

Internal Control

HARN realizes the importance of the internal control system under the framework of The Committee of Sponsoring Organizations of Treadway Commission (COSO) and applies the principles of the corporate risk management and internal control. This is to ensure efficient and effective structure design and process, credibility of financial and other reports, and full compliance with laws and regulations prescribed by the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC). The Board therefore appointed an internal audit which as outsource responsible for quarterly following up and reviewing the adequacy of internal control system, and assigned the Audit Committee to review the internal control assessment.

In 2021, the Board examined the assessment internal control and risk management according to plan on a quarterly, and is prepared by the internal audit and subsequently reviewed by the Audit Committee, and concluded that this year HARN's internal control system was indeed adequate and suitable for its business operations while accomplishing the objectives of internal control.

Internal Control System

At the Board meeting No. 1/2021 of February 25, 2021, appointed Ultima Advisory Co., Ltd., as internal audit assigning Miss Chonlada Thirapattananon and Miss Siriphan Tantipanichphan as head of internal audit of HARN, is an independent unit. Fosters assurance and provides consultation to ensure that business processes are duly equipped with risk management, has sound internal control practices and rules in support of corporate objectives. It reports findings to the Audit Committee for consideration and forwarding them to the Board for acknowledgment every quarter. Regular monitoring is undertaken for actions in response to the recommendations. In its course of work, internal audit freely expresses its opinions. No conflicts have arisen that cannot be resolved.

Also, internal audit equipped with expertise, skills, and experience in internal audit, performance, risk assessment, and internal control and was therefore regarded as suitable for the position. The Audit Committee consider approved the appointment, removal, transfer, performance assessment of internal audit.

Risk Management

Recognizing the value of risk management under changing circumstances that may affect businesses due to internal and external factors, HARN relentlessly complied with the principles and approach of COSO, an international standard on risk management. Regards risk management as a critical component of all its business processes that must be comprehensively connected, so it has risk management policy for everyone to observe. The Risk Management Committee were thus appointed to steer overall risk management for maximum efficiency.

Corporate risks are systematically managed through risk management committees to give risk management plans effectiveness and efficiency in line with corporate goals and strategies. Operational risks fall under the supervision of executives responsible for a given function. All units are responsible for managing and controlling risks to manageable levels and this has been spelled out in the job descriptions of all units.

However, HARN has investigated and applied various risk management tools, including adopted Risk & Control Self-Assessment (RCSA) to help analyze the risk factors and prioritized to assess the level of impact of the major risks and Key Risk Indicators (KRI), to indicate the impact on operating results in the form of the existing control level, as well to define measures, prevent and monitor. In addition, it monitors key changes in external factors and emerging risks to develop proactive risk management measures before such risks harm business.

HARN cultivates risk management awareness among all its employees along with nurturing risk management ambience and culture, focusing on due resource allocation and provision of assorted support by integrating risk management with key processes to promote effective risk management.

However, Provide complaints channels and whistles. In 2021, assesses this risk control at a satisfactory level and no fraud or unethical offenses were found.