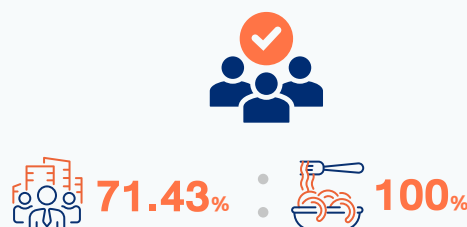


Human Resources Development

Key Performances 2024: Human Resources Management



Average training hours for hotel business employees, exceeding the target of 60 hours/person/year



Ratio of existing employees filling internal vacant positions

Challenges

- At present, preparing human capital, from operational staff to executive levels, with the skills, adaptability, and readiness to cope with industry changes is a challenge for many organizations. In addition, human resource management strategies are closely linked to employee development, career advancement, the increasingly complex expectations of stakeholders, employee retention and attraction, and employee engagement with the organization. Therefore, the Company must remain alert and proactive to keep up with potential changes. Furthermore, human resource development requires the integration of intellectual, social, and emotional capital. This includes creating organizational values that promote learning, cultivating corporate culture that respects human rights, embraces diversity and equality, and ensures a safe working environment, both mentally and physically, etc. If not properly managed, these challenges may impact the Company's operational efficiency, increase management costs, disrupt business continuity, and weaken competitiveness. Therefore, human resource development must be systematically managed, monitored, and analyzed, with strategies continuously refined and improved.

Opportunities

- Human resources are a key factor in driving sustainable and steady business growth. They are assets that continuously add value. Recognizing this, the Company sees an opportunity and prioritizes human resource development by creating comprehensive knowledge, promoting flexibility in accepting and adapting to rapid changes in the business ecosystem, and encouraging continuous learning and self-development. Additionally, it emphasizes creating an organizational culture of mutual respect and providing a work environment that is conducive to good physical and mental quality of life. These efforts benefit both the Company and its stakeholders while creating positive impacts across multiple dimensions, such as retaining talent, attracting new potential employees, enhancing work efficiency and quality, and creating a strong corporate culture that drives collective success toward the Company's goals. Additionally, they provide a competitive advantage by reducing recruitment costs. Therefore, if the Company successfully develops its employees' potential in alignment with evolving trends, market demands, and business growth directions, it will strengthen its position as a leader in the service industry. This will also enhance its ability to innovate products and services while identifying new business opportunities that create long-term value. At the same time, employees will have the opportunity to grow alongside the organization in a stable and sustainable manner.

Human Resource Management Strategy

The Company places great emphasis on human resource development, recognizing the Human Resources Department as a key unit in enhancing organizational efficiency and strengthening its organizational culture foundation. Additionally, the Company prioritizes aligning human resource management with its vision, strategy, and risk management framework (HR Business-Driven). This is achieved through the integration of various policies of the Company, including the People Management Policy, Succession Plan Policy, Human Rights Policy, Occupational Health, Safety, and Work Environment Policy, and the Risk Management Policy related to human resources, etc.

The Company is committed to enhancing its human resource management system to be modern and performance-driven, aligning with the needs of each business unit. This approach supports the vision of providing an exceptional work experience for all, positioning the Company as a "Best Workplace," strengthening its employer brand, and cultivating an organizational culture that values diversity, equity, inclusion, and belonging (DEI&B). By doing so, the Company aims to gain employee acceptance, attract talents, and build a resilient culture that effectively supports change. In addition, the Company supports continuous training and development of personnel, emphasizing relationship-building among employees, ensuring proper work management within appropriate working hours while placing emphasis on reducing excessive working hours, and setting fair compensation and benefits based on experience and ability. Compensation is also benchmarked against industry standards to ensure equal pay for all employees, regardless of gender. Furthermore, the Company focuses on effectively managing and resolving conflicts within the organization.



VISION

PEOPLE STRATEGY

THE PLACE TO BE



CENTARA ACTION TEAMS OWN AND DRIVE IMPARTMENTS

ALIGNED PLANS: HOTELS PROPERTIES – FUNCTION

4KEY IMPERATIVES

Cultivate Strong Leadership Capabilities and Transform the Organizational Culture to Align with the Demands of the New Economy.

Enhance Cost Optimization, Infrastructure Systems, and Process Effectiveness.

Develop Internal Capabilities and Enhance the Performance Management Process.

Enhance our Reputation to the Best Employer in Thailand Promote Organizational Sustainability and Good Governance

METRICS

IMPROVED MANAGEMENT BENCH STRENGTH

IMPROVED EMPLOYEE RETENTION RATE

IMPROVED ENGAGEMENT SCORES

STRATEGIES

- Improve and align internal communication and people Culture
- Encourages agility, empowerment and development
- Increase a sense of connection to the broader business context
- Drive behaviors change toward the Company culture
- Wellbeing at Workplace - Flexy Healthy Office environment

- Optimizing Human Resource Efficiency.
- Streamlined Procedures (SOP) / Tools/Technology – Minimize Redundancy
- Well-Defined Decision-Making Framework for Enhanced Clarity
- Ensuring a Competitive total Compensation Package, Covering Pay, Benefits, and Well-being
- Enhance the Procedure for Attracting and Developing Internal and External Talent

- Build up Centara Academy Program: I.e. Functional Program: HR, Finance and etc.
- People Manager Program
- HR: Recruitment / Selection Process, and interview technique: PMS
- Improve quality and consistency of people management processes
- Increase the number of high-potential to 15%

- Continue work and participate in the Corporate Social Responsibility (CSR) program
- Build employees engagement
- Talent pipeline- Internship / Mgt. Trainee Program- Partner with Domestic & International Universities
- Build an internal occupation school for external people from the undeveloped province

FOUNDATION

COMMITTED AND ALIGNED EXCOM TEAM – WITH CONSISTENCY IN APPROACH AND COMMUNICATION

ENROLLED AND MOTIVATED GMs & MANAGERS

Hotel Business

The Company operates in alignment with its 5-year Human Resources Strategic Plan (2024-2028), which envisions creating a good workplace for everyone, positioning itself as a “Best Workplace,” and strengthening its employer brand. This strategy is built upon four key components: 1) Leadership, 2) Process and Efficiency, 3) Training and Development, and 4) Workplace and Employer Branding. The Company has planned its operations as follows:

1. Leadership Development and Effective Management:

Enhancing skills by integrating and connecting knowledge across departments to prepare future leaders who possess a multidimensional understanding of work. This includes creating effective communication skills and the ability to make well-informed, comprehensive decisions.

2. Process Improvement and Optimization

Enhancing work processes for greater efficiency by reviewing and analyzing performance results. This serves as a guideline for developing more flexible and streamlined workflows while maintaining high-quality standards and ensuring workplace safety.

3. Employee Training and Development:

Promoting learning and enhancing employees' potential across various areas to equip them with the knowledge and future skills needed to meet market and industry demands. This includes allocating sufficient budgets and resources for training to enhance intellectual capital, such as knowledge and expertise; social capital, through organizational structure and culture; and emotional capital, to build confidence and improve the ability to perform duties effectively. Additionally, the Company emphasizes the regular measurement of development results to analyze and compare them with desired outcomes in terms of work quality and efficiency. These results play a crucial role in driving sustainable business growth.

4. Creation of a Best-Workplace Environment

Developing a work environment that supports employee well-being and mental health by enhancing operational flexibility to accommodate new ways of working. This includes creating trust, acceptance, and respect for diversity within the organization. The Company upholds the principle of caring for employees as family members, ensuring fairness and equality in hiring, appointments, transfers, and promotions based on performance. This approach creates a sense of ownership and commitment to the organization.

5. Diversity, Equity & Inclusion Management

The Company respects the lifestyles and diversity of all employees and recognizes the value and opportunities that come from effective diversity management. The Company also supports freedom of association, providing employees with opportunities to regularly exchange opinions. By actively listening to these insights, the Company aims to refine policies and practices related to employee stewardship.

6. Integrated Technology for Human Capital Management

Enhancing departmental capabilities in managing human resources efficiently by integrating technology to streamline complex processes. This approach improves the Company's systems and strengthens its ability to attract and recruit top talent.

7. Building a Strong Employer Brand

Developing and promoting the organization's image as an employer committed to good governance and employee satisfaction. This is achieved by emphasizing core values, organizational culture, and growth opportunities for employees. The Company also focuses on nurturing and retaining internal talent (Talent Marketplace and Retention) by implementing succession programs, training initiatives for high-potential employees, and supporting innovative work models and employment patterns (Future Workforce) to enhance competitiveness.

Food Business

In 2024, the Company is committed to integrating personnel management strategies with workforce diversity to strengthen its corporate identity and create social awareness. This approach emphasizes diversity, equity, inclusion, and belonging (DEI&B) while preparing employees to adapt to rapid organizational changes. Additionally, the Company aims to instill awareness of creating an environment where workforce mobility and internal rotation become the new normal. The key operational components are as follows:

- 1. Shaping the Perception of a DEI&B Organizational Identity**

Strengthening a culture that values and respects diversity while actively promoting awareness and communicating the organization's identity. This includes external communication through online campaigns such as "Pride in Your Best," offering tailored benefits for LGBTQ employees, and enhancing overall benefits to better align with employee expectations.

- 2. Employee Readiness for Responding to Rapid Organizational Dynamics**

Training employees to adapt to job rotation and organizational changes with flexibility. This process involves four key steps: Exploring employee potential (Explore), planning training programs to promote new knowledge and skills (Plan), practicing job rotation (Rotate) under supervisory guidance, and evaluating progress (Evaluate) to identify and improve weaknesses. This approach enables the Company to address various workforce demands, ensure business continuity, reduce recruitment costs and processes, and support employees' career growth within the organization

- 3. Employee Productivity for Organizational Capabilities**

Allocating resources and investing in skill development to enhance employee potential. This includes training programs and hands-on learning experiences designed to increase capabilities, improve work efficiency, and create positive impacts that contribute to the organization's potential enhancement.

- 4. Integration of Automation-Led Work Procedures**

Implementing automation in core HR processes, including transitioning service tasks to self-service models. This enhances service standards and creates a better experience for both employees and customers.

Employee Recruitment

The Company's recruitment process for both the hotel and food businesses emphasizes a culture of diversity, equity, and inclusion (DEI). It follows an expertise- and performance-based approach, providing opportunities to talented individuals both internally and externally. To align the recruitment process with business activities and strategies, the Company facilitates personnel rotation and transfers to fill vacant positions as needed. This approach not only ensures operational continuity but also enhances career advancement opportunities for employees. In 2024, internal employees filled 71.43% of vacant positions in the hotel business and 100% in the food business. Simultaneously, the Company continues to welcome talented individuals from outside the organization to contribute to business growth and strengthen organizational capabilities.

Additionally, the Company ensures that all business units operate in accordance with human rights principles and comply with the laws of each country in which it operates. The Company upholds a strict non-discrimination policy, ensuring fair treatment regardless of race, nationality, religion, gender, sexual orientation, age, skin color, language, ethnicity, disability, or any other status. Recruitment decisions are based on qualifications, experience, and expertise relevant to each position, as well as alignment with the organization's values and culture. The Company believes that selecting personnel who embody these principles will contribute to a positive impact and drive sustainable organizational growth.

Hotel business has established the following recruitment guidelines: 1) Plan recruitment and selection based on current business needs; 2) Define and update job descriptions to accurately reflect the actual work environment, along with clearly specifying the required qualifications; 3) Utilize most effective communication channels to recruit employees, focusing on engaging the target applicant group that aligns with the Company's needs; 4) Screen and select applicants based on their qualifications, following two recruitment approaches: Internal Recruitment and External Recruitment. For internal recruitment, the Company recruits personnel or candidates from within the organization to fill vacant positions. When a position becomes available, an internal job announcement is made, allowing eligible employees to apply for promotions, transfers, or role changes within the same or different departments, as appropriate. For external recruitment, the Company hires new employees or candidates from outside the organization.

Food business has established recruitment guidelines based on employee groups and functional groups as follows: 1) Office Employees: Recruiting candidates with the necessary knowledge and skills for the role by selecting appropriate media for job advertisements, utilizing structured interviews, and conducting assessments to identify the most suitable applicants; 2) Restaurant Management Team: Prioritizing candidates with restaurant management experience while also promoting high-potential employees for career growth within the organization; 3) Operational-Level Employees: Hiring both experienced and inexperienced candidates for restaurant service roles, including permanent and temporary positions.

The Company utilizes a mix of offline and online public relations media for recruitment. This includes job announcements for internal employees within the hotel business, food business, and Central Group, as well as organizing Career Day and Open House events in collaboration with educational institutions. Recruitment efforts extend across various channels, including job search websites and social media platforms such as Facebook, LinkedIn, and Instagram. Additionally, the Company supports inclusive hiring by leveraging specialized tools, such as the @NooYimCRG AI Chat-Bot, to assist vulnerable groups, including people with disabilities. Additionally, the Company implements a referral program that allows employees to recommend friends or acquaintances for job opportunities within the organization. Recruitment efforts also include setting up public relations booths, hosting



events, and participating in job fairs to attract local applicants. The Company collaborates with educational institutions through roadshows to promote student and intern recruitment for Cooperative and Work Integrated Education Program (CWIE). Furthermore, it organizes the “Recruitment Champion” program, which provides higher education students with hands-on training and real work experience.

In 2024, total recruitment costs amounted to 3.6 million Baht. The hotel business experienced a 12% decrease in the average cost per recruit compared to 2023, while recruitment costs for the food business remained largely unchanged from the previous year.

Training for Employee Potential Development

The Company prioritizes the development and enhancement of employee skills, including soft skills, hard skills, and reskilling. This also includes training programs that comply with legal requirements, all within a human resource management framework designed to support sustainable business growth amid rapid industry disruptions. Recognizing both the challenges and opportunities in operations, the Company has developed a learning plan to enhance employee potential in alignment with its strategic direction, market trends, and stakeholder expectations. By focusing on “employees” and key contributors as drivers of the business, the Company aims to maintain its competitiveness and create added value.

Training and Potential Development Plan for Hotel Business Employees

In 2024, the Company updated its training target, requiring employees to complete at least 60 hours of training per year. This year, the average training hours per employee increased by 40% compared to 2023, reaching 83 hours per person annually. The Company is committed to conducting a Training Needs Analysis Metric by evaluating positions, job descriptions, and performance results. This ensures the development of training programs that align with organizational objectives, along with effective resource allocation and the creation of an annual training roadmap. Based on the analysis results, the Company has implemented training and development programs for employees at all levels. It has also promoted and introduced free online learning resources from external platforms, websites, and live learning sessions. For employees from first to senior management levels, the Company requires the creation of an Individual Career Development Plan (ICDP) to ensure their training aligns with the annual ICDP framework. Training for these employees focuses on people management, mindset development for both work and life, and other relevant areas. For operational employees, training emphasizes excellence in customer service and specialized skills relevant to their roles. Additionally, the Company has established mandatory training courses for all employees, covering topics such as Code of Conduct, Personal Data Protection Act (PDPA), Cyber Security Awareness, and Sustainability Basics. In 2024, 100% of employees successfully completed all required training courses.

For the overview of training courses for hotel business employees in 2024, a total of 24,214 training sessions were conducted, categorized as follows: 2 Onboarding Programs, 4 Compulsory Courses, 2,585 Management & Leadership Courses, 21,297 Functional Courses, 195 Selective Courses, and 131 Language Courses. Training was delivered through 20% online learning and 80% offline learning.

Evaluation of Key Training Programs for Employees and the Organization in the Hotel Business

1. “Individual Career Development Plan (ICDP)”: The ICDP supports executives and senior-level employees in developing skills and career growth plans by analyzing their strengths, weaknesses, and opportunities for further potential development. It helps set clear and achievable career goals that align with the Company’s direction and industry changes. The Company has begun monitoring and evaluating the outcomes of this initiative in both monetary and non-monetary terms. Success is reflected in multiple dimensions, including employee commitment to their roles and skill development, which enhances job performance and the ability to make strategic business decisions that maximize organizational benefits. This also improves employee retention, particularly among high-potential individuals, while reducing recruitment costs. As a result, the average Cost Per Recruit decreased by 12% from 2023.
2. “Leader as Coach” helps enhance the coaching skills of team leaders, who are considered essential in guiding the organization toward achieving its goals. This approach integrates coaching skills into the team management process, emphasizing the importance of building strong relationships with team members through: active listening, thought-provoking questions, and constructive feedback to encourage the team to learn and improve on areas of weakness under the supervision of the supervisor. The Company measured its success through increased team performance, innovative and continuous working process improvements by employees, and reduced silos, which strengthened team and organizational engagement. Additionally, employee satisfaction increased by 7% compared to last year’s assessment.

Training and Potential Development Plan for Food Business Employees

The training and potential development plan for the food business requires a Training Needs Analysis Metric using both a top-down and bottom-up approach. This process includes consulting with executives and experienced professionals to establish guidelines for employee potential development in alignment with the Company's business direction, following the Business-Driven HR approach. Additionally, it involves discussions with employees to create an Individual Career Development Plan (ICDP) and gather information for resource allocation and the Training Roadmap for the following year.

In 2024, the employee development plan was revised to focus on three main issues: 1) The Future of Working: to adjust the current working style and prepare for responding to the new working style in the future by emphasizing Skill-Based Training; 2) Leadership Development at all levels: Providing training and development of essential skills to leaders at all levels to enhance leadership potential, improve process efficiency for agility, and build a strong talent pipeline to ensure continuous business operations; 3) Anywhere Anytime with Remote Learning: Enhancing the efficiency of employee training and development with an E-Learning platform designed to deliver an engaging learning experience and easy access to courses. This system also significantly reduces training management costs.

The Company's employee potential development program goes beyond enhancing intellectual capital by also supporting emotional and social capital to promote a high quality of life and workplace happiness for employees. This includes courses on stress management, financial planning, tax management, and more. The Company provides comprehensive support through various learning resources, such as curriculum development, budget allocation, and dedicated training venues, enabling all employees to engage in effective learning.

For an overview of the training courses aimed at developing the potential of food business employees, in 2024, the Company revised its training programs as follows: 1 Onboarding Program, 5 Compulsory Courses, 12 Functional Courses, 24 Selective Courses, 12 Management & Leadership Courses, and 2 Language Courses. In total, 56 courses were offered, with 89.55% conducted online and 10.45% delivered offline.

Evaluation of Key Training Programs for Employees and Organization in the Food Business

1. Food Science & Brand Business: Skills in formula research and development, production, packaging, and brand development are enhanced, all of which are essential for meeting customer needs and adapting to evolving food consumption trends. This includes developing nutritional aspects of food menus to cater to a variety of customer groups. The Company expects that, after training and hands-on practice, both employees and the organization will be able to enhance the potential of the R&D unit, enabling business and service expansion in the future.
2. Micro MBA: This program aligns with the HR management framework to support key succession planning. Employees will enhance their knowledge, management, and business development skills, preparing them to join the Talent Pipeline program and become future leaders within the organization. In 2024, the Company identified 83 high-potential employees for the Succession Plan.

Succession Plan

The Company recognizes the importance of business continuity management, and the risks associated with leadership shortages and key position transitions that may impact operations. Therefore, it sees an opportunity to develop leaders and implement a systematic succession plan. The Company's Nomination and Remuneration Committee has established the Succession Plan Policy as a framework for succession planning in key positions. This policy serves as a guideline for selecting individuals with the appropriate expertise, experience, and values that align with the organization's culture. The recruitment process ensures equal opportunities for both internal and external candidates, maintaining transparency and non-discrimination to maximize organizational benefits.

Hotel business has identified successors for key positions and implemented a skills training plan in conjunction with the Individual Career Development Plan (ICDP) for high-potential employees. This initiative prepares them for critical roles within the organization through various courses, such as management, leadership, communication, and decision-making training. It also includes special project assignments and coaching from leaders, equipping employees with the skills and experience needed in real-world situations. As a result, they are ready and confident to transition into future leadership roles effectively. In 2024, a total of 811 employees participated in the succession plan's development program.

Food business has selected potential employees and conducted an Ability Test to analyze the overall results. These results are used to determine the training and development plan, focusing on areas that need further strengthening before launching the Leaders for Tomorrow 2024 development project. This project is divided into two courses: the Team Leaders' Essential Skills course for Officer-level employees (JG11-13) and the Perspective Skills & Outward Outlook course for Manager-level employees (JG14-16). In 2024, a total of 83 employees underwent potential development as part of the succession plan.

Read more details for succession plan policy at
<https://investor.centarahotelsresorts.com/storage/download/cg-document/centel-succession-plan-policy-en.pdf>