

Impact and Financial Materiality

Environment

Material Topics	Recognition of impact, risks, and opportunity	Stakeholder groups most impacted	Impact Materiality	Financial Materiality	Strategy and Performance (Chapter/Section and Web)	Relevant global sustainability framework
Waste	<p>As the biggest hospital operations and medical care services in Thailand, BDMS generates a significant amount of clinical and non-clinical waste, which, if improperly managed, could negatively impact human health, pollute the environment, along with increase the company operational cost for waste elimination. Additionally, failing to address the waste issue pose risks such as reputational damage, legal fines and penalties, and loss of customers and market share since customers are increasing aware of the importance of environmentally conscious business.</p> <p>BDMS values resource use and waste management efficiency following the 5Rs principle (Reduce, Reuse, Recycle, Repair and Reject). The company has set direction and sustainability goals in 2050 to increase the recycling of non-hazardous waste to 50% while promoting plastic container recycling and the use of biodegradable containers.</p>	All stakeholders	-	● ●	SD Report, Circular Economy	GRI 306-3, 306-4, 306-5 SDG 12.3, 12.4, 12.5
Climate Change	<p>Greenhouse gas (GHG) emission from service operation contributes to climate change, which will impact on community standard of living, health and safety of people and planet, such as increase in illnesses, change in diseases, and economic damage caused by extreme weather events.</p> <p>Simultaneously, climate change can have adverse influences on BDMS if the company fails to minimize emissions and comply with environmental</p>	All stakeholders	-	● ● ●	SD Report, Energy and Climate Change Management	GRI 305-1, 305-2, 305-3, 305-4 SDG 13.1, 13.2

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	<p>regulations. Risks include disruptions to the supply chain and operations, future regulatory penalties and taxes, and reputational damage, which result in a loss of revenue and increase in operating costs. To tackle challenges in climate change, BDMS conducts the business under the consideration of the low carbon or minimal impact on the climate in line with international practices, and ultimately intends to accomplish net zero emissions in 2050.</p>					
Energy	<p>BDMS requires substantial amount of energy for continuous healthcare operation, which is a major contribution to greenhouse gas emissions if there's no energy-efficiency system. By implementing such a system, the company can benefit from, for instance, lower operational and energy consumption costs, reduced risks from the fluctuating fossil fuel prices, and return on investment from energy-efficiency technology. Accordingly, BDMS have implemented various low carbon energy projects to ensure resource efficiency, energy conservation, and minimize greenhouse gas emission.</p>	All stakeholders			SD Report, Energy and Climate Change Management	GRI 302-1, 302-3 SDG 7.2, 7.3
Water	<p>Water consumption and the quality of water discharged from business operations can have adverse influences on public health and ecosystem, including chemical contamination and reduction in the availability of water resource if not properly managed. Furthermore, water scarcity and quality, which are affected by climate-related events like floods and droughts, may expose the company to operational disruption (pharmaceutical</p>	All stakeholders			SD Report, Water Stewardship	GRI 303-3, 303-4, 303-5 SDG 6.3, 6.4, 12.2

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	<p>manufacturing). The inefficient wastewater management also can result in financial impact in terms of increased operating cost for water treatment and regulatory fine and penalties.</p> <p>BDMS values water as essential resource, particularly clean water in delivering quality and safety healthcare service. As a result, BDMS is determined to improve water management throughout the supply chain by constantly developing the process, technology, innovation, and fundamental structure in response to the upcoming changes and ensuring utmost efficiency in water management.</p>					

Note:





(1) Impacts on each material issue refer to both actual and/or potential impact and positive and/or negative.





(2) Financial impact on the Company is represented by the red/green dots appear in the table. Red dot represents negative financial impact; green dot represents positive financial impact.

●●●● ≥ 1,500 MB ●●● ≥ 1,000 MB ●● ≥ 100 MB ● < 100 MB

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Business and Governance

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Information Security and Privacy	BDMS operates a health service business that must rely on information technology systems. At the same time, cybersecurity and personal data risks must be managed to prevent information leakage and personal data breaches. Lack of management in information security and privacy can lead to loss of personal identity and assets, which may affect personal mental health, and may also be charged for legal fines. Therefore, to foster corporate credibility, BDMS established policies and information system infrastructure to ensure the security of personal data both service users and personnel within the organization.	Customer and Patient, Employee, Doctor and Dentist, Investor and Shareholder			SD Report, Information Security and Privacy	GRI 418-1 SDG 4.4, 9.1, 16.10, 17.14
Innovation and Technology of Sustainability	For BDMS, innovation is essential to the work process to respond to fast-paced changes in technology, business industry, and consumer behaviors. As a result, BDMS determines to foster innovation within the organization in all aspects including improving access to healthcare by applying innovation and technology to product, process, and business model. Through technology implementation, BDMS can enhance operational efficiency for both employees and patients including reduce time consumed in service provision, increase diagnostic accuracy, reduce the spread of infection, etc. Moreover, investment in digital technology improves availability of care, which provide benefits to wider social group and our patients. BDMS has	All stakeholders			SD Report, Innovation and Technology of Sustainability	SDG 8.2, 9.5, 9.b, 17.14, 17.17

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	implemented <i>"BDMS Telehealth Anywhere"</i> and continue to develop healthcare ecosystem with healthcare application in the future.					
Corporate Governance	Under the principles for good corporate governance, BDMS believes that conducting business in a transparent, fair, verifiable, and ethical manner leads to target achievement. As a result, BDMS established an efficient corporate governance structure to ensure sustainability, trust, and most importantly utmost benefits to all shareholders and stakeholders. To secure BDMS's credibility, the company ensure that transparency in reporting, ethical code of conduct along value chains, and other acts against business misconduct are maintained within the organization. Failure to control good corporate governance may lead to corruption or other unethical acts, which may result in legal fine and credibility damage. BDMS also encourages fair competition within healthcare industry through good corporate governance.	All stakeholders			SD Report, Corporate Governance	GRI 2
Supply Chain Management	Responsible supply chain management, considering sustainability criteria in Environmental, Social, and Governance (ESG), will increase the business opportunity while reducing business risks and building efficient relationships with the stakeholders throughout the supply chain. Moreover, this enhances competitiveness while fostering growth and sustainability alongside the suppliers. On the other hand, failing to meet demand for sustainable supply chain management can lead to risk of environmental action and credibility damage.	Supplier, Investor and Shareholder			SD Report, Supply Chain Management	GRI 308-1, GRI 414-1 SDG 4.4, 5.1, 8.3, 8.7, 9.4, 12.7

Social

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Service Quality and Patient Safety	<p>BDMS aims to build and deliver high-quality services to ensure that customers experience safe and excellent services in response to the physical, mental, emotional, and social dimensions. The intentions are to display professional responsibility towards the customer and society and prevent corporate reputation in case of complaints regarding patient safety from low-standard operations. Failure to provide quality service may affect customers' health and safety and may lead to legal fine, reputational damage, and loss of stakeholders' trust. Thus, service quality management to keep up with local and international standards is our core investment to develop effectiveness of treatment and achieve target in providing well-being to patients.</p>	Customer and Patient, Employee, Doctor and Dentist	+	● ● ●	SD Report, Service Quality and Patient Safety	GRI 416-1, 417-1, 417-2, 417-3 SDG 3.2, 3.4, 3.6, 3.8, 3.d, 8.2
Human Capital Development and Retention	<p>Human Capital Development and Retention has a significant impact on BDMS. Inappropriate manpower management and career advancement may affect personal mental health, which increases the risk of shortage of skilled and efficient medical professionals and staff and lead to a decline in the quality services and patient outcomes.</p> <p>Moreover, loss of employee engagement, employee boycotts, reputational damage, and legal challenges can all arise from failing to follow basic human resource management standards.</p>	Employee, Doctor and Dentist	-	● ● ●	SD Report, Human Capital Development and Retention	GRI 401-1, 401-2, 404-1, 404-2, 404-3, 405-1 SDG 4.4, 4.7, 5.5, 8.5, 17.6

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	Therefore, to achieve long-term success and increase the positive impact on society, BDMS has focused on creating a workplace that fosters high-potential employees' development, talent attraction, and ensures employee well-being and retention.					
Occupational Health and Safety	<p>Occupational health, safety and a positive working environment for the employees are essential for business operations, especially healthcare services. Failure to implement occupational health and safety can harm the businesses reputation, loss confidence from stakeholders as well as cause workforce shortages from sickness and fatal accidents. In addition, instances of hazardous working condition can be accounted for a violation of safety standards, which can result in financial penalties and public pressures.</p> <p>Focusing on the importance of the impact, BDMS sets out guidelines, measures, and protocols to foster occupational health, safety, and a positive working environment for the employees to ensure work efficiency and raise awareness of the impact on the operations, supply chains and business relations which may affect the human rights and well-being of the stakeholders and rights-holders.</p>	Employee, Doctor and Dentist	-	● ●	SD Report, Occupational Health and Safety	GRI 403 SDG 3.9
Respecting human rights	Human rights management has a significant impact on BDMS, presenting both risks and opportunities. By promoting fair labor practices, respecting employee and patient rights and diversity, the company can improve	All stakeholders	-	● ●	SD Report, Respecting human rights	GRI 412

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	<p>employee and patient overall well-being satisfaction. BDMS can also gain access to a larger and more diverse set of potential workforces, expand competitive edge, build strong partnerships, and enhance its reputation as socially responsible organization. However, inadequate human rights management pose risks such as reputational damage, legal non-compliance, labor dispute, and supply chain disruption. Therefore, to ensure that equitable healthcare services are provided throughout the supply chain, BDMS has enforced the human rights policy in accordance with international principles and issued a process for human rights assessment in all aspects to identify risks and continuously lessen the impact, as well as consistently provides training opportunities and improves the reporting channel efficiency.</p>					
Community Engagement	<p>As the current business operations can affect the community and society, BDMS sets out the operational guidelines to express the determination to care for the community and society. BDMS supports community development and social welfare to reduce inequality by donating medical equipment, providing knowledge on personal hygiene and/or healthcare-related topics, and providing healthcare services. BDMS provide knowledge sharing session for the community and society by aiming that the community will be able to apply basic healthcare knowledge received on their own. Integrating community engagement ensure smooth operation and enhance the relationship with all stakeholders, while prevent potential risks of</p>	All stakeholders	+	● ●	SD Report, Community Engagement	GRI 201-1 SDG 3.2, 3.3, 3.4, 3.5, 3.6

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	reputational damage. Correspondingly, community engagement builds stakeholders' trust in the company, enhance credibility, and provide long-term opportunity for both community and the company.					
Customer Relationship Management	BDMS strives to establish effective customer relationship management with the determination to create customers' loyalty to BDMS healthcare services and increase corporate value by maintaining and expanding the customer base in the long term. In addition, BDMS seeks new business opportunities through customer feedback to understand their true needs. Thus, managing good customer relationship not only foster BDMS long-term values, but also provides utmost benefits to customers. On the other hand, failure to manage good customer relationship may affect customers' decision in coming back to the services provided by hospital and may cause reputational damage and long-term revenue loss.	Customer and Patient, Employee, Doctor and Dentist	+	● ● ●	SD Report, Customer Relationship Management	GRI 418 SDG 16.7