

## **Personnel Development Policies**

In pursuance of an intent to continually promote the knowledge, skills and quality of lives of employees in accordance with the principles of good governance, the Company has formulated personnel development policies to ensure that employees are equipped with the requisite competencies and readiness in the face of competition, which would aid the sustained advancement and strengthening of the Company. The aim is to encourage and give opportunities for self-development and the realization of one's full potential along with the creation of a proactive working environment focused on skills training and knowledge building. These developments would improve confidence and readiness for change and challenges arising from the increasingly intensive business competition. In this regard, the Company has implemented six major personnel development schemes incorporating all levels. Details of the schemes are stated below.

### **1. High Potential Development**

The Company has formulated an approach to creating and preparing key personnel for the Company's future. Employees having the proper qualifications have been selected to participate in the High Potential Development Programme since 2009. At present, the Company has accomplished four classes. Those who were selected were given an opportunity to learn and develop their competencies. The Company has also encouraged employees to express their potentials in the appropriate forum by assigning especially challenging projects to their responsibilities. This provides an opportunity for the selected employees to achieve recognition for their performances in line with the organisation's direction.

### **2. Key Person Development**

The Company attaches importance to the development and preparation of key personnel for each work unit. Personnel possessing knowledge, skills, determination, motivation and responsibility have been selected, and the Human Resource Department has collaborated with supervising work units in drawing up an Individual Development Plan (IDP) for each selected person after conducting analyses of knowledge, skills and potentials, wherein clear development targets are set. A variety of development tools have been employed, such as internal and external training, mentoring and assignment of more challenging tasks. These undertakings seek to develop the employee's working competency and play a greater supporting role for supervisors as well as present an opportunity for promotion to higher positions.

### **3. Improvement Project**

In pursuance of the mission to foster customer satisfaction for excellent goods, the Company has appreciated and attached significance to the improvement of the production line in order to develop standardized goods. This has been achieved through lectures delivered by experts in production upgrades and developments as well as knowledge-sharing with persons having expertise. Production personnel have also been assigned to special projects to analyse, research and suggest operational improvements or innovative solutions to enhance efficiency, which in turn leads to a reduction of operational costs and greater production efficiency. Customer needs would thereby be met in a timely manner, fostering greater customer satisfaction. The projects focus on analyses and suggestions for development with the aim of reducing production costs and manifest efficiency enhancement.

The Company has also invited lecturers possessing knowledge, skills and experience in the field of production upgrades to give advice in a workshop setting. A total of 13 workshops were held, initiating at the shirt production facilities and later expanding to other facilities. The aim is to upgrade quality in the goods production process to promote a genuine response to customer needs, and to build long-term competitiveness.

#### **4. Merchandiser & Designer Development Scheme**

In order to respond to customer demand and ensure customer satisfaction for excellent quality goods, designers and merchandisers are given key roles in creating products that would be successfully marketed in accordance with the set goals. The Company is committed to developing skills by educating these employees. Personnel development plans have been drawn up for such employees in line with the business growth strategies. Additional knowledge on international fashion trends, raw materials and products, colour theories and goods quality have been provided. The primary forms of training were lectures and practice workshops, which promoted efficient learning. Personality trainings have also been provided to improve customer impression. In this regard, an individual development plan has been drawn up for the enhancement of each person's potential, followed by monitors, assessments and appropriate adjustments to the plan.

#### **5. Pattern Technician Development Scheme**

Due to the rapid business expansion at present, businesses have to accelerate the development of their competitiveness in order to keep pace with growth. The Company has therefore realized the importance of developing technician and pattern personnel, who constitute key persons in the production of quality products, by organizing skills training to equip them with the necessary skills and expertise for operations, e.g. knowledge of English relating to production, knowledge on raw materials and cost reduction techniques. It is hoped that those employees will be able to apply their knowledge to the operations and improve the efficiency of production in response to customer expectations.

#### **6. Sensei**

Over a business operation period of more than 37 years, the Company has realized the importance of developing personnel knowledge and expertise in the production process to ensure the production of quality products and a competitive advantage over competitors. In pursuance thereof, the Company has prepared key personnel in work units to act as Sensei (trainers). Employees experienced in production are selected for high-level training on production techniques and processes from Japanese Sensei. Additional skills and knowledge training have also been provided, such as raw materials knowledge, effective communication, team building and management, persuasion psychology, as well as mentor training. The aim is to create good trainers to assume the essential role of "training" and "mentoring" employees in order to produce better quality goods. In this connection, the Company has also established a monitoring and assessment plan to obtain data for determining approaches for developing the competencies of "trainers" and to ensure their continual readiness as good trainers.

### **Working Skills Development**

Upon a realization and emphasis on the importance of developing employees at all levels, who are key players in the continued success of the organization, the Company has formulated personnel development policies to incorporate production staff. A staff development plan has been devised to equip employees with knowledge and skills in the work processes of their respective responsibilities pursuant to the Work Instruction. Knowledge is transmitted from the supervisors to subordinates to build an understanding on techniques and work procedures, and progress is continually monitored. This has enabled employees to apply their knowledge to the greatest benefit in the operations. Personnel have been able to develop their skills and persistently deliver satisfactory quality work results. These personnel have been rewarded in accordance with their achievements.

### **Training and Development**

Personnel training and development are regarded as essential tools for promoting knowledge, skills and competencies of personnel of all levels to ensure readiness for driving the organisation forward and leading the business to sustained successes. The Company has promoted opportunities for employees to learn, train and develop into quality personnel who are equipped with knowledge, skills, competencies and experience in line with organisational growth. This has been achieved through internal and external training. In all events, the Company has also attached significance to monitoring and assessing learning results and the ability to apply knowledge to operations, as well as the ability to transmit knowledge to team members and relevant work units. Examples of training include "Quality: The Business Strategy", communication and negotiation techniques for modern excellence, planning and strategies for modern markets and online marketing. These training have been conducted for the benefit of developments and upgrades to keep up with the pace of continual change.

### **Grant of Scholarships to Employees and Their Offspring**

In view of the Company's realization of the importance of developing employees, a policy has been implemented to promote and grant educational scholarships in order to offer opportunities for the development of personnel competencies in regard to fashion goods. This policy is consistent with business operations and accommodates the Company's future sustained growth. In this regard, Saha Group has also collaborated with Bunka Fashion College, Japan, in establishing a Bunka Fashion Institute in Thailand, with the objective of laying down a foundation for fashion education in Thailand as well as to act as a medium for exchange of knowledge and fashion development between Thailand and other countries.

The Company has granted 3 full-scholarships to employees to enroll in the Fashion & Textile Development Program, amounting to a total sum of Baht 768,000. It is hoped that employees would acquire valuable knowledge which can be applied to essential operations. In addition, the Company has also granted 3 educational scholarships to students of Rajamangala University of Technology Krungthep in a total sum of Baht 384,800.