.3 Validation and Review

3.3.1 Materiality assessment results may be reviewed by relevant business functions and management.

3.3.2 Management may validate material sustainability topics to ensure alignment with the Company's strategy, operations, risk profile, and stakeholder priorities.

3.4 Disclosure of Material Sustainability Topics

3.4.1 Following the completion and validation of a materiality assessment, DMW may prepare a summary of its material sustainability topics, including relevant risks, opportunities, impacts, priorities, and associated management approaches.

3.4.2 The Sustainability Department is responsible for coordinating the preparation and publication of the Company's material sustainability topics and related disclosures.

3.4.3 DMW publicly discloses its material sustainability topics through appropriate channels, which may include the Company's Sustainability Report, Annual Report, corporate website, or other relevant public disclosures.

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3.4.4 Material sustainability topics and related disclosures may be periodically updated to reflect changes in stakeholder expectations, business strategy, regulatory developments, sustainability impacts, risks, opportunities, and assessment results.

4.0 STAKEHOLDER ENGAGEMENT

4.1 Stakeholder Participation

4.1.1 DMW seeks to engage relevant stakeholders as part of its materiality assessment process.

4.1.2 Stakeholder engagement may be conducted through surveys, interviews, meetings, workshops, consultations, feedback mechanisms, sustainability assessments, or other appropriate channels.

4.1.3 Feedback obtained from stakeholders may be considered in the identification, assessment, prioritization, and review of material sustainability topics.

5.0 GOVERNANCE AND ACCOUNTABILITY

5.1 Roles and Responsibilities

5.1.1 The Sustainability Department is responsible for coordinating the materiality assessment process.

5.1.2 Relevant departments and business units are expected to provide information, expertise, and feedback to support materiality assessments.

5.1.3 Senior Management oversees the implementation of this policy and supports the integration of material sustainability topics into business planning and decision-making processes.

6.0 GOVERNANCE AND REVIEW

6.1 Alignment with Reporting Requirements and Best Practice

DMW may consider applicable sustainability reporting standards, regulations, assessment methodologies, and recognized best practices when conducting materiality assessments.

6.2 Monitoring and Continuous Improvement

The Company periodically reviews its materiality assessment process to ensure its continued relevance, effectiveness, and alignment with business objectives and stakeholder expectations.

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6.3 Management Oversight

Senior Management oversees the implementation of this policy and promotes the integration of material sustainability considerations into corporate governance and sustainability management processes.

6.4 Annual Review

This policy shall be reviewed annually and updated as necessary to reflect changes in business operations, stakeholder expectations, reporting requirements, regulatory developments, and emerging sustainability issues.