6.2 Smart People Development

In today's dynamic and increasingly competitive business environment, particularly within the automotive industry, "personnel" remains the Company's most valuable asset. The Company recognizes the critical importance of developing employee potential and fostering their professional growth to drive sustainable organizational advancement across all dimensions.

In 2024, the Company prioritized a structured approach to human resource development. This encompassed analyzing personnel development models aligned with strategic organizational goals, setting clear personnel development objectives, designing diverse development programs, and effectively evaluating outcomes. The aim is to achieve tangible results, not only in terms of enhancing work capabilities and creating organizational value, but also in extending the value of learning to daily life and family.

The Company believes that investing in employee development is an investment in the organization's future. Employees who are continuously developed can apply new knowledge, skills, and mindsets to their work, thereby increasing efficiency, minimizing losses, and innovating value-creating solutions in a concrete manner. Simultaneously, employees can apply this knowledge in their personal lives, such as financial planning, leveraging technology for convenience, and enhancing communication skills, thereby promoting a better quality of life and enabling them to share knowledge with family members.

Personnel Development Policy

The Company recognizes that employees are the cornerstone of driving sustainable organizational growth, guided by the principle of "Smart People" which means both ethical and skilled. This forms the foundation of the "Somboon Triple Bottom Line" which means both ethical and skilled. This forms the foundation of the "Somboon Triple Bottom Line" philosophy. The

Company is committed to enhancing the potential of employees at all levels to strengthen competitive capabilities and achieve business objectives with stability.

Furthermore, the Company places an emphasis on fostering a "learning organization" that promotes lifelong learning. Employees are provided with continuous opportunities to grow professionally and become drivers of change within the organization and the broader society. The Company also encourages a culture of knowledge, skill, and experience sharing to collectively create value for individuals, the organization, families, and society at large.

1. Systematic Analysis of Training Needs and Development Goals

The Company prioritizes a systematic approach to human resource development, beginning with a Training Needs Analysis (TNA). This ensures that development efforts are targeted, aligned with organizational goals, and equipped employees to effectively adapt to future changes. The analysis approach is categorized into four key areas:

1) Annual Performance Evaluation Combined with Job Competencies
The Company analyzes annual performance evaluations in conjunction
with job-specific competency assessments to identify individual "skill gaps"
for each employee position. The results of this analysis are then used to
formulate Individual Development Plans (IDPs), ensuring employees receive
training that directly addresses their specific needs.

2) Technological Changes and Business Trends

The Company continuously monitors and analyzes technological trends and industry shifts, such as electric vehicle (xEV) technology, automation & robotics, and modern agricultural technology (Agri-tech). This allows designing

development programs that equip employees with future-ready skills, thereby maintaining the Company's long-term competitiveness.

3) Employee Needs Surveys and Executive Line Walks

The Company directly surveys employee training needs and conducts "Line Walk" interviews with supervisors and executives through on-site visits. These activities are designed to collect in-depth information that reflects actual operational contexts, which is then used to refine and develop highly relevant training programs.

4) Development of Skill Maps for Operational Staff

The Company utilizes the Standard Skill for Operation (SSO) framework to analyze the essential skills required for each operational role, such as specialized knowledge, technical skills, and specific proficiencies. This approach facilitates targeted development planning and long-term progress tracking.

Based on the four key areas of the training needs analysis, the Company has established a clear and measurable training policy and objectives. To achieve these goals, the Company has implemented an In-house Training Program, designed and developed internally by the organization's team. These programs are tailored according to the results of the Training Needs Analysis and aligned with the actual business context of each department.



In-house Training Program's key advantage is its flexibility and adaptability to the specific needs of each functional area, covering both technical competencies and supporting skills. The curriculum encompasses the following key topics:



1) Digital Skills This includes productivity software utilization, basic data analysis, collaboration with automation tools, and the effective use of AI (Artificial Intelligence) as a future innovation.



2) Management & Leadership Skills Courses under this category include training for new supervisors and entry-level managers (New Supervisors Training), leadership development, team management, and conflict resolution within teams.



3) Occupational Safety Skills This involves fundamental safety training for new employees, safe operation of machinery, basic fire safety, and emergency response drills.



4) Sustainability & Environmental Awareness Programs such as the "ESG DNA: Sustainability Knowledge Set", waste segregation and the organization's carbon footprint awareness.

In 2024, the Company implemented the "ESG DNA: Sustainability Knowledge Set" project from the Stock Exchange of Thailand as a tool to promote sustainability knowledge and awareness among employees, starting with those at the head office. The Company set a goal of 100% online training participation for employees and achieved a 98% completion rate.



External Training Program

In addition to internal training, the Company encourages employees to participate in external training programs. This initiative aims to enhance specialized knowledge and skills that address the specific needs of individuals or functional teams, based on the results of Training Needs Analysis (TNA). This ensures that selected courses are aligned with the Company's requirements and strategic objectives, such as preparing for new roles or adapting to technological advancements.

Furthermore, the Company promotes the implementation of On-the-Job Training (OJT) by departments. This allows employees to learn from real-time operational situations and immediately apply their knowledge, which is considered a key element in achieving continuous development at the operational level.



Training Hours

2024 Target

12 hours / person / year

2024 Performance

16 hours / person / year



Competency Gap Closure

2024 Target

2 topics / person / year Chief Up

2024 Performance

1.7 topics / person / year Chief Up

2. Training and Capability Development Program

To systematically foster human resource development that aligns with the Company's policies and strategic direction, the training program is designed to cover job-specific skills, general competencies, and strategic development. The objectives are to enhance employee capabilities, create opportunities for professional advancement, and strengthen the organization's long-term competitiveness.



| | Projects | | Benefits to Employees | | Benefits to the Company |
|---|--|---|--|---|--|
| 1 | Individual Development Plan (IDP) Employees at all levels are given the opportunity to develop personalized skill development plans in collaboration with their supervisors. These plans are aligned with job competencies and organizational goals. Development outcomes are linked to merit evaluations and considered in compensation adjustments. | | Employees are provided with a clear, systematic development and career growth path. 23 employees received promotions. | • | The turnover rate among employees with IDPs decreased from 7.5% to 4.2%. |
| 2 | Talent Successor This project is designed to prepare successors for managerial positions and above. It focuses on developing essential leadership skills, strategic analysis capabilities, and other competencies critical for future roles. | • | 12 employees were provided opportunities for career growth and advancement. 1 employee received a promotion. | • | Reduced the time required to recruit executives from 60 days to 45 days. Mitigated the risk of 12 critical positions lacking qualified successors |
| 3 | 3. Skill Map Training Based on SSO Standards This program provides training aligned with the Skill Matrix defined by each department, particularly within production lines, to ensure employees possess skills that meet the Company's professional standards. | • | Section chiefs and supervisors gain opportunities to learn new technologies and are eligible for performance-based compensation or promotions. | • | Employees developed a correct understanding of operational standards, leading to a 20% reduction in operational errors. |
| 4 | Applications in the Workplace," was established to enhance understanding of technological trends that are transforming the work environment. It focuses on fostering an open mindset for continuous learning among employees, aligning with the SMART Culture principle: M – "Mindful Learning" (lifelong learning, leveraging technology for problem-solving and development). The project also promotes the practical application of AI to tangibly improve work efficiency and quality. | | 54 employees gained a fundamental understanding of AI concepts and its role in daily life and the workplace, along with increased awareness and readiness for technological change. Repetitive tasks (e.g., document/report generation) were reduced by an average of 20% within three months of AI implementation. | | The Company's image has been elevated as a modern organization that prioritizes employee skill development and promotes technology to enhance operational efficiency. 54 employees are now proficient in using at least one AI tool (e.g., ChatGPT, Copilot). |

| Projects | Benefits to Employees | Benefits to the Company |
|--|--|--|
| 5. Continuous Improvement (Kaizen, QCC, Lean) The Company continuously enhances operational efficiency and quality by fostering teamwork and systematic problem-solving through Kaizen, Quality Control Circle (QCC), and Lean practices. | 100% of staff-level employees and supervisors participated in practical learning and development. 100% of staff-level employees and supervisors received KPI-based bonuses. | |
| 6. The Financial Planning Training Program was implemented to enhance employees' financial planning knowledge, particularly in managing financial risks, preparing for emergencies, and planning for post-retirement life. It also promotes employees' life planning skills and helps them effectively understand financial trends in the digital era. | fund increased by 5%. | Reduced financial stress among employees, which can positively impact work performance and reduce turnover rates. |

3. Building a SMART Organizational Culture

The Company prioritizes cultivating a robust organizational culture as a foundation for sustainable human resource development. This includes particularly embedding the "SMART Culture" which reflects the Company's core values. Recognizing the evolving business needs and dynamic industry trends, the Company has designed the "Step Culture" organizational culture-building process to foster rapid adaptation and flexibility among employees in the workplace. Furthermore, the Company continuously monitors employee perception and behavior of this culture through Culture Assessments. The objectives for building this organizational culture are to:



Promote employee behavior at all

levels that aligns with SMART values.





Instill the concepts of a "Learning Organization" and "Ownership Culture."

Elevate the organizational culture assessment results to \geq 90%.





In addition, the Company has established a step-by-step approach to implementation:

- 1. Plan operations from recruitment, orientation, and training to performance evaluation and awareness-building activities, ensuring SMART behaviors are integrated from an employee's first day.
- 2. Learning and behavior reinforcement activities.
- 3. Organize collaborative learning activities (Learning Culture) both online and onsite.
- 4. Conduct internal communications such as clip sharing, quizzes, and mini workshops on SMART values.
- 5. Evaluate performance by linking behavior to organizational values.
- 6. Integrate demonstrated SMART behaviors into the employee performance evaluation system for salary adjustments, bonuses, and career advancement considerations.
- 7. Utilize in the selection of talent and successors for critical organizational roles.

Benefits to Employees

- Employees understand and practically
 apply organizational values. According
 to the 2023 assessment, 91.48% of
 employees reported awareness of the
 SMART Culture.
- Employees gain increased confidence
 in their work and receive recognition
 from supervisors for their behavioral
 alignment.
- Employees receive enhanced compensation, including bonuses and promotion considerations, due to their behavior aligning with the organizational culture.

Benefits to the Organization

- The organization fosters a workforce with unified behaviors, enabling smoother strategic execution.
- The turnover rate among talents and high-potential employees is reduced.
- The organization enhances its adaptability to ongoing business changes.
- Organizational brand credibility is elevated through consistent internal behavioral alignment.









