



# EMPLOYEE PERSONAL DEVELOPMENT AND TRAINING POLICY

Version 1/2026 VNG-SOC-EDT-PL-01

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## **Employee Personal Development and Training Policy Vanachai Group Public Company Limited and Subsidiaries**

Vanachai Group Public Company Limited and its subsidiaries (“the Company”) recognize the importance of employee development as one of the most valuable assets of the organization. The continuous enhancement of employees’ knowledge, skills, and competencies is considered a cornerstone for driving sustainable business growth and strengthening the Company’s long-term competitiveness.

The Company is committed to establishing effective systems and processes for the professional and personal development of all employees. This includes enabling adaptability to technological, economic, and social changes, and promoting lifelong learning that aligns with the sustainable development direction of Thailand and the United Nations Sustainable Development Goals (UN SDGs).

This policy provides a strategic framework for managing employee training and development to foster a learning organization culture. It aims to ensure that every employee can grow alongside the Company in a stable, inclusive, and sustainable manner, in line with the corporate philosophy **“Forest I Future I Together – for a Sustainable Living.”**

This reflects the Company’s commitment to empowering people as a driving force toward a sustainable future shared by all.

### **1) Objectives**

- To continuously enhance the capabilities of all employees by developing their knowledge, skills, and competencies in alignment with technological, social, and labor market changes.
- To foster a learning organization culture that encourages continuous learning and enables employees to apply acquired knowledge to improve both their performance and the organization’s development.
- To ensure equal access to training and development opportunities for all employees, free from discrimination, covering professional growth, career advancement, and access to learning resources.
- To develop training programs that respond to both the organization’s strategic objectives and employees’ developmental needs—encompassing technical skills, safety, ethics, and sustainability.
- To promote local workforce development by supporting skill enhancement and knowledge transfer within surrounding communities, in line with the concept of “Growing Together.”

- To integrate employee training and development into the Company's human resource management system, sustainability strategy, and performance appraisal process, ensuring that learning outcomes contribute to long-term organizational goals.
- To strengthen the Company's competitiveness and support the achievement of targets under the Vanachai Sustainability Framework – People Pillar, guided by the corporate philosophy "Forest | Future | Together – for a Sustainable Living."

## 2) Policy Alignment and International Standards

- **Global Reporting Initiative (GRI):**

**GRI 401: Employment** (2016) - Main standard for employee training, skills development, career development and performance reviews.

**GRI 404: Training and Education** (2016) – Training and Education, covering training management, skills development, lifelong learning, and the evaluation of training impacts on employees' career progression.

- **FTSE Russell ESG Indicators:**

**SLS29:** Employee Personal Development and Training, emphasizing employee capability enhancement, structured training plans, and equitable access to learning opportunities across the organization.

**SLS26:** Training hours disclosure, including total training hours or average training hours per employee. The policy already includes average training hours per employee as a metric.

- **International Labour Organization (ILO):** Human Resources Development Recommendation (No.195) – focusing on workforce development, vocational training, and lifelong learning to promote competitiveness and equal employment opportunities.

- **United Nations Sustainable Development Goals (UN SDGs):**

- Goal 4 (Quality Education) – Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

- Goal 8 (Decent Work and Economic Growth) – Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.

- **Vanachai Sustainability Framework 2025:** Under the concept "Forest | Future | Together – for a Sustainable Living," particularly the People Pillar, which focuses on empowering employees to grow sustainably alongside the Company.

### 3) Scope

This policy applies to:

- **All employees:** including permanent, contract, daily-hire, and trainee employees at all levels of the organization.
- **All business units and operating locations:** covering factories, headquarters, distribution centers, and subsidiaries both domestic and international.
- **Human resource management processes:** encompassing recruitment, training, performance appraisal, career development, and organizational knowledge management.
- **Business partners and external collaborators:** including training providers, educational institutions, and external organizations involved in capacity building and workforce development for the Company.

### 4) Definitions and References

- **Development:** The process of enhancing employees' knowledge, skills, and competencies to improve performance and career progression.
- **Training:** A structured process of transferring specific knowledge or skills to enable employees to perform their work effectively and safely.
- **Lifelong Learning:** A continuous process of acquiring knowledge and skills throughout an employee's life to ensure adaptability and sustainable personal growth.
- **Competency:** A combination of knowledge, skills, and behaviors required to achieve organizational performance standards.
- **Individual Development Plan (IDP):** A personalized development plan jointly created by employees and supervisors to guide professional growth and learning goals.
- **Vanachai Integrated Materiality and Risk Assessment (V-IMRA):** An internal assessment framework used by the Company to identify, assess, and prioritize sustainability-related impacts, risks, and opportunities across its operations and value chain. V-IMRA integrates both impact materiality and financial materiality considerations and provides structured inputs to the Enterprise Risk Management (ERM) system, strategic planning, and management decision-making.
- **References:**
  - GRI 404 (2016): Training and Education
  - FTSE Russell ESG Indicators: SLS29 – Employee Personal Development and Training
  - ILO Recommendation No.195: Human Resources Development and Training
  - UN Sustainable Development Goals (SDGs): Goal 4 – Quality Education; Goal 8 – Decent Work and Economic Growth
  - Vanachai Sustainability Framework 2025: Forest | Future | Together – People Pillar

## 5) Governance and Accountability

- **Board of Directors:** Approves and oversees the Employee Personal Development and Training Policy to ensure that human resource development initiatives are conducted effectively, transparently, and in alignment with the Company's sustainability strategy.
- **Sustainability Committee:** Serves as the Policy Owner, responsible for setting strategic directions for workforce development and capability enhancement, as well as monitoring progress and performance outcomes under this policy.
- **Human Resources and General Administration Division:** Acts as the lead implementing body, responsible for developing annual training plans, preparing Individual Development Plans (IDPs), and maintaining systematic learning and training data management.
- **Directors, Managers and Department Heads:** Are responsible for promoting and supporting continuous learning and development among their teams in alignment with organizational strategies and objectives.
- **All Employees:** Are required to participate in training and development programs assigned by the Company and to apply the acquired knowledge in their work while sharing learning experiences with colleagues.

## 6) Commitments and Principles

### 6.1 Continuous and Equitable Development (FTSE SLS29, GRI 404-2):

- The Company is committed to promoting continuous and equitable development by ensuring that all employees have equal access to learning, training, and skill enhancement opportunities without discrimination.

### 6.2 Individual Development Plan (IDP-GRI 404-3):

- The Company establishes Individual Development Plans in collaboration with employees to define career development directions systematically, based on competency assessments and performance evaluations.

### 6.3 Lifelong Learning (ILO Recommendation No.195, SDG 4):

- The Company encourages lifelong learning through both formal and informal education to enhance employee capability, adaptability, and sustainable personal growth.

### 6.4 Future Skills and Competency Building (SDG 8, FTSE SLS29):

- The Company develops training programs that address future workforce challenges, including digital transformation, ESG literacy, and innovation management, to prepare employees for the Future of Work.

### 6.5 Training Evaluation and Effectiveness Assessment (GRI 404-1, FTSE SLS29):

- The Company regularly measures and evaluates training outcomes at all levels—knowledge gained, skills acquired, and performance impact—to continuously improve training programs and development strategies.

#### **6.6 Collaborative Learning and Partnerships (SDG 17, FTSE SLS29):**

- The Company fosters collaboration with educational institutions, government agencies, and business partners to exchange knowledge, co-develop training programs, and promote learning among employees and local communities.

### **7) Risk, Impact, and Dependency Management**

The risks, impacts, and dependencies associated with the matters addressed in this policy are identified, analyzed, and prioritized through the Company's Vanachai Integrated Materiality and Risk Assessment (V-IMRA) process. V-IMRA is an internal assessment framework that considers both impact materiality and financial materiality across the value chain.

- **The results of V-IMRA** are integrated into the Enterprise Risk Management (ERM) system to support policy formulation, strategic decision-making, the setting of risk appetite, and the creation of long-term sustainable value.
- **Identification and Assessment of Training and Development Risks (FTSE SLS29, GRI 404-1, SDG 8):** The Company regularly evaluates potential risks affecting training and development effectiveness, such as insufficient budget, lack of qualified trainers, or misalignment with future workforce needs.
- **Impact Analysis on the Organization and Stakeholders (FTSE SLS29, GRI 404-2, SDG 8):** Both positive and negative impacts from training initiatives—such as employee performance, retention, and engagement—are assessed to guide continuous improvement.
- **Dependency Management (ILO Recommendation No.195, GRI 404-2, SDG 4):** The Company addresses internal knowledge dependency through structured knowledge transfer systems and mentorship programs to ensure continuous capability development.
- **Integration into Enterprise Risk Management (ERM: UNGPs, FTSE SLS29, GRI 404-1):** Training and development risk assessments are incorporated into the Enterprise Risk Management framework to ensure effective mitigation and resource allocation.
- **Monitoring and Reporting (FTSE SLS29, GRI 404-3, SDG 8):** The Company monitors training-related risks on an ongoing basis and reports results to the Sustainability Committee and Human Resources Division at least annually.

## 8) Targets and Metrics

### **Short-Term Goals** (FTSE SLS29, GRI 404-1, 404-2, 404-3, SDG 4, 8):

- Percentage of employees trained according to the annual training plan.
- Average training hours per employee per year.
- Percentage of participation in learning and development programs.
- Employee satisfaction score on training programs.

### **Medium- and Long-Term Goals** (FTSE SLS29, GRI 404-3, SDG 4, 8):

- Achieve an Individual Development Plan (IDP) coverage rate of at least 90% by 2027.
- Increase the percentage of internal promotions driven by employee development programs.
- Develop at least three Future-Skills training programs annually (e.g., digital skills, ESG literacy, leadership).
- Maintain a High-Potential Employee Retention Rate of 95% or higher.

## 9) Supply Chain and Partner Responsibility

- **Integration of Employee Development Policy into Corporate Strategy** (FTSE SLS29, GRI 404-3, SDG 8): The Company integrates employee development and training initiatives into its business strategy, human resource plan, and sustainability roadmap to ensure that “people development” aligns with all organizational goals.
- **Linkage to the Vanachai Sustainability Framework 2025** (SDG 4, SDG 8, Vanachai Sustainability Framework 2025): This policy supports the “People” pillar under the corporate theme “Forest | Future | Together,” emphasizing the development of capable, sustainable, and future-ready employees who grow alongside the Company.
- **Promotion of Sustainable Workforce Development** (GRI 404, SDG 4 & 8, FTSE SLS29): The Company implements long-term plans to cultivate a skilled, knowledgeable, and ESG-conscious workforce that can drive the organization toward sustainable growth.

## 10) Integration with Corporate Strategy

- **Integration of Employee Development Policy into Corporate Strategy** (FTSE SLS29, GRI 404-3, SDG 8): The Company integrates employee development and training initiatives into its business strategy, human resource plan, and sustainability roadmap to ensure that “people development” aligns with all organizational goals.
- **Linkage to the Vanachai Sustainability Framework 2025** (SDG 4, SDG 8): This policy supports the “People” pillar under the corporate theme “Forest | Future | Together,” emphasizing the development of capable, sustainable, and future-ready employees who grow alongside the Company.

- **Promotion of Sustainable Workforce Development** (*GRI 404, SDG 4 & 8, FTSE SLS29*): The Company implements long-term plans to cultivate a skilled, knowledgeable, and ESG-conscious workforce that can drive the organization toward sustainable growth.

## 11) Implementation and Management Tools

- **Training and Awareness** (*GRI 404-2, FTSE SLS29, SDG 4*): The Company provides a wide range of training programs, including onboarding for new employees, technical skills development, and leadership training, to strengthen knowledge and competencies at all organizational levels.
- **Resource and Budget Allocation** (*FTSE SLS29, GRI 404-1*): Adequate financial and human resources are allocated to support training programs, learning technologies (E-Learning Platforms), and internal knowledge databases.
- **Knowledge Management System** (*GRI 404-2, SDG 4*): A centralized system is established for storing, transferring, and sharing knowledge within the organization to facilitate continuous learning and knowledge retention.
- **Digital Learning Tools** (*FTSE SLS29, SDG 9, SDG 4*): The Company adopts digital technologies such as Learning Management Systems (LMS), virtual training, and blended learning to enhance efficiency, accessibility, and engagement.
- **Training Evaluation and Course Improvement** (*GRI 404-3, FTSE SLS29, SDG 8*): Post-training evaluations are conducted to measure learning outcomes, satisfaction, and performance impacts, enabling ongoing improvement of training content and methods.

## 12) Monitoring, Reporting and Transparency

- **Performance Monitoring** (*FTSE SLS29, GRI 404-1, SDG 8*): The Human Resources and General Administration Division continuously monitors employee training and development through a Training Records System and regular learning outcome reports to ensure that objectives are met effectively.
- **Internal Reporting** (*GRI 404-3, FTSE SLS29*): Training and development performance is reported to the Sustainability Committee and the Board of Directors at least once a year for policy evaluation and improvement planning.
- **Public Disclosure** (*GRI 404, SDG 8, Vanachai Sustainability Framework 2025*): The Company discloses employee training and development performance in its Annual Vanachai Sustainability Move Report and on the corporate website to ensure transparency and accessibility for all stakeholders.
- **Communication and Stakeholder Engagement** (*SDG 17, FTSE SLS29*): The Company encourages active participation and feedback from employees, management, and business partners in developing training programs and knowledge-sharing activities across departments.

### **13) Review and Continuous Improvement**

- **Policy Review** (*FTSE SLS29, GRI 404, SDG 8*): The Company reviews and updates this policy at least every two years or when there are changes in labor laws, international standards, or HR management directions to ensure continued relevance and compliance.
- **Program Effectiveness Review** (*GRI 404-3, FTSE SLS29*): Training programs are evaluated annually to assess their effectiveness and efficiency, ensuring alignment with organizational needs and employee development goals.
- **Continuous Improvement** (*SDG 4, FTSE SLS29*): All departments are encouraged to apply feedback and training evaluation results to enhance learning approaches, including digital learning and self-directed learning methods.
- **Learning from Best Practices** (*GRI 404, ILO Recommendation No.195, SDG 8*): The Company continuously studies best practices and benchmarks from leading organizations to strengthen its human resource development framework in line with international standards.

**14) Employee Personal Development and Training Policy**

Version	Date	Policy Owner	Approved by	Key Changes / Comments
1.0	25 February 2026	Sustainability Committee	Board of Directors	The first edition of the Employee Personal Development and Training Policy was established to reaffirm the Company's commitment to developing and enhancing employee capabilities for sustainable growth. This policy has been developed in accordance with international standards, including FTSE Russell SLS29, GRI 404, ILO Recommendation No.195, and the United Nations Sustainable Development Goals (SDG 4 and SDG 8). It emphasizes the promotion of lifelong learning, the establishment of Individual Development Plans (IDP), and the integration of human capital development into the Company's sustainability strategy under the guiding concept "Forest   Future   Together – for a Sustainable Living."

This policy is approved and issued for acknowledgement and implementation by all relevant parties.