

Emerging risk

The dynamic nature of political, economic, social, environmental, legal, and technological factors can significantly impact business operations and introduce emerging risks for the organization in the future. In 2025, Thaioil identified these emerging risks as follows:

Name of Risk	Risk level	Period	Description	Potential impact to Thaioil	Risk Mitigation
1. AI application to business development	High	Medium term (in 3-6 years)	<p>Generative Artificial Intelligence (Generative AI/Gen AI), a tool for deep learning that automatically creates new contents without human involvement, is revolutionizing the business world. While this could bring businesses countless benefits, it accompanies various risks. If Thaioil wishes to optimize its AI application, the company must recognize and be prepared to efficiently handle these risks. Examples of risks to Thaioil's businesses by adopting Gen AI are</p> <ul style="list-style-type: none"> • Cybersecurity gaps and cyber attacks in various forms through AI, including malware and assorted phishing that are AI-generated • Threats from the Deepfakes program, applied to trick those inside or outside the company through video clips or Voice Cloning to make up false data, leading to harm against the company • Risks against data privacy and data security. Gen AI application could result in personal data being improperly collected and compiled in violation of PDPA. Then there is the issue of laws and regulations and AI-related legal risks under development • Ethical and fairness risks: Gen AI could contain unfair choice of data compilation, such as discrimination based on biased data or improper outcomes • In applying Gen AI, one should verify the accuracy of outcomes, since Gen AI 	<ul style="list-style-type: none"> • Cyber-attacks and data breach • Legal impact: Breach of PDPA or GDPR could cause Thaioil financial, reputation, and credibility losses • Criminals' deception with AI through Deepfakes or Voice Cloning could lead to financial liability • Impact on customers' trust: Breach of privacy could deprive customers' or service users' trust in our business • Impact on Thaioil's reputation 	<p>Therefore, Thaioil has added safety measures to its communication system to ward off external threats, including</p> <ul style="list-style-type: none"> • A policy for efficiently overseeing Gen AI application and development under the scope of the law and social ethics. Thaioil has defined dos and don'ts for applications in the company, enforceable on executives, employees, contractors, or third parties with access to key systems, or all of them. • Compliance with ISO 27001:2002, with constant review, amendment, and audit of the cybersecurity system. • Cyber Security Policy • 24/7 vigilance about assorted abnormality and cybersecurity incidents by the Security Operating Center (SOC). • Improvement made to various digital and applications obsolescence for modernity and currency, which affords confidence in the prevention of cyber-risk due to gaps. • Education on cyber-threats and testing of employees' mastery of cyber-threats through quarterly Phishing mail exercises. • Preparedness for cyber-attacks and routine performance reporting to executives, together with reports to the Risk Management Committee on risk management for data security and cybersecurity.

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			<p>could provide data hallucinations, copyrighted data, or biased data, particularly when Gen AI is applied to support decision-making or analyze data. Unverified use of Gen AI outcomes could be hazardous to Thaioil's reputation.</p> <ul style="list-style-type: none"> Risks arising from an unauthorized third party applying data or developing Gen AI. 		
2. Talent war	High	Medium term (in 3-6 years)	<ul style="list-style-type: none"> Thaioil's strategy for strengthening existing businesses and expanding investment calls for capable personnel with diverse competency. Nowadays, the behavior and expectations of the Millennial and Gen Z groups differ from the current business culture, so Thaioil needs to adapt itself to fit these needs while fostering confidence and its image to attract target groups to support its secure and sustainable growth. A desirable personnel trend is for those with technology skills, including data engineers and data analytics to develop Thaioil's business processes, develop their own capability, and open up employees' learning avenues. 	<ul style="list-style-type: none"> Shortage of capable employees to sustain existing and future businesses Business and innovation expansion do not conform to strategies. 	<p>Thaioil has fostered confidence and its corporate image to attract new personnel by engaging in</p> <ul style="list-style-type: none"> Collaboration with leading recruitment companies to establish awareness of Thaioil's company information and employee stewardship to attract external target groups (students and workers). Growth in recruitment channels in collaboration with various recruitment agencies and leading academic institutions. Organization of the Open House activity to publicize Thaioil's business and employee stewardship to establish awareness of employer branding. Payment of suitable benefits to employees Technological application to ease the personnel recruitment process <p>In addition, Thaioil has mapped out a personnel development plan to enhance its capability for addressing social and business changes:</p> <ul style="list-style-type: none"> Strategic workforce planning, which incorporates personnel capacity development in line with business goals so that they may securely grow in their careers Recruitment planning for new employee with capability of technology skills, together with a skill development plan for current employees Personnel training planning to promote continuing learning via a digital platform

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					<ul style="list-style-type: none"> • Organization of activities to advocate innovation and its application in Thail • Management of employees' living conditions via various programs to look after their quality of life conducive to their work and capacity building • Development of work ambience and resources to support and address employees' prevailing needs