Integration of Climate Targets into Future Capital Expenditure

Bangkok Chain Hospital Public Company Limited recognizes that investment decisions play an important role in greenhouse gas emissions and the transition to low-carbon business operations. The Company has therefore established an approach for integrating climate-related considerations into future capital expenditure decisions in support of its targets to achieve Carbon Neutrality by 2030 and Net Zero Emissions by 2050, as follows:

a) Aligning Capital Expenditure with Greenhouse Gas Reduction Targets

The Company aims to manage future capital expenditure in alignment with its long-term greenhouse gas reduction targets. Greenhouse gas emission impacts, energy efficiency, and opportunities to use renewable energy are incorporated as factors in the assessment of material investment projects, particularly investments in buildings, energy systems, medical support systems, and related technologies.

Implementation will be considered with due regard to technical suitability, economic viability, healthcare facility standards, patient safety, and continuity of medical services.

b) Approach to Reducing Investment in High-Greenhouse-Gas-Emitting Assets

The Company seeks to avoid or reduce new investment in assets and technologies associated with high energy consumption or greenhouse gas emissions where suitable low-carbon alternatives are available and can be used as substitutes. The Company will consider upgrading or gradually replacing existing assets at the end of their useful lives with more efficient equipment and technologies, while promoting the use of renewable energy and energy-saving systems in its hospitals.

Such considerations will prioritize compliance with legal requirements, the need for emergency backup systems, patient safety, and business continuity.

c) Approach to Assessing and Adjusting Future Capital Expenditure

For material investment projects involving energy use or greenhouse gas emissions, the Company will consider a comprehensive range of information in its decision-making, including:

- Impacts on energy consumption and greenhouse gas emissions over the asset's useful life
- The estimated amount of greenhouse gas emissions to be reduced or avoided
- Technical feasibility and suitability for hospital operations
- Life-cycle costs, payback period, and overall project value

- Operating and maintenance costs
- Patient safety, system reliability, and continuity of service
- Application of an internal carbon pricing concept to support the assessment of investment alternatives, subject to data availability and the suitability of the methodology

The Company will periodically review these approaches and criteria to ensure alignment with its climate targets, technological developments, healthcare facility standards, and the evolving business environment.