

Performance Appraisal

The Company has monitored the performance and made evaluate the Performance Appraisal Frequency, divided applies too key stages: 1) Mid-year success reporting period providing an opportunity for employees and supervisors to communicate about work processes, improve methods, and exchange constructive feedback, this promotes teamwork and enhances operational efficiency, aligning with both employee and organizational goals; 2) Year-end performance evaluation, discussed and compared among the management team and supervisors from each unit, to ensure that the evaluation process is fair, transparent, and consistently applies the same standards across the organization.

The Company has clearly defined key performance indicators (KPIs) that are measurable, including the scope of objective achievement, the specified time frame, and the feasibility of goals. Additionally, a proportion of essential skills, expertise, and personal attributes required for each role, referred to as "Core Competency", have also been established. Employees will be evaluated based on their ability to demonstrate core competencies that align with organizational objectives. Both individual and departmental performance goals are set in accordance with the organization's overarching objectives, with indicators tailored to the unit's nature, responsibilities, and assigned tasks. These indicators also encompass sustainability considerations, adherence to the code of conduct, and compliance with organizational rules.

Additionally, the Company utilizes performance evaluation results to determine annual salary adjustments and bonus payments, applying different salary adjustment proportions to ensure fair and principle-based compensation. These evaluation results are also analyzed to establish employee development plans. In cases of position changes, such as promotions, the Company relies on performance analysis as a key factor in decision-making, as well as for managing critical personnel within the organization.

In 2024, the percentage of evaluated employee is 100% that covered male and female in all levels.

In the hotel business, preliminary performance measurement and evaluation are conducted based on predefined success indicators. The results are then discussed by the management team to assess the completeness of these indicators and refine the evaluation process to better align with the organization's goals. This ensures that performance evaluations accurately reflect actual results, allowing the Company to determine employee compensation appropriately. Additionally, the organization provides employees with the opportunity to consult on their annual assessment results to analyze and develop an Individual Career Development Plan (ICDP). This approach creates an organizational culture centered on continuous development, encouraging employees to continuously learn and enhance their skills, which are key factors in driving business innovation and strengthening the organization's long-term competitiveness.

In the food business, performance feedback is monitored periodically, both formally and informally, with a focus on effectively communicating performance results and promoting a culture of recognition. Each year, top executives, supervisors, and employees jointly review performance results by comparing them to the agreed-upon standards or goal setting and aligning them with proportions that vary by position level, based on the annual evaluation ranking distribution. This ensures that evaluations accurately reflect actual performance. Additionally, the evaluation results are used to determine compensation and develop training plans to enhance employee potential. The Company also empowers employees to create their own ICDP based on the previous year's performance results, enabling them to improve their current skills and prepare for future growth. This approach promotes ongoing self-development and performance improvement.

Employee Stewardship



0.81 : 1

Gender Pay Gap base salary ratio of female to male employees across all levels



53%

The average proportion of female executives at the managerial level and above in the hotel and food businesses was 53%.



78%

Employee satisfaction in the food business was 78%, earning recognition as a Great Place To Work.



EMPLOYEE JOURNEY

Employee Journey program for employees with disabilities

Challenges

- Both the hotel and food businesses continue to rely primarily on labor-intensive operations as a key factor in their business activities. Currently, the service industry faces challenges due to shifts in population dynamics and changing work patterns. Additionally, employees' expectations for a better quality of life, improved working environments, and greater equality and inclusion within organizations have contributed to increased labor mobility. Therefore, organizations must prioritize labor risk management and develop strategies to support employees across all groups, creating a conducive, fair, and equitable working environment. Furthermore, employee expectations encompass various factors that organizations must carefully consider. Neglecting these issues can negatively impact employee performance and hinder the retention of talented personnel, which affects the continuity of business operations, the organization's long-term competitiveness, and effective labor management. These are crucial elements for ensuring stability within the hospitality industry.

Opportunities

- These challenges serve as key guidelines for the Company to design employee management and stewardship plans that align with human resource development strategies and business directions. Focusing on employee retention effectively mitigates the risk of labor shortages. Furthermore, comprehensive employee stewardship and promoting an open organizational culture help strengthen employee engagement, enhancing their participation and creativity. Creating an environment conducive to collaboration is crucial for building competitive advantages and ensuring long-term success. As well, management that prioritizes these factors enables the organization to effectively navigate current uncertainties, enhancing their readiness to overcome potential crises. This approach makes the organization more flexible and capable of driving steady, sustainable business growth.

Labor Practices

The Company emphasizes systematic labor management in compliance with international standards and legal requirements. It has established a welfare committee, an employee committee, and a welfare working group in line with the Labor Protection Act, B.E. 2541 (1998) to promote labor oversight in accordance with human rights principles, collective bargaining agreements, and relevant laws. Additionally, the Company emphasizes creating a participatory process between employees and employers, with representatives from both parties serving on the welfare committee, selected through an election process. This facilitates the exchange of ideas from diverse perspectives and drives improvements in employment conditions, ensuring fairness and developing welfare programs that meet employees' needs and benefit all levels of the organization.

To ensure a safe working environment both physically and mentally, the Company has appointed a Health and Safety Committee, which holds regular monthly meetings to assess risks and monitor working hours, ensuring they are appropriate and reducing excessive work hours. The primary focus is on employee efficiency and safety, with the goal of minimizing work-related accidents. In addition, the Company recognizes that discrimination and harassment, including both sexual and non-sexual issues, are critical matters that must be managed and assessed from all perspectives. Adhering to the Company's human rights policy as a primary guideline, the Company focuses on prevention, mitigation, and providing a remedy mechanism that aligns with international standards, applicable to both domestic and international business practices. In 2024, the Company received complaints related to discrimination and harassment through whistleblowing channels and the Speak Up project, as follows: human rights violations (1 case), sexual harassment (1 case), and discrimination (7 cases), totaling 9 cases. Of these complaints, 8 cases have been investigated, resolved, and remedied in accordance with established procedures, while 1 case is still under investigation.

The Company has provided training and evaluation on human rights and harassment awareness, requiring all employees to complete the training and meet the test criteria. This initiative aims to promote an organizational culture of mutual respect and enhance fair labor practice. In 2024, 100% of employees successfully passed the training. Additionally, the Company emphasizes comprehensive welfare management that aligns with the changing social context and stakeholder expectations. This includes overseeing the performance appraisal and compensation to ensure fairness and transparency, taking into account the abilities and performance of each employee, without discrimination or exclusion of any group. The Company supports and promotes equality and inclusivity in the workplace, encompassing LGBTQ employees, older employees, and persons with disabilities. This initiative aims to enhance employees' quality of life and motivate them to collaborate in driving the organization toward its goals.

In 2024, the Hotel Business Welfare Committee has continued to focus on employee well-being through Employee Support Programs, particularly those related to health and well-being. Health insurance coverage has been enhanced to better align with current medical expenses, and additional benefits include medical expense reimbursement, family welfare programs (such as Family Day), regional and business unit sports competitions, and training programs to promote good health. Furthermore, the Company supports work flexibility by offering flexible working hours and remote work options (work from home) for Head Office employees. The workplace is also designed to accommodate the needs of diverse employee groups, with facilities such as a nursing room, relaxation room, dedicated space for mothers, and breast milk expression facilities.

In 2024, 100% of Employees (hotel and food business) were under supervision of The welfare committee.

In the food business, the Welfare Committee has been advocating for the expansion of health care and well-being benefits for all employees. Key outcomes include: collaboration with accommodation establishments to provide partner dormitory welfare for employees at branches; the addition of 33 more hospitals for medical referrals without advance payment; the expansion of medical coverage to include additional hospitals in Bangkok Metropolitan areas, the West, the South, and the Northeast, covering the entire business area; an increase in the welfare limit for eyeglasses and contact lenses from 1,000 Baht to 1,500 Baht per year; and the expansion of special meal benefits for employees working on public holidays. Furthermore, there have been improvements in welfare benefits for LGBTQ employees and employees with special needs, including financial support for LGBTQ employees seeking gender affirmation surgery, as well as the provision of leave for the surgery and recovery.

The Company has been continuously improving the Employee Journey plan for employees with disabilities to enable them to work and live in society with equal dignity. In 2023, the Company launched "CRG Deaf Community A Space for Creating Happiness for the Voiceless" at KFC, Baan Silom Branch, which continues to operate. The Company has also implemented a recruitment and selection system for disabled employees using the AI Chatbot "NooYim CRG," enhancing communication and providing equal career opportunities. Furthermore, there are initiatives aimed at developing the quality of life and potential of employees in special group, such as relationship-building activities, training through the E-Learning Management System, and equal career growth opportunities. The Company also provides sign language interpreters during meetings, a mentoring system, and sign language training for general employees to promote coexistence and create a happy, inclusive working environment.

For the Employee Support Programs, the Company organized the "RE(F)CIPES" project to promote preventive healthcare skills and share knowledge on holistic health, including food selection, sleep, and stress reduction. This initiative was communicated through the Company's various social media channels throughout the year, with a total of six media and public relations productions. Additionally, the Company launched the "Burn Boost Balance" project, encouraging employees to exercise together and track their collective calories burned over 90 days.

This initiative is carried out in collaboration with the Wirtual application, which provides fitness competition services and tracks calorie accumulation in real time. The project engaged 164 employees, divided into 41 teams. The results showed a total of 2.2 million kilocalories burned, with employees exercising more than 6,600 times and accumulating over 11,000 minutes of activity. More than 60% of participants reported improved health and weight loss, leading to a satisfaction rating of 85%.



Employee Benefits and Compensation

The Company provides and promotes fair living wages in accordance with its policy, which aligns with the laws and regulations of the countries where it operates. Employee compensation is determined based on the principles of equality and fairness, considering factors such as position, responsibilities, and the value of the employee's work. The Company ensures that its compensation and welfare structure is sufficient to support a good quality of life for its employees. The Company benchmarks its compensation against the labor market and industry standards to remain competitive, creating awareness of fair labor practices. This includes ensuring no discrimination based on gender, race, religion, and belief. The Company also emphasizes managing salary and basic compensation ratio to ensure as much parity as possible between male and female employees. In 2024, the company reported salary and other compensation ratios for female and male employees as follows: 0.92:1 at the operational level, 0.87:1 at the executive level, and 0.60:1 at the senior executive level. The ratio of basic salary for female-to-male employees was 0.96:1 at the operational level, 0.89:1 at the executive level, and 0.61:1 at the senior executive level. Regarding regular salary adjustments, the company has established clear guidelines and procedures for performance evaluation and compensation administration based on specified criteria.

The Company provides a range of welfare benefits for employees, as required by law, as well as additional benefits such as weekly holidays, public holidays, annual vacation, uniforms, meals, life and health insurance, annual health check-ups, employee-rate rooms, dormitories, shuttle buses, outpatient and dental expenses, compensation fund welfare, and a provident fund to support employees' future financial planning. Additionally, the Company offers various assistance funds, savings cooperatives, funeral assistance associations, and scholarship programs for employees' children.

In 2024, the hotel business expanded its group insurance benefit plan and improved various welfare measures. These included upgrading the Company's hotel accommodation policy to cover new hotels, offering employee discounts for private events at hotels within the Group, increasing the medical expense limit for outpatients from 1,500 Baht per visit to 2,500 Baht per visit, providing additional welfare for inpatients to match current medical treatment standards, and ensuring employees receive better medical services. The Company also collaborated with financial institutions to offer employees housing loans at special interest rates and introduced a recognition and incentive program for employees who provide excellent service.

For the food business, in 2024, an annual internal salary survey was conducted and compared with compensation within the business group to ensure the Company's compensation and welfare system aligns with the nature of the work and the labor market. This led to the design of a comprehensive welfare program covering four key areas:

1. Financial support for work performance
2. Health and Medical Treatment
3. Family Support
4. Savings, Investment, and Loans

The management has been designing and expanding welfare programs to accommodate different working methods and lifestyles, ensuring that the rights of LGBTQ employees and vulnerable groups are fully respected. These initiatives include employee welfare covering spouses, marriage leave, and financial assistance for employees with alternative gender identities, as well as gender affirmation surgery benefits. Additional improvements include special-priced dormitories, expanding the range of hospitals where medical expenses can be claimed, both in hospitals and clinics, and broadening contracted hospital options to eliminate the need for advance payment in case of illness. The Company has also increased the allowances for eyeglasses, special meals, and enhanced welfare for employees traveling abroad for work.

Read more details for Living Wage Methodology at

<https://investor.centarahotelsresorts.com/storage/download/sustainability-performance/20241004-cemtel-living-wage-methodology.pdf>

Promoting Corporate Culture of Diversity and Inclusion

The Company has instilled values that emphasize respecting diversity and human rights, focusing on the value and dignity of every individual, regardless of race, culture, or beliefs. This commitment aims to develop the organization into a "Best Workplace" for everyone. The executive team leads by example, striving to achieve gender balance within the organization by setting a target for female employees to hold 50% of first, middle, and high-level executive positions, compared to their male counterparts in the same roles. In 2024, the hotel and food businesses had an average of 53% female executives at the managerial level and above. Additionally, the Welfare Committee and Human Resources Department have implemented the "Center of Excellence" project to serve as a role model, ensuring that all employees are treated equally, without discrimination, and without feeling alienated. The Company has developed a conceptual framework that supports diversity and embraces difference, recognizing the value of employee diversity through welfare programs that cater to all groups and levels within the organization. Communication and activities are designed to promote understanding of diversity, equality, and inclusion, leading to unity (DEI&B) that reflects the Company's strong corporate identity. These include initiatives like the "Khun Noppamas Diversity" dress-up contest, which highlights employee identity, the "Pride in Your Best" activity to celebrate individual pride, and the "CRG Deaf Community, A Space for Creating Happiness for the Voiceless" project, which promotes identity and self-worth for special employee groups, helping create acceptance, pride in dignity, and a sense of valuable contribution to society.

In addition, the food business has partnered with Great Place to Work, a world-leading institution in corporate culture, which certifies organizations with outstanding corporate cultures (Great Place to Work Certified). This certification reflects the Company's success in promoting a corporate culture that creates a sense of belonging for employees by embracing diversity, ensuring equality, and providing opportunities for employee Inclusion across all dimensions.

The Company has also designed welfare programs that offer gender and lifestyle diversity, created spaces for employees to voice their opinions, and focused on developing employee potential while establishing clear career paths for growth within the organization. These efforts help build employee confidence, communicate the Company's core values, and raise awareness of its positive impact on the broader community.