



## JUMP+ Plan

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## P.S.P.Specialties Public Company Limited

(PSP)

Year 2026 - 2028

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and disseminated on 31/03/2026

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sSET / SETCLMV / SETESG

Industrials / Industrial Materials &amp; Machinery

CG Report :

SET ESG Ratings: **A**

Anti-Corruption Certification (CAC): -

## Business Type

Total solution provider of lubricant products, including raw material procurement, product design, production, packing, terminalling and distribution center, logistics management services and other related businesses

### Financial Statement

Year	2025	2024	2023	2022
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#### Income Statement (MB)

Revenues	12,769.24	13,377.25	12,278.87	13,224.75
Expenses	11,866.55	12,465.80	11,589.01	12,438.98
Net Profit	850.64	671.67	427.54	537.26

#### Balance Sheet (MB)

Assets	7,647.35	7,136.06	7,061.57	7,326.15
Liabilities	3,450.22	3,474.58	3,776.24	6,883.46
Shareholders' Equity	4,195.81	3,661.48	3,285.33	442.69

#### Cash Flow (MB)

Operating	886.45	931.51	1,702.62	14.63
Investing	-659.16	-543.59	-545.98	-1,520.97
Financing	-264.18	-655.31	-754.06	1,607.09

#### Financial Ratio

EPS (Baht)	0.61	0.48	0.38	1.11
GP Margin (%)	13.90	12.72	11.13	11.62
NP Margin (%)	6.68	5.02	3.48	4.13
D/E Ratio (Times)	0.82	0.95	1.15	15.55
ROE (%)	21.65	19.34	22.94	121.36
ROA (%)	14.98	13.10	9.79	10.53

### JUMP+ Plan

#### Business Plan

##### Target in 2028

Net Profit	<b>1,000.00</b> Million Baht
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Strategic Plan	Growth	Profitability & Efficiency	Stability
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1. Strategic Plan 1 : Sustained Leadership ✓ ✓ ✓

2. Strategic Plan 2 : Specialized Creation ✓ ✓ ✓

3. Strategic Plan 3 : Promoting the ✓ ✓ ✓

company's growth through expansion into related businesses and/or fostering collaboration within the group (Synergized Initiatives), alongside ongoing business operations to promote sustainable growth, including focusing on future businesses that emphasize technology and innovation (New S-Curve).

#### Governance Plan

1. Enhancing anti-corruption and fraud prevention efforts
2. Enhancing the prevention of insider information
3. Enhancing governance of artificial intelligence applications

#### Climate Action Plan

1. Greenhouse gas inventory (GHG) plan
2. Decarbonization

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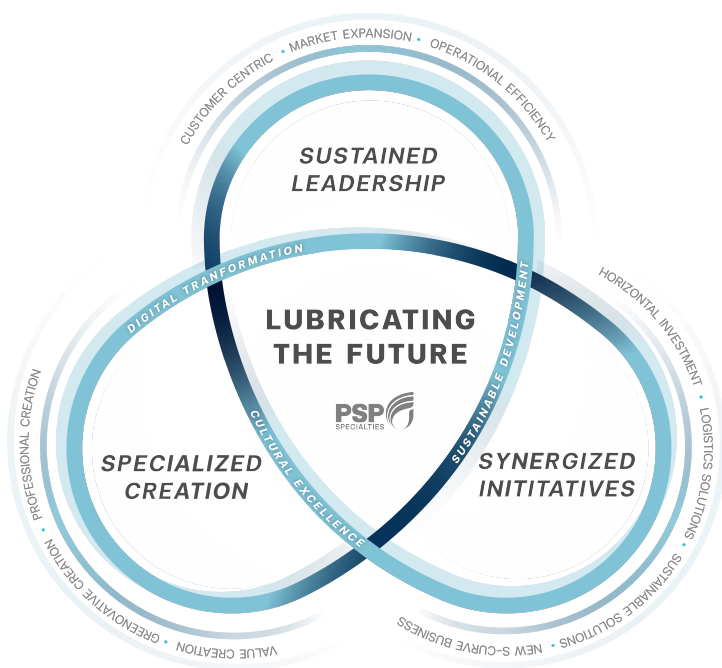
**Section 1**  
**Business Plan**

# Section 1 Business Plan

## Target in 2028

Topic	YE/2023	YE/2024	YE/2025	Target in 2028
Net Profit (Million Baht)	427.54	671.67	850.64	<b>1,000.00</b>

PSP focuses on delivering continuous New High performance while operating responsibly to create sustainable value for all stakeholders. In line with this commitment, the Company targets net profit growth to THB 1,000 million by 2028, driven by 3 Main Strategies.



- 1) Sustained Leadership**, focusing on strengthening the Company's core businesses through a customer-centric approach, enhanced production efficiency, and effective supply chain management to accommodate continuously expanding customer demand.
- 2) Specialized Creation**, leveraging research and development capabilities to expand specialized products and services with higher value-added offerings.
- 3) Synergized Initiatives**, expanding complementary businesses through mergers and acquisitions and strategic investments, with a focus on core-related businesses, integrated logistics, environmental services, and New S-Curve businesses such as data center technology, digital platforms, and healthcare, to drive medium-and long-term growth.

## Growth plan/Increase business value

### Strategic Plan 1 : Sustained Leadership

The Company aims to strengthen its core businesses across its product portfolio, including lubricants, transformer oil, industrial oil, and rubber process oil, by adopting a customer-centric approach, enhancing production efficiency, and effectively managing its supply chain. These efforts are intended to support the continuously growing customer demand arising from the relocation of manufacturing bases into Thailand and the ASEAN region. In parallel, the Company plans to expand its international markets in order to build a well-balanced business portfolio and support sustainable profit growth over the long term.

#### This plan will promote and develop the organization in the following dimensions

- Growth
- Profitability & Efficiency
- Stability

#### Targets

##### • Corporate Financial Targets

Topic	Latest data		Targets		
	YE/2024	YE/2025	2026	2027	2028
Net Profit : Owners Of The Parent (MILLION BAHT)	671.67	850.64	900.00	950.00	1,000.00

##### • Other Targets

Topic	Baseline	Targets		
	YE/2025	2026	2027	2028
Increase the proportion of revenue from export sales.	22.9%	-	-	30.00%

#### Strategic Initiative

Strategic Initiative	Year	Expected Outcomes
International Market Expansion The Company aims to increase the proportion of revenue from international sales from 22.9% in 2025 to 30.0% by 2028. This initiative leverages the Company's strengths as a market leader and an independent manufacturer with strong expertise in lubricant and specialty products. The initiative focuses on expanding market presence in high-growth ASEAN markets driven by automotive and industrial investment, enhancing international sales and marketing capabilities, and developing products aligned with market needs and standards. These actions are intended to broaden customer access, diversify the revenue base, and support sustainable long-term profit growth.	2026	<ul style="list-style-type: none"> <li>In 2026, the Company expects the proportion of revenue from international sales to increase from the base-year level, driven by the expansion of overseas marketing activities, greater access to new industrial customers, and the initial revenue recognition from target markets in the ASEAN region. As a result, the Company's revenue structure is expected to become more diversified, while establishing a more stable and recurring revenue base from international markets.</li> </ul>
	2027	<ul style="list-style-type: none"> <li>The proportion of revenue from international sales is expected to increase significantly, driven by sales growth in key markets, an expanding base of industrial customers, and greater acceptance of the Company's products in overseas markets. This will help reduce reliance on the domestic market and support the Company's continued revenue and profit growth.</li> </ul>
	2028	<ul style="list-style-type: none"> <li>The Company expects to achieve its target of international sales accounting for 30.0% of total sales revenue, resulting in a</li> </ul>

Strategic Initiative	Year	Expected Outcomes
		more geographically balanced business portfolio. This will enhance the stability of revenue streams, improve the quality of earnings, and support sustainable long-term profit growth.

## Risk Management

**Risk 1** : Risk from International Market Expansion and Overseas Operations.

### • Risk Characteristic

The Company's strategy to expand its revenue base through international market penetration, particularly in the ASEAN region, which offers high growth potential, may expose the Company to various risks arising from differences in economic conditions, political environments, legal and regulatory frameworks, trade policies, and business practices in each country. In addition, differences in customer behavior, competitive landscape, cost structures, logistics systems, and market access requirements may pose challenges. If the Company is unable to effectively adapt its strategies, operational approaches, and management practices to suit the specific conditions of each market, its overseas expansion and long-term growth objectives may not be achieved as planned.

In addition, international operations involve revenues, payments, and certain cost components denominated in foreign currencies. Fluctuations in foreign exchange rates may materially affect the Company's revenue, costs, profit margins, and cash flows, especially when revenues and expenses are denominated in different currencies or during periods of heightened volatility in global financial markets.

### • Risk Impact

- The Company may be unable to achieve its targeted growth in the proportion of revenue from sales in overseas markets.
- Operating costs may increase due to logistics expenses, import duties, taxes, foreign exchange fluctuations, or compliance with local regulations.
- Economic volatility or political instability in overseas markets may adversely affect customer demand, order continuity, and customers' ability to fulfill payment obligations.
- Intense competition from local players or global manufacturers may exert pressure on pricing, profit margins, and competitive positioning.
- Failure to comply with local regulations or to meet market standards may negatively impact the Company's reputation and customer confidence.

### • Risk Management Measures

- The Company conducts comprehensive market research and in-depth assessments of regulatory, economic, and business environments prior to entering or expanding into overseas markets.
- The Company adopts a partnership-based approach by working closely with experienced local distributors or strategic partners who possess strong market knowledge and networks.
- Export markets are diversified across multiple countries and customer segments to reduce dependency on any single market.
- The Company closely monitors and manages foreign exchange risk and logistics costs through appropriate pricing structures and contractual arrangements.
- Ongoing monitoring of economic conditions, political developments, and regulatory changes in overseas markets is conducted to enable timely adjustments to strategies and operational plans.

**Risk 2 : Risk from Changes in Customer Demand and Technological Advancements**

• **Risk Characteristic**

The industries in which the Company operates are subject to rapid changes in customer preferences, technologies, innovation, environmental standards, and regulatory requirements. Key trends include the adoption of new technologies such as electric vehicles (EVs), increasing sustainability requirements, and growing demand for products with specialized performance characteristics. If the Company is unable to timely develop, enhance, or introduce products and services that align with evolving customer needs and technological advancements, its existing products may lose competitiveness.

• **Risk Impact**

- The Company's products may not fully meet changing customer requirements or market expectations.
- Sales revenue, market share, and growth rates may decline.
- Profit margins may be pressured by products with lower performance or technological competitiveness compared to peers.
- Investments in research and development may not generate the expected returns.
- The Company's ability to sustain long-term growth and market leadership may be adversely affected.

• **Risk Management Measures**

- The Company closely monitors changes in customer demand, industry trends, and technological developments.
- Continuous investment in research and development is undertaken, leveraging the expertise of personnel and standardized laboratory testing facilities to develop new products and innovations.
- A customer-centric approach is applied in product and service development to better respond to customer needs.
- The Company develops a diversified product portfolio, covering core products, value-added products, and solutions aligned with sustainability trends.
- Relevant risks are regularly assessed and managed under the Company's enterprise risk management (ERM) framework to enable timely strategic and operational adjustments.

**Risk 3 : Risk Related to Production Costs and Supply Chain Management**

• **Risk Characteristic**

The Company's operations rely on key raw materials, including base oil, additives, packaging materials, and logistics services. The cost of major raw materials, particularly base oil, is closely linked to global oil prices and may be affected by external factors beyond the Company's control, such as global economic conditions, energy price volatility, geopolitical events, natural disasters, refinery shutdowns, and supply chain disruptions.

In addition, the Company may face risks from raw material shortages, significant price increases, or uncertainties in delivery from suppliers. Ineffective cost and supply chain management could adversely affect production continuity, pricing flexibility, and overall operating performance.

• **Risk Impact**

- Production costs may increase significantly, adversely affecting gross profit margins.
- The Company may be unable to fully or timely pass on increased costs to customers through pricing adjustments.
- Supply chain disruptions may affect production continuity and on-time delivery to customers.
- Inefficient inventory levels may impact working capital management.
- Customer confidence and business relationships may be adversely affected if delivery commitments cannot be met.

**• Risk Management Measures**

- The Company diversifies its sourcing of base oil through approximately 20 suppliers, both domestically and internationally, to reduce dependency on any single supplier.
- Raw material suppliers are carefully selected, evaluated, and tested, with approved suppliers included in the Company's Approved Vendor List (AVL), which is regularly reviewed.
- The Company enters into advance procurement contracts with an average contract period of approximately one year, based on forecasted demand, and maintains safety stock of base oil of approximately 30–60 days to manage supply disruptions.
- Cost management is supported by pricing mechanisms based on cost structures, including price adjustments linked to base oil indices (e.g., ICIS), with regular price reviews.
- Supply–demand conditions, raw material price trends, global economic developments, and geopolitical risks are closely monitored under the Company's enterprise risk management (ERM) framework, enabling timely adjustments to procurement, production, and inventory planning.

**Risk 4 : Risk Related to Maintaining Product Quality and Compliance with Standards****• Risk Characteristic**

The Company's business involves the production and distribution of lubricants, industrial oils, transformer oil, and specialized products, all of which are subject to stringent quality, safety, and technical standards at both domestic and international levels. Failures in production processes, quality control, storage, or transportation, as well as the inability to consistently comply with required standards or certifications, may result in products not meeting customer specifications or regulatory requirements. In addition, increasing product complexity and rising customer expectations may heighten the risk of maintaining consistent product quality, particularly if quality management systems and controls are not continuously enhanced in line with evolving standards and technologies.

**• Risk Impact**

- Products may fail to comply with applicable quality or technical standards.
- Customer confidence and long-term business relationships may be adversely affected.
- The Company may face product complaints, recalls, or reputational damage.
- Additional costs may be incurred for rework, retesting, or process improvements.
- The Company's competitiveness and ability to maintain market leadership may be negatively impacted.

**• Risk Management Measures**

- The Company maintains quality control systems throughout the entire production process, from raw material selection and manufacturing to storage and distribution.
- Standardized laboratory testing facilities and experienced technical personnel are utilized to ensure products meet relevant quality and performance standards.
- The Company complies with applicable industry and international standards and certifications to ensure consistent product quality and customer confidence.
- Quality management processes are regularly reviewed and enhanced, supported by ongoing training and competency development of relevant personnel.
- Customer feedback, complaints, and changes in standards or regulations are closely monitored under the enterprise risk management (ERM) framework to enable continuous quality improvement.

## Strategic Plan 2 : Specialized Creation

The Company aims to achieve quality-driven growth through the development and enhancement of a diversified portfolio of products and services tailored to the specific needs of niche customer segments and high-growth industries. This strategy leverages the Company’s core strengths in technical know-how, research and development (R&D) expertise, internationally recognized laboratory testing capabilities, and collaboration with strategic partners and relevant institutions to deliver high value-added products and solutions aligned with evolving industry trends, technological advancements, and customer requirements.

Under this strategy, the Company focuses on the development of products and services across **three key business groups**:

**1. Value-Added Products Driven by Expertise and Innovation (Value Creation)** – The Company focuses on developing value-added products by leveraging its R&D capabilities and deep industrial expertise to deliver specialized, application-specific solutions tailored to customer needs, enhancing differentiation and competitive advantage.

**2. Environmentally Friendly Products and Solutions Aligned With Sustainability Principles (Greenovative Creation)** – The Company develops and expands environmentally friendly products and solutions to address sustainability trends, clean energy adoption, and increasingly stringent environmental standards, balancing business growth with environmental and social responsibility.

**3. Enhancing Professional Capabilities (Professional Creation)** – The Company focuses on enhancing professional capabilities by leveraging the expertise of its personnel and professional infrastructure to support the delivery of high-quality products and services. This includes strengthening laboratory and R&D capabilities, as well as extending safety-related knowledge through training initiatives, to create added value and support sustainable long-term growth.

### This plan will promote and develop the organization in the following dimensions

- Profitability & Efficiency
- Growth
- Stability

### Targets

- **Corporate Financial Targets**

Topic	Latest data		Targets		
	YE/2024	YE/2025	2026	2027	2028
Net Profit : Owners Of The Parent (MILLION BAHT)	671.67	850.64	900.00	950.00	1,000.00

### Strategic Initiative

Strategic Initiative	Year	Expected Outcomes
The development and promotion of EnPAT bio transformer oil, produced from Thai palm oil, to support the industry’s transition toward solutions that offer enhanced safety, greater environmental sustainability, and reduced greenhouse gas emissions. The EnPAT project is undertaken in collaboration with Global Green Chemical Public Company Limited (GGC), as the supplier of bio-based raw materials, and the National Science and Technology Development Agency (NSTDA), which supports research and development activities.	2026	<ul style="list-style-type: none"> <li>• The company is currently conducting a pilot trial of EnPAT bio-based transformer oil in a real power system, in collaboration with the Metropolitan Electricity Authority (MEA) and the Provincial Electricity Authority (PEA). The trial aims to study performance, safety, and system-level suitability for practical operation. The results of this testing will be used as technical data to evaluate product performance, enhance confidence among electricity authorities, power system users, and related stakeholders, and serve as a foundational database to support the development of future application guidelines and relevant standards.</li> </ul>
	2027	<ul style="list-style-type: none"> <li>• The Company aims to further promote the adoption of EnPAT in the market by leveraging real world trial results conducted in</li> </ul>

Strategic Initiative	Year	Expected Outcomes
	2028	<p>collaboration with electricity authorities as supporting data for acceptance among customers and industrial users. At the same time, the Company is preparing its production processes, standards, and quality systems to support the continuous expansion of commercial applications within the domestic market, while contributing to a reduction in reliance on imported transformer oil from overseas.</p> <ul style="list-style-type: none"> <li>The Company aims to expand the production of EnPAT bio transformer oil to a commercial scale in a concrete and measurable manner, while further extending market expansion both domestically and internationally. This initiative is intended to generate revenue from bio-based products, increase the proportion of value added products, and support the Company's sustainable long term growth, in parallel with contributing to the advancement of Thailand's energy industry.</li> </ul>
<p>The Re-Refined Base Oil initiative, conducted through Recycle Engineering Co., Ltd., involves processing used lubricating oil using scientific and technological refining methods to remove contaminants and enhance its quality to a level comparable to virgin base oil. The refined product can then be reused as base oil in the production process. The objective of this initiative is to reduce reliance on imported base oil, minimize waste generated from lubricant usage, and improve the efficiency of domestic resource utilization, in alignment with circular economy principles.</p>	2026	<ul style="list-style-type: none"> <li>The Company expects to complete comprehensive studies on market conditions, commercial feasibility, and relevant technologies for the Re-Refined Base Oil project through Recycle Engineering Co., Ltd., including the execution of a Memorandum of Understanding (MOU) with technology and equipment suppliers, as well as the application for the relevant factory operation license (Ror. Ngor. 106). The installation of machinery and production systems is expected to be completed by the end of the year, in preparation for the commencement of commercial operations in the following year.</li> </ul>
	2027	<ul style="list-style-type: none"> <li>The Company aims to commence initial commercial operations for base oil production under the Re-Refined Base Oil project through Recycle Engineering Co., Ltd., with machinery and production processes being gradually brought into operation. The Company expects to begin recognizing revenue from this project within 2027, alongside the implementation of quality control processes in accordance with applicable standards, to ensure production stability and build confidence in industrial-scale utilization.</li> </ul>
	2028	<ul style="list-style-type: none"> <li>The Company expects to continuously expand the operations of the Re-Refined Base Oil project, increase the proportion of recycled raw materials used in the Group's production processes, reduce reliance on imported base oil, and enhance the Company's competitiveness in terms of cost efficiency, supply chain resilience, and long-term sustainable growth.</li> </ul>
<p>Research and development of immersion cooling fluids for data centers to support the rapid growth of digital infrastructure, advanced data processing, and rising energy consumption. The Company has entered into a Memorandum of Understanding (MOU) with Shenzhen Eco Atlas Technology Co., Ltd. (Eco Atlas), a full-service data center solutions provider, and Evonik Specialty Chemicals (Shanghai) Co., Ltd. (Evonik), a leading global specialty chemicals manufacturer, to jointly develop high-efficiency, safe, and environmentally friendly cooling technologies. This collaboration leverages the core strengths of each partner: PSP's</p>	2026	<ul style="list-style-type: none"> <li>The Company will focus on formulation development and laboratory-scale testing of immersion coolants, together with trials using actual equipment. This phase aims to assess thermal performance, safety, material compatibility, and suitability for data center applications, establishing a foundation to support advanced computing and future digital infrastructure.</li> </ul>
	2027	<ul style="list-style-type: none"> <li>The Company aims to identify strategic partners for manufacturing and commercial deployment, while also studying market dynamics and business opportunities within the rapidly</li> </ul>

Strategic Initiative	Year	Expected Outcomes
<p>expertise in specialty fluids, Eco Atlas's data center technology and application capabilities, and Evonik's advanced chemical innovation and know-how. The project aligns with the Company's ESG-driven sustainable business strategy, contributing to reduced energy consumption, lower operating costs, and support for greenhouse gas emission reduction goals. In addition, it creates new business opportunities in future-oriented industries and strengthens the Company's strategic position within the long-term digital and energy industry value chain.</p>	2028	<p>growing data center industry in Thailand and the broader region. These efforts are intended to prepare for the large-scale industrial implementation of immersion cooling solutions and to support sustainable business operations in line with ESG principles.</p> <ul style="list-style-type: none"> <li>The Company expects to progressively expand the market for immersion coolant solutions and secure additional domestic and international partners to support growing demand driven by cloud computing and AI applications. This initiative is expected to create new business opportunities, strengthen the Company's position in future-oriented industries, and support long-term growth aligned with energy efficiency and carbon reduction goals.</li> </ul>

**Risk Management**

**Risk 1 : Technology and Innovation Development Risk**

• **Risk Characteristic**

The Company's strategy to develop new technologies and innovative solutions, particularly specialized products for future-oriented industries, requires continuous research and development and may be subject to uncertainties arising from research outcomes, technological complexity, longer-than-expected development timelines, and the risk that certain technologies or products may not be successfully scaled up for commercial production as planned.

• **Risk Impact**

Unsuccessful technology or innovation development may result in project delays, lower-than-expected returns on investment, potential loss of business opportunities, reduced competitiveness, and challenges in achieving the Company's long-term strategic growth objectives.

• **Risk Management Measures**

The Company manages technology and innovation development risks under its Enterprise Risk Management (ERM) framework, with reference to COSO principles. Risk mitigation measures include a phased development approach, thorough technical and commercial feasibility assessments, collaboration with strategic partners, research institutions, and subject-matter experts, as well as regular monitoring, review, and reporting of project progress to enable timely and appropriate adjustments.

**Risk 2 : Market and Customer Acceptance Risk**

• **Risk Characteristic**

The development of specialized products and services under the Specialized Creation strategy, particularly those involving new technologies, innovations, or future-oriented industries, may face market and customer acceptance risks. Such risks may arise from initial resistance to change, concerns over performance, safety, cost, or comparisons with existing solutions. Slower-than-expected market adoption may adversely affect business expansion plans and revenue generation from new offerings.

• **Risk Impact**

Insufficient market and customer acceptance of new products or services may result in revenue shortfalls, delays in recovering R&D investments, reduced competitiveness, limited market expansion opportunities, and challenges in achieving the Company's long-term strategic objectives.

- **Risk Management Measures**

The Company mitigates market and customer acceptance risks by engaging customers and end-users early in the development process, conducting pilot and field testing, refining products based on market feedback, and collaborating with strategic partners to enhance credibility. In addition, the Company conducts thorough market and commercial feasibility assessments prior to scaling investments and continuously monitors market response under its Enterprise Risk Management (ERM) framework.

**Risk 3 : Strategic Partnership Risk**

- **Risk Characteristic**

The Company's Specialized Creation strategy relies on collaboration with multiple strategic partners across research and development, technology, production, and market access. Risks may arise from discontinuity in collaboration, differences in strategic objectives, changes in business policies or conditions, or limitations in resource and knowledge sharing, which may affect project progress, quality, and overall success of new product and service development initiatives.

- **Risk Impact**

Issues arising from strategic partnerships may lead to delays in product and service development, increased operating costs, or failure to achieve development and commercialization targets as planned. Such risks may also adversely affect the Company's credibility, competitiveness, and ability to expand its business in niche and future-oriented industries.

- **Risk Management Measures**

The Company mitigates strategic partnership risks through careful partner selection based on expertise, strategic alignment, and operational capability. Clear roles, responsibilities, and scopes of collaboration are defined through formal agreements, with regular monitoring and review of project progress. In addition, the Company adopts contingency planning and a phased project approach under its Enterprise Risk Management (ERM) framework.

**Risk 4 : Investment and Cost Risk**

- **Risk Characteristic**

The Specialized Creation strategy requires investments in multiple areas, including research and development, technology, machinery, human resources, and new product development. Such initiatives may be exposed to uncertainties related to cost levels, raw material price fluctuations, development expenses, and longer-than-expected timelines to reach commercialization, potentially resulting in project costs exceeding initial estimates.

- **Risk Impact**

If investment and operating costs exceed expectations or projects fail to generate anticipated returns, this may adversely affect return on investment, cash flows, and the Company's financial position, as well as limit its ability to pursue further investments and long-term growth initiatives.

- **Risk Management Measures**

The Company mitigates investment and cost risks through thorough commercial feasibility and investment return assessments prior to project approval, phased investment implementation, close budget monitoring and cost control, and collaboration with strategic partners to share investment burdens and risks.

**Risk 5 : Regulatory and Standards Compliance Risk****• Risk Characteristic**

The development of specialized products and services under the Specialized Creation strategy, particularly those involving new technologies, innovations, and future-oriented industries, may be subject to various laws, regulations, technical standards, and safety or environmental requirements across different jurisdictions. Changes or the introduction of new regulatory requirements may pose risks if the Company is unable to timely comply, potentially affecting product development, certification, approval, and commercialization.

**• Risk Impact**

Non-compliance with applicable regulations and standards may result in development delays, inability to launch products as planned, additional costs for modifications or certifications, and potential adverse impacts on the Company's reputation, customer confidence, and long-term business opportunities.

**• Risk Management Measures**

The Company manages regulatory and standards compliance risks by closely monitoring relevant laws, regulations, and standards from the early stages of product development, collaborating with relevant authorities, research institutions, and strategic partners to ensure compliance. The Company also conducts thorough testing, evaluation, and certification processes, with ongoing risk management implemented under its Enterprise Risk Management (ERM) framework.

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**Strategic Plan 3 : Promoting the company's growth through expansion into related businesses and/or fostering collaboration within the group (Synergized Initiatives), alongside ongoing business operations to promote sustainable growth, including focusing on future businesses that emphasize technology and innovation (New S-Curve).**

The Company is committed to fostering long-term growth by expanding into businesses related to its core operations, alongside the consideration of mergers and acquisitions (M&A) as well as strategic investments in other businesses. In parallel, the Company promotes collaboration within the Group to enhance the efficient sharing of resources and to integrate strengths in knowledge, technology, and expertise across business units. Such integration enhances competitiveness and strengthens the overall resilience of the Group's business structure. Meanwhile, the Company places importance on future business development (New S-Curve), driven by technology and innovation. These include businesses related to sustainability, energy, digital technology, and modern infrastructure. The Company aims to create new business opportunities while exercising prudent risk management, in order to support sustainable long-term growth for both the Company and the Group.

**This plan will promote and develop the organization in the following dimensions**

- Growth
- Profitability & Efficiency
- Stability

## Targets

### • Corporate Financial Targets

Topic	Latest data		Targets		
	YE/2024	YE/2025	2026	2027	2028
Net Profit : Owners Of The Parent (MILLION BAHT)	671.67	850.64	900.00	950.00	1,000.00

## Strategic Initiative

Strategic Initiative	Year	Expected Outcomes
To pursue mergers and acquisitions (M&A) and strategic collaboration with business partners, including joint venture arrangements, to create new business opportunities, diversify risks, and establish a more diversified and sustainable revenue base. The Company focuses on investments that can complement and leverage the Group's core businesses, as well as selected New S-Curve businesses aligned with global industry trends. Key priorities include the realization of business synergies, efficient utilization of shared resources within the Group, and disciplined capital allocation, to support sustainable growth in the medium and long term.	2026	<ul style="list-style-type: none"> <li>The Company expands its business in accordance with its strategic plan through mergers and acquisitions and/or strategic investments with business partners, focusing on target industries that exhibit strong growth potential driven by global trends, such as data center technology, digital platforms, and healthcare-related businesses. These initiatives aim to establish a foundation for medium- and long-term growth, while initiating new revenue streams and strategic growth opportunities.</li> </ul>
	2027	<ul style="list-style-type: none"> <li>The Company continues to expand its business in line with the strategic plan and target industries aligned with global growth trends, while placing greater emphasis on generating business synergies across the Group. This includes synergy in technology, operations, supply chain management, and customer bases to enhance the Company's overall competitiveness. In parallel, the Company focuses on effective raw material cost management and maximizing the utilization of Group resources to improve operational efficiency.</li> </ul>
	2028	<ul style="list-style-type: none"> <li>The Company continues to pursue business expansion through joint investments with strategic partners as well as mergers and acquisitions, with a strong focus on maintaining an appropriate balance of leverage and capital structure, including managing the debt-to-equity (D/E) ratio at a prudent level. As a result, the Company expects revenue and net profit to increase significantly, with a more meaningful contribution from newly invested businesses or strategic investments, leading to a more diversified and resilient earnings structure that supports long-term sustainable growth.</li> </ul>

## Risk Management

### **Risk 1** : Risk from Mergers and Acquisitions (M&A) and Strategic Investments Execution

#### • Risk Characteristic

The Company's strategy to expand its business through mergers and acquisitions, joint ventures, and strategic investments may expose the Company to risks related to deal execution, valuation accuracy, integration complexity, and differences in corporate culture, operational processes, management practices, and business objectives between the Company and its partners or acquired entities. In addition, uncertainties regarding the target company's financial performance, operational efficiency, regulatory compliance, and future business prospects may affect the realization of expected synergies and investment returns.

- **Risk Impact**

- Expected business synergies may not be fully realized or may take longer than anticipated.
- Actual performance of acquired or invested businesses may be lower than initial assessments.
- Integration challenges may lead to higher operating costs, management complexity, or operational inefficiencies.
- Return on investment may be lower than expected, potentially affecting the Company's profitability and long-term value creation.

- **Risk Management Measures**

- The Company conducts thorough financial, operational, legal, and strategic due diligence prior to entering into any M&A, joint venture, or strategic investment.
- Investment decisions are evaluated based on strategic fit, synergy potential, financial viability, and long-term value creation.
- Integration plans are developed with clear governance structures, defined roles and responsibilities, and integration milestones.
- Post-investment performance is closely monitored, with regular reviews under the Enterprise Risk Management (ERM) framework to enable timely corrective actions.

**Risk 2 : Business Synergy and Resource Integration Risk**

- **Risk Characteristic**

The creation of synergies among Group companies and newly invested businesses requires effective integration of resources, expertise, operational systems, and processes. Differences in organizational structures, operating systems, technologies, working cultures, and business priorities across Group entities may hinder coordination and the effective utilization of shared resources, resulting in integration efforts not being implemented as planned. As the scale and diversity of the Group's business portfolio expand, management complexity, coordination requirements, and strategic decision-making challenges may increase. If integration processes, role allocation, or internal resource management are not clearly defined or effectively monitored, the expected synergies may not be fully realized, potentially limiting improvements in operational efficiency and weakening the Group's overall competitiveness as intended.

- **Risk Impact**

Failure to achieve effective and tangible synergies between the Company's existing businesses and newly invested businesses may hinder the Company's ability to realize its planned objectives relating to operational efficiency improvement, cost reduction, and enhancement of competitive capabilities. Consequently, the Company's cost structure may remain elevated, and the full benefits of shared resource utilization may not be realized. Furthermore, delays or misalignment in the integration of processes, technologies, or operational frameworks across business units may increase management complexity, reduce organizational agility and decision-making efficiency, and adversely affect the Company's ability to respond effectively to competitive dynamics and market changes over the medium to long term.

- **Risk Management Measures**

- The Company has established a clear Group Governance framework to support resource integration and the creation of synergies among business units within the Group. Coordination mechanisms have been put in place among departments and group companies to promote collaboration in strategic planning, operations, procurement, cost management, and the sharing of resources
- The Company has clearly defined roles, responsibilities, authorities, and reporting lines for each unit to reduce operational duplication and enhance the efficiency and effectiveness of decision-making. The Company has also established specific

objectives and Key Performance Indicators (KPIs) for synergy creation and resource Integration for each project or investment. The progress of integration efforts and the utilization of shared resources are regularly monitored, evaluated, and reviewed, with operational plans adjusted as appropriate to ensure alignment with actual outcomes.

- The Company manages risks under an Enterprise Risk Management (ERM) framework, with risks being continuously monitored, assessed, and reported to senior management and the Board of Directors on a regular basis.

### **Risk 3 : Capital Structure and Financial Risk**

- **Risk Characteristic**

Business expansion through M&A and strategic investments requires capital and may increase the Company's leverage and financial commitments. Inappropriate capital allocation, excessive leverage, or insufficient cash flow generation from new investments may adversely affect the Company's financial stability, liquidity, and ability to pursue future growth initiatives.

- **Risk Impact**

- The Company's debt-to-equity (D/E) ratio and leverage may increase beyond appropriate levels.
- Cash flow constraints may arise, impacting dividend policy, credit profile, or future investments.
- Financial flexibility and resilience during economic downturns may be reduced.

- **Risk Management Measures**

- The Company applies disciplined capital allocation principles, evaluating each investment's funding structure, risk profile, and expected returns.
- Leverage levels and D/E ratio are closely monitored to maintain financial stability and compliance with internal financial policies.
- Investments are implemented in phases, with performance-based review prior to further capital commitments.
- Scenario analysis and financial stress testing are conducted as part of the investment evaluation process.

### **Risk 4 : Risk from Mergers and Acquisitions (M&A) and Strategic Investments Execution**

- **Risk Characteristic**

The Company's strategy involves collaboration with strategic partners through joint ventures or partnership arrangements. Risks may arise from misalignment of strategic objectives, governance structures, decision-making processes, or changes in partners' business directions, financial conditions, or commitment levels.

- **Risk Impact**

- Delays or inefficiencies in project execution may occur.
- Strategic initiatives may not progress as planned or may be terminated prematurely.
- Additional costs may be incurred to restructure or replace partnership arrangements.

- **Risk Management Measures**

- Strategic partners are carefully selected based on strategic alignment, operational capability, financial strength, and long-term commitment.
- Clear governance frameworks, decision-making authority, and exit mechanisms are defined in formal agreements.
- Ongoing monitoring and regular communication with partners are conducted to ensure alignment with strategic objectives.
- Contingency plans are prepared to manage potential changes in partnership arrangements.

## **Section 2**

### **Governance Plan**

## Section 2 Governance Plan

### Accountability and Transparency Governance

#### Enhancing anti-corruption and fraud prevention efforts

The Company recognizes the importance of conducting its business in accordance with the principles of good corporate governance, with a strong commitment to integrity, transparency, accountability, a zero-tolerance approach toward all forms of corruption. In this regard, the Company continues to strengthen its anti-corruption framework and practices, with the objective of becoming a member of the Thailand Private Sector Collective Action Against Corruption (CAC). This commitment reflects the Company’s dedication to upholding ethical business conduct, fostering a robust corporate culture, and enhancing trust among all stakeholders, thereby supporting long-term sustainable growth

#### Targets

Topic	Current Status	Targets		
		2026	2027	2028
The company has established an anti-corruption policy and practices.	In Progress	In Progress	In Progress	Success
<ul style="list-style-type: none"> <li>An anti-corruption and anti-bribery policy has been developed to comprehensively cover the organization's business operations, formally approved by the Board of Directors, and supported by clear and practical implementation guidelines</li> </ul>	In Progress	Success	Success	Success
<ul style="list-style-type: none"> <li>The company conducts regular monitoring and evaluation of compliance with its anti-corruption and anti-bribery policy and procedures. Audit results are reported by internal auditors to the Board of Directors at least annually. In the event of any violations, corrective actions and preventive measures are clearly defined to prevent recurrence</li> </ul>	Not Started	-	In Progress	Success
<ul style="list-style-type: none"> <li>The company conducts an annual review of its anti-corruption and anti-bribery policy and practices with the Board of Directors</li> </ul>	In Progress	In Progress	Success	Success
Achieve CAC certification from the Thai Institute of Directors (Thai IOD)	Not Started	Not Started	Signatory	Certified
Implement and verify that all critical Tier 1 business partners have anti-corruption policies, and ensure that the company actively monitors and assesses business partners' adherence to these policies	-	In Progress	In Progress	Success

## Strategic Initiative

Strategic Initiative	Year	Expected Outcomes	
The Company has undertaken a review and enhancement of its Anti-Corruption Policy, along with the establishment of related guidelines to ensure comprehensive coverage across all business activities. The revised policy and associated guidelines have been duly approved by the Board of Directors.	2026	<ul style="list-style-type: none"> <li>The Anti-Corruption Policy and related guidelines have been approved by the Board of Directors.</li> <li>The policy and guidelines have been formally implemented and communicated to employees at all levels.</li> </ul>	
	2027	<ul style="list-style-type: none"> <li>The Anti-Corruption Policy and related guidelines are reviewed and proposed to the Board of Directors for consideration at least once annually.</li> </ul>	
	2028	<ul style="list-style-type: none"> <li>The Anti-Corruption Policy and related guidelines are reviewed and proposed to the Board of Directors for consideration at least once annually.</li> </ul>	
The Company has declared its intention to participate in the Thailand Private Sector Collective Action Against Corruption (CAC) and has been certified as a CAC member by the Thai Institute of Directors Association (Thai IOD).	2026	<ul style="list-style-type: none"> <li>The Company has undertaken preparatory activities by studying and analyzing the 71-item self-assessment framework for developing an anti-corruption system, as prescribed by the Thai Institute of Directors Association (Thai IOD).</li> <li>The Company has developed and enhanced its internal control systems and related documentation to support the application for certification under the Thailand Private Sector Collective Action Against Corruption (CAC).</li> <li>The approved Anti-Corruption Policy and related guidelines have been communicated and training has been provided to employees at all levels.</li> </ul>	
		2027	<ul style="list-style-type: none"> <li>The Company has declared its intention to participate in the Thailand Private Sector Collective Action Against Corruption (CAC).</li> <li>Workshops have been conducted across departments to identify and assess corruption risks, as well as to define key risk mitigation measures.</li> </ul>
			<ul style="list-style-type: none"> <li>The Company has developed and enhanced its internal control system and related documentation to align with the 71-item self-assessment framework for the anti-corruption system.</li> <li>Supporting documentation has been compiled and prepared to ensure completeness for the CAC certification application.</li> </ul>
	2028	<ul style="list-style-type: none"> <li>The submission of documentation for CAC certification has been approved by the Board of Directors.</li> <li>The Company has submitted its application for CAC certification (first submission).</li> </ul>	
	The Company requires Critical Tier 1 suppliers that directly engage in business with the Company to establish anti-corruption policies, and regularly monitors and assesses their compliance with such policies.	2026	<ul style="list-style-type: none"> <li>The Company defines and establishes a registry of Critical Tier 1 suppliers based on procurement value, strategic importance, and risk exposure.</li> <li>The Supplier Code of Conduct and related supplier requirements are developed and enhanced to cover anti-bribery, conflict of interest, gifts and hospitality, kickbacks, whistleblowing, and legal compliance.</li> </ul>

Strategic Initiative	Year	Expected Outcomes
	<p>2027</p> <p>2028</p>	<ul style="list-style-type: none"> <li>• Critical Tier 1 suppliers are required to acknowledge and formally commit to compliance with the Company’s requirements.</li> <li>• A Supplier Self-Assessment Questionnaire (SAQ) is developed, focusing on anti-corruption and anti-bribery practices.</li> <li>• Key performance indicators (KPIs) and a tracking system are established to monitor and record performance.</li> <li>• The Company conducts assessments of Critical Tier 1 suppliers using the Self-Assessment Questionnaire (SAQ) in accordance with the established plan.</li> <li>• Supporting documentation is reviewed, including anti-corruption policies, whistleblowing channels, internal training records, and management certification letters.</li> <li>• A risk-based supplier segmentation is established, categorizing suppliers into high, medium, and low-risk levels.</li> <li>• Corrective Action Plans are developed for suppliers with identified gaps.</li> <li>• Targeted suppliers are trained and/or briefed on PSP’s anti-corruption requirements.</li> <li>• Anti-corruption assessment is incorporated into supplier selection, contract renewal, and annual supplier performance reviews.</li> <li>• The Company monitors the remediation progress of suppliers identified as high-risk or non-compliant.</li> <li>• Enhanced due diligence is conducted for high-risk suppliers or those with complaints or irregularities.</li> <li>• The results are regularly reported to management and/or relevant committees.</li> <li>• The criteria and targets are periodically reviewed to expand coverage to other key supplier groups in subsequent phases.</li> </ul>

**Risk Management**

**Risk 1 :** Risk arising from inconsistent and non-aligned implementation of anti-corruption policies and guidelines across the organization.

**• Risk Characteristic**

- Inadequate or unclear communication of policies and guidelines across the organization.
- Inconsistent understanding and interpretation of policies and guidelines among employees.
- Variations in the implementation of guidelines across departments, depending on each unit’s discretion.

**• Risk Impact**

- Inconsistent and misaligned implementation of policies and guidelines may result in control measures being applied incompletely or without standardization, thereby affecting the effectiveness of the Company’s governance.

- Policies and guidelines may be subject to misinterpretation or discretionary application in ways that could enable inappropriate behavior and increase the risk of corruption.
- The Company may be unable to effectively embed an anti-corruption culture and integrate it into day-to-day operations.
- This may adversely affect the Company's reputation and reduce the confidence of shareholders, customers, and other stakeholders.

- **Risk Management Measures**

- The Company conducts structured training and communication on policies and guidelines, with content that is easy to understand and aligned with the specific functions of each department.
- A dedicated working team, central function, and communication channels have been established to provide guidance and respond to inquiries regarding policies and guidelines, ensuring proper implementation.
- The Company regularly monitors compliance with policies and guidelines.
- The Company promotes awareness among all employees of the potential impacts of non-compliance.

**Risk 2 :** Risk arising from inadequate knowledge and understanding in the preparation of supporting documentation and the certification process.

- **Risk Characteristic**

- The preparation of supporting documentation may not fully comply with the criteria and requirements specified under the 71-item self-assessment framework for the anti-corruption system.
- The time, budget, and personnel allocated for understanding the 71-item self-assessment framework and for pursuing certification may not be aligned with the implementation plan.
- In the event that the Company has declared its intention to join the CAC but is unable to obtain certification, this may adversely affect the Company's image and credibility.

- **Risk Impact**

- The Company may not obtain certification under the Thailand Private Sector Collective Action Against Corruption (CAC) if the supporting documentation for the 71-item self-assessment of the anti-corruption system is incomplete or inaccurate.
- The Company may be subject to a temporary suspension of the certification process (blackout) due to the inability to submit required documentation within the specified timeframe, which may adversely affect the Company's image and credibility as a result of the delay in applying for certification.

- **Risk Management Measures**

- The Company has studied and analyzed the 71-item self-assessment questionnaire for developing an anti-corruption system, as prescribed by the Thai Institute of Directors (IOD), and has directly consulted with IOD officers in case of any inquiries.
- The Company has utilized the 71-item Minimum Requirements Checklist developed under the CAC framework as a guideline to facilitate the preparation of supporting documentation for the certification process.

## Enhancing the prevention of insider information

The Company is committed to strengthening the prevention of misuse of inside information by enhancing its data governance framework to be more structured and clearly defined. In this regard, the Company plans to establish a Data Classification Policy to define levels of data criticality and to appropriately control access, use, and disclosure of information. Such measures will help mitigate risks associated with improper data usage, enhance transparency in business operations, and promote greater discipline and awareness among employees in responsibly handling sensitive information.

## Targets

Topic	Current Status	Targets		
		2026	2027	2028
The company has established a policy and procedures to prevent the misuse of insider information.	Not Started	In Progress	In Progress	Success
<ul style="list-style-type: none"> <li>A Board-approved written policy on insider information prevention has been clearly defined and implemented</li> </ul>	Not Started	-	Success	Success
<ul style="list-style-type: none"> <li>A structured process is implemented to regularly monitor and review compliance with the insider trading prevention policy,with audits conducted at least annually.</li> </ul>	Not Started	-	-	Success
<ul style="list-style-type: none"> <li>The implementation of the insider information prevention policy is reviewed and reported to the Board of Directors at least annually. If any violations are detected,corrective actions and preventive measures are clearly outlined to prevent recurrence</li> </ul>	Not Started	-	-	Success
The Company provides training to employees to raise awareness and requires directors, executives, and employees to acknowledge and formally confirm their compliance with the policy on the prevention of the misuse of inside information.	-	In Progress	Success	Success

## Strategic Initiative

Strategic Initiative	Year	Expected Outcomes
To develop a Data Classification Policy to strengthen measures for the prevention of the misuse of inside information.	2027	<ul style="list-style-type: none"> <li>The Company has established a Data Classification Policy and guidelines that are aligned with its business nature and risk profile, and have been approved by the Board of Directors.</li> <li>The Company has established a Data Classification Register.</li> </ul>
	2028	<ul style="list-style-type: none"> <li>The Company communicates with employees to promote understanding and ensure proper compliance with such policies and guidelines.</li> <li>Enhancing the effectiveness of controls to prevent unauthorized access to or use of inside information, particularly electronic data, through the implementation of systems or tools to manage and enforce compliance with established policies.</li> </ul>
The Company provides training to employees to raise awareness and requires directors, executives, and employees to acknowledge and formally confirm their compliance with the policy on the prevention of the misuse of inside information.	2026	<ul style="list-style-type: none"> <li>The Company requires directors, executives, and employees to acknowledge and formally confirm their compliance with the policy, with a target of 100% completion, on an annual basis.</li> <li>The Company provides training on the policy for the prevention of the misuse of inside information to employee.</li> <li>The Company reviews policy at least annually.</li> </ul>
	2027	<ul style="list-style-type: none"> <li>The Company requires directors, executives, and employees to acknowledge and formally confirm their compliance with the</li> </ul>

Strategic Initiative	Year	Expected Outcomes
	2028	<p>policy, with a target of 100% completion, on an annual basis.</p> <ul style="list-style-type: none"> <li>The Company reviews policy at least annually.</li> <li>The Company requires directors, executives, and employees to acknowledge and formally confirm their compliance with the policy, with a target of 100% completion, on an annual basis.</li> <li>The Company provides training on the policy for the prevention of the misuse of inside information to employee.</li> <li>The Company reviews policy at least annually.</li> </ul>

## Risk Management

**Risk 1 :** Lack of appropriate controls over access to and use of inside information.

- **Risk Characteristic**

- Absence of defined data classification levels, resulting in an inability to clearly distinguish between general information and confidential or inside information.
- Access rights are not systematically defined, or access is granted to an excessive number of users beyond what is necessary.
- Inside information may be shared or transmitted internally or externally without adequate controls or appropriate requirements.

- **Risk Impact**

- Potential occurrence of Insider trading or misuse of information for personal benefit.
- Leakage of confidential or inside information, which may affect the Company's share price and stakeholder confidence.
- Risk of non-compliance with applicable laws and regulatory requirements.

- **Risk Management Measures**

- Establish a Data Classification Policy to strengthen measures for the prevention of the misuse of inside information.
- Systematically review and appropriately define access rights, limiting access strictly to those with a legitimate need, and implement a digital access log system to record and enable audit trails of data access.
- Communicate and promote awareness and understanding among personnel regarding the proper use of the Company's inside information.
- Monitor and report the shareholding and trading of securities by directors and executives in a complete and timely manner.

**Risk 2 :** Lack of personnel awareness regarding clear policies and guidelines for data management.

- **Risk Characteristic**

- Personnel are unaware of which types of information constitute material inside information or are subject to usage restrictions.
- Data management practices depend on the discretion of individual personnel or business units.

- **Risk Impact**

- Unintentional misuse of inside information or leakage of non-public information may occur.
- The Company or individuals may be subject to legal or regulatory sanctions.
- Potential adverse impact on the Company's corporate governance image and overall credibility.

• **Risk Management Measures**

- Communicate and promote awareness regarding the use of inside information and the Data Classification Policy.
- Establish clear disciplinary measures in cases of non-compliance or violations.
- Implement monitoring, review, and reporting mechanisms to ensure compliance with the Company’s policies.

**Governance of Risk and Management Compliance**

**Enhancing governance of artificial intelligence applications**

The Company has established an approach to develop AI Governance policies and guidelines to define a clear framework for AI utilization, risk management, and the roles and responsibilities of relevant parties. This initiative is intended to mitigate risks arising from the inappropriate use of AI, including those related to data, privacy, and potentially biased decision-making, while enhancing stakeholder confidence. Furthermore, this initiative serves as a fundamental foundation for supporting the effective use of AI to strengthen business capabilities, alongside appropriate governance, over the long term.

**Targets**

Topic	Current Status	Targets		
		2026	2027	2028
The company has established policies and guidelines for the use of artificial intelligence (AI).	Not Started	In Progress	In Progress	Success
• Establish roles and revise the charters of the Board,its subcommittees,or designated personnel responsible for governing AI adoption in the organization.	Not Started	-	In Progress	Success
• Formulate clear and documented policies and procedures with appropriate approval.	Not Started	-	In Progress	Success
• All involved employees have been trained and communicated about AI governance.	Not Started	-	In Progress	Success
Report to the Board of Directors on the review and results of our responsible use of artificial intelligence.	-	-	-	Success

**Strategic Initiative**

Strategic Initiative	Year	Expected Outcomes
The Company has established policies and guidelines governing the use of artificial intelligence	2027	• The Company has revised the charters of the Board of Directors and its subcommittees to clearly define, in writing, their roles and responsibilities in overseeing the adoption and use of artificial intelligence.
	2028	<ul style="list-style-type: none"> <li>• The Company has established policies and guidelines that comprehensively address key aspects of AI Governance in a clear and documented manner.</li> <li>• The Company conducts communication and training programs for employees to promote awareness, enhance understanding, and ensure proper compliance.</li> </ul>

Strategic Initiative	Year	Expected Outcomes
Report to the Board of Directors on the review and results of our responsible use of artificial intelligence.	2028	<ul style="list-style-type: none"> <li>The Company conducts compliance reviews of the AI Governance Policy to ensure alignment with key risk exposures and material impacts.</li> <li>The Company reports the results of AI usage audits to the Board of Directors.</li> <li>The results of AI usage audits are utilized to enhance and refine the Company's governance framework to improve its effectiveness.</li> </ul>

## Risk Management

**Risk 1 :** The use of artificial intelligence without appropriate governance and oversight.

- **Risk Characteristic**

- Employees use AI without clear policies or guidelines, and without appropriately defined boundaries of use.
- Inside information or confidential information is used with AI tools without adequate controls.
- Users rely on AI-generated outputs without proper validation, which may be inaccurate or subject to bias.

- **Risk Impact**

- Risk of leakage of confidential or inside information, or violations of personal data protection requirements.
- Erroneous business decisions or unfair outcomes arising from biases in AI-generated outputs.
- Potential adverse impact on the Company's reputation, corporate image, and stakeholder confidence.

- **Risk Management Measures**

- Establish an AI Governance Policy, practical guidelines (Do's and Don'ts), and an internal AI usage register to systematically control AI utilization, particularly in relation to the use of internal or confidential information.
- Require human oversight for use cases that have an impact on decision-making.
- Monitor and evaluate AI usage in accordance with the established policies.

**Risk 2 :** Lack of employee awareness and understanding of AI Governance.

- **Risk Characteristic**

Employees lack an understanding of the limitations of AI (e.g., inaccuracies or bias) and appropriate usage practices, due to the absence of centralized policies and guidelines. As a result, AI usage varies across individuals and business units, depending on personal understanding.

- **Risk Impact**

- Unintentional misuse of AI may occur, potentially leading to erroneous decision-making.
- The Company may be exposed to data leakage incidents, legal and regulatory issues, or non-compliance (e.g., personal data protection requirements and handling of inside information), which could adversely affect its reputation and stakeholder confidence.

- **Risk Management Measures**

- Provide training to enhance employees' awareness and understanding of AI Governance.
- Develop and communicate user-friendly guidelines (e.g., Do's and Don'ts, illustrative use cases).

- Consider implementing role-based training tailored to the specific responsibilities of different functions or groups utilizing AI in critical activities, rather than a one-size-fits-all approach across the organization.
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## **Section 3**

# **Climate Action Plan**

# Section 3 Climate Action Plan

## Greenhouse gas inventory (GHG) plan

The Company has published a Greenhouse Gas (GHG) emissions report

URL Link to the Document : <https://www.psp.co.th/en/investor-relations/document/annual-reports>



- Preparation of Carbon Footprint for Organization (CFO) in accordance with TGO and ISO 14064-1 standards.
- Preparation of Carbon Footprint for Product (CFP) in accordance with TGO standards.

### Targets

#### Greenhouse Gas (GHG) Emissions Reduction Targets

- Achieve Carbon Neutrality by 2050.
- Achieve Net Zero Emissions by 2050.

Topic	Targets		
	2026	2027	2028
GHG inventory report, GHG verification and disclosure (specific to Scope 1 and Scope 2 emissions)	Success	Success	Success
Preparation of the organization’s Carbon Footprint (CFO) to assess greenhouse gas (GHG) emissions from the company’s operations, covering Scope 1 and Scope 2, as well as relevant Scope 3 emissions, in accordance with the guidelines of the Thailand Greenhouse Gas Management Organization (TGO) and aligned with ISO 14064-1 standards.	Completed	Completed	Completed
Assessment of the Carbon Footprint of Products (CFP) to analyze greenhouse gas (GHG) emissions throughout the product life cycle, in accordance with the guidelines of the Thailand Greenhouse Gas Management Organization (TGO).	-	In progress	Completed

### Strategic Initiative

- Preparation of Carbon Footprint for Organization (CFO) in accordance with TGO and ISO 14064-1 standards.
- Preparation of Carbon Footprint for Product (CFP) in accordance with TGO standards.

Strategic Initiative	Year	Expected Outcomes
Preparation of the organization’s Carbon Footprint (CFO) to assess greenhouse gas (GHG) emissions from the company’s operations, covering Scope 1 and Scope 2, as well as relevant Scope 3 emissions, in accordance with the guidelines of the Thailand Greenhouse Gas Management Organization (TGO) and aligned with ISO 14064-1 standards.	2026	• The organization has obtained a greenhouse gas emissions database that covers operational boundaries as defined in contractual documents and includes all relevant Scope 3 emissions.
	2027	• The organization has improved its greenhouse gas emissions data management system to enhance efficiency.
	2028	• The CFO report has undergone continuous verification.

Strategic Initiative	Year	Expected Outcomes
Assessment of the Carbon Footprint of Products (CFP) to analyze greenhouse gas (GHG) emissions throughout the product life cycle, in accordance with the guidelines of the Thailand Greenhouse Gas Management Organization (TGO).	2026	<ul style="list-style-type: none"> <li>The organization has studied the assessment boundaries and collected data on raw materials, production processes, and product transportation.</li> </ul>
	2027	<ul style="list-style-type: none"> <li>The organization has calculated and prepared a Carbon Footprint of Products (CFP) report in accordance with the guidelines of the Thailand Greenhouse Gas Management Organization.</li> </ul>
	2028	<ul style="list-style-type: none"> <li>The Carbon Footprint of Products (CFP) assessment has been verified and registered, and the data has been utilized to develop five low-carbon product SKUs.</li> </ul>

Remark : • Preparation of Carbon Footprint for Organization (CFO) in accordance with TGO and ISO 14064-1 standards • Preparation of Carbon Footprint for Product (CFP) in accordance with TGO standards

**Risk Management**

**Risk 1 :** Risk related to the accuracy and completeness of greenhouse gas emissions data.

• **Risk Characteristic**

Activity data used for Carbon Footprint calculations-such as electricity consumption, fuel use, raw materials, or production data-may be incomplete, Inconsistent, or improperly managed, This may result in inaccuracies in the organization's greenhouse gas Inventory (CFO) and Carbon Footprint of Products (CFP), leading to non-compliance with the guidelines of the Thailand Greenhouse Gas Management Organization and ISO 14064-1

• **Risk Impact**

This may result in inaccuracies in greenhouse gas calculations, failure to pass verification by external auditors, and inability to register the Carbon Footprint.

• **Risk Management Measures**

The company has established a systematic approach for collecting and managing energy and production data. A dedicated Climate Management team has been assigned to ensure data accuracy prior to calculation, and internal verification is conducted before submission to external verifiers.

**Risk 2 :** Risk related to the collection of supply chain data for Carbon Footprint of Products (CFP) assessment.

• **Risk Characteristic**

The preparation of Carbon Footprint of Products (CFP) requires data from the supply chain, such as raw material data, transportation, and production processes from suppliers, which may be subject to limitations in data accessibility or may be incomplete.

• **Risk Impact**

This may result in the Carbon Footprint of Products (CFP) assessment not fully covering the product life cycle, leading to incomplete calculation results and potential failure to pass verification in accordance with the guidelines of the Thailand Greenhouse Gas Management Organization.

• **Risk Management Measures**

The company has established guidelines for coordinating with suppliers to collect environmental data, developed standardized data collection forms, and utilizes secondary data from recognized databases where direct data collection from suppliers is not feasible. Additionally, data is reviewed prior to CFP calculation to ensure alignment with applicable standards.

## Decarbonization

The Company has established its decarbonization plan in alignment with its sustainable business development direction, with reference to the key material topics of GHG Emissions, Energy Management, Supply Chain Management, and Innovation and Process Development. The plan focuses on enhancing energy efficiency in production processes, applying digital systems and automation to improve operational efficiency, increasing the share of clean energy, and advancing supply chain development together with the development of low-carbon products. These efforts are intended to systematically reduce greenhouse gas emissions from both the Company’s direct operations and across its value chain. This approach is consistent with the Company’s sustainability direction, which places importance on reducing greenhouse gas emissions throughout the value chain, leveraging technology and data analytics to improve efficiency, and strengthening supply chain practices in line with ESG principles.

**Strategic Initiative 1:** Digitalized Production Efficiency and Energy Management Program.

**Strategic Initiative 2:** Value Chain Decarbonization and Low-carbon Product Development Program.

### Targets

#### Greenhouse Gas (GHG) Emissions Reduction Targets

- Achieve Carbon Neutrality by 2050.
- Achieve Net Zero Emissions by 2050.

Topic	GHG emissions in the base year (tCO <sub>2</sub> e)	Target for reducing GHG emissions compared with the base year (% Reduction)		
	2024	2026	2027	2028
Greenhouse gas emission reduction volume	220,725	-6%	-10%	-13%

Remark : Greenhouse Gas (GHG) Emissions Reduction Targets: • Achieve Carbon Neutrality by 2050 • Achieve Net Zero Emissions by 2050

### Strategic Initiative

**Key Initiative 1:** Digitalized Production Efficiency and Energy Management Program

**Key Initiative 2:** Value Chain Decarbonization and Low-carbon Product Development Program

Strategic Initiative	Year	Expected Outcomes
Key Strategic Initiative 1: Digitalized Production Efficiency and Energy Management Program	2026	• Establish an energy and greenhouse gas emissions database for significant production processes and initiate the deployment of digital systems and automation to monitor, analyze, and improve energy performance across production lines, with the aim of reducing energy losses and enhancing operational efficiency.
	2027	• Expand the application of digital systems, automation, and data analytics to key production lines and supporting functions to enable near real-time energy management, reduce operating costs, and support the reduction of greenhouse gas emissions intensity per unit of production.
	2028	• Advance toward an integrated energy and production management approach driven by data insights, covering

Strategic Initiative	Year	Expected Outcomes
Key Strategic Initiative 2: Value Chain Decarbonization and Low-carbon Product Development Program	2026	production planning, energy use, and continuous machinery performance optimization, strengthening low-carbon operations and enhancing the Company’s long-term competitiveness.
	2027	<ul style="list-style-type: none"> <li>Define the Company’s value chain greenhouse gas reduction approach by initiating the collection of data from significant suppliers, raw materials, logistics activities, and products, while also establishing ESG-related criteria and identifying opportunities for the development of more environmentally friendly products and materials.</li> </ul>
	2028	<ul style="list-style-type: none"> <li>Enhance supplier engagement and advance the development of low-carbon products within key product groups by promoting responsible sourcing practices, improving logistics efficiency, and assessing business opportunities arising from circular economy approaches and the use of recycled or renewable resources.</li> <li>Further translate value chain decarbonization into concrete implementation by integrating supplier assessment, low-carbon product development, and data-driven decision-making to support business expansion in line with circular economy principles and the Company’s sustainable growth strategy.</li> </ul>

*Remark : These strategic initiatives are aligned with the Company’s sustainability direction in the areas of Innovation and Process Development, Energy Management, Procurement Practice and Supply Chain Management, as well as product development initiatives designed to address evolving sustainability-related market trends.*

## **Risk Management**

**Risk 1 :** Investment and Implementation Risk Associated with the Digitalized Production Efficiency and Energy Management Program.

- Risk Characteristic**

The implementation of initiatives relating to digital transformation, automation, energy monitoring, and data analytics for the improvement of production efficiency and energy performance may be exposed to risks associated with capital investment requirements, technological readiness, system integration across functions, continuity of practical implementation, and the capability of personnel to adapt to new systems. These factors may result in implementation delays or prevent the Company from fully realizing the intended benefits of the system. This is consistent with the Company’s strategic direction of advancing Digital Transformation, Automation, and Advanced Data Analytics to enhance productivity and reduce resource consumption.

- Risk Impact**

Such risks may lead to lower-than-expected energy savings, limited improvements in production efficiency, and a slower reduction in greenhouse gas emissions intensity per unit of production. Consequently, operating costs may not decline in line with the Company’s targets, payback periods may be extended, and the projects may not effectively support the Company’s broader energy and greenhouse gas reduction objectives. In this regard, PSP has established a target to reduce electricity consumption by 5% by 2029 through the adoption of energy efficiency technologies.

- Risk Management Measures**

The Company should undertake feasibility and investment-return assessments prior to project implementation, adopt a phased implementation approach beginning with significant production processes, and establish a clear data structure and performance indicators. Energy, production, and greenhouse gas emissions data should be integrated to support effective decision-making,

while personnel capabilities should be strengthened through appropriate training and continuous monitoring. This will help ensure that digital systems and automation deliver measurable outcomes in terms of both energy performance and carbon reduction, in line with the Company's Monitoring and Reporting framework and Energy Reduction Targets.

**Risk 2 : Value Chain Decarbonization and Low-carbon Product Development Risk.**

• **Risk Characteristic**

The implementation of greenhouse gas reduction initiatives across the value chain and the development of low-carbon products are inherently complex, as they depend on the availability, quality, and readiness of data, as well as the level of cooperation from suppliers, logistics providers, and other stakeholders throughout the value chain. In addition, the development of low-carbon products and circular economy-related initiatives, such as re-refined base oil (RRBO) and used lubricant collection networks, may be subject to uncertainties relating to technical feasibility, cost, feedstock availability, market demand, and the preparedness of business partners. This is particularly significant given that Scope 3 emissions represent the Company's primary source of greenhouse gas emissions, while the Company is concurrently strengthening ESG practices across its supply chain and advancing new product development initiatives.

• **Risk Impact**

These risks may prevent the Company from obtaining sufficiently complete and reliable greenhouse gas emissions data across the value chain, limit its ability to encourage suppliers to improve ESG performance and reduce carbon emissions in line with expectations, and hinder the successful development of low-carbon products and business models capable of generating tangible commercial outcomes. As a result, progress in reducing Scope 3 emissions and building a sustainability-driven competitive advantage may be slower than anticipated. This is especially material given that the Company's Scope 3 emissions increased from 181,724 tCO<sub>2</sub>e to 213,335 tCO<sub>2</sub>e in 2024.

• **Risk Management Measures**

The Company should establish a systematic Scope 3 management approach by first prioritising material emission categories, then developing ESG criteria and data collection guidelines for suppliers, and promoting continuous supplier engagement and ESG due diligence. At the same time, the Company should identify and pilot high-potential low-carbon product and circular economy initiatives before scaling them up, while closely monitoring both technical and commercial performance. This would support the Company in achieving tangible greenhouse gas reductions across the value chain and align with its target to conduct ESG due diligence covering 100% of significant suppliers by 2029.

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