

## Top Executive's Remuneration Policy

### Top Executive's Remuneration

The remuneration of the Chief Executive Officer complies with the policies and guidelines set by the Nomination and Remuneration Committee and the Board. For the remuneration of top executives, it complies with the policies and guidelines set by the Chief Executive Officer that is linked to HARN's performance by defining key performance indicators and setting KPI goals about annual objective-based performance and results of short-term and long-term strategic objectives. In terms of finance, society, and the environment, through HARN's 4 groups of sustainability cycle, namely SMART Business, SMART technology, SMART People, SMART ESG (Environment, Social, Governance), according to the Balanced Scorecard, these indicators cover the following items: performance, sales growth, market shares, marketing expansion into foreign markets, employee satisfaction, continuous development of work systems, and business management processes toward excellence, increased competitiveness, and long-term business operations to lead to sustainable success under transparency. Relevant risks are also evaluated, including its vision, goal, and strategy, as well as its shareholders continued added-value generation.

In addition, we aim to keep compensation competitive in the relevant business sectors in order to ensure that HARN can attract and retain skilled employees to work and continue production for HARN.

Top executives remuneration as expenses represents the benefits paid to HARN and its subsidiaries are Chief Executive, Officer Chief Marketing Officer, Chief Operating Officer, Chief Financial Office include remuneration in both monetary include in benefits according other forms to the reguls of HARN as well as the director of each department, consists; Salary, Bonuses, EJIP and Other benefit (provident fund, life and health insurance, scholarships) etc., Except incentives based on performance. This regard, HARN's Top Executives means a person designated under the Securities and Exchange Act (SEC). Is the first four executive positions after the Chief Executive Officer. The remuneration paid to executives: as follows;

#### Total Remuneration Paid to CEO and Top Executives in 2021 - 2022

In 2022, HARN payment of remuneration for Mr. Thammanoon Tripetchr Chief Executive Officer, including Top Executives of HARN, designated under SEC, namely the first four executive positions after Chief Executive Officer, and Top Executives of subsidiaries as follows:

Unit: Million Baht

Remuneration	2022		2021	
	Person	Amount	Person	Amount
Salary, Bonuses and Other such as social security contributions and Employee Share Accrual Program (EJIP)	7	19.89	7	17.90
Provident fund contributions	7	0.69	7	0.61
<b>Totoal</b>		<b>20.58</b>		<b>18.51</b>

Note: Remuneration Top Executives to consolidated financial statement of HARN

Additional information on the Top Executive:

Records have shown no violation of the law within the past 10 years regarding:

- 1) Being sentenced for criminal charges except for violations of traffi c laws, petty charges, or similar charges.
- 2) Being sentenced to bankruptcy or having assets controlled.
- 3) Serving as an executive or an authority in a company or partnership sentenced to bankruptcy or whose assets are controlled.

## Information of the Employees

### Total Employees

HARN has policy which focuses on equity, no limitation or discrimination on gender, race, religion, and culture, stresses the development of human resources management systems compatible with technological advancement. It not only promotes both competence among its employees, but also encourage them to actively take part in public service on its development into a sustainable corporate to elevate competitiveness and respond to internal changes of a corporation.

As of December 31, 2022, total 246 employees of HARN and Subsidiaries, (Excluding CEO and Top Executives designated under SEC), divided into 145 male, 96 female, which 241 employees of HARN, and 2 employees Subsidiaries Harn Vietnam Co., Ltd., 3 employees Subsidiaries Aiyaraharn Co., Ltd., as follow;

Department	Employees (persons)		
	2022	2021	2020
Project Sales	31	28	35
Fire Protection, Air Conditioning & Sanitary System Sales	31	28	29
Project Sales (Petrochemical)	5	3	4
Refrigeration System Sales	14	15	16
Engineering Support	9	9	7
Digital Printing System Sales	24	27	26
Service	32	33	33
Special Product Sales	13	14	15
Operating	45	44	42
Financial	37	36	37
Subsidiaries	5	7	9
<b>Total</b>	<b>246</b>	<b>244</b>	<b>253</b>

### Performance evaluation

HARN promoted the participation of supervisors and workers to define the goals and Key Performance Indicators (KPIs) altogether which led to the cooperation and good relationship between supervisors and their subordinates. To be successful, it was arranged to conduct the performance appraisal a 2 year, dividing the results into 3 parts as follows;

1. KPI = Key Performance Indicator (Evaluate according to the task performance score supporting the main objectives of HARN)
2. API = Appraisal Indicator (Evaluate the work behavior consistent with the ability according to HARN's position, culture and values)
3. ATI = Attendance Indicator (Evaluate according to work discipline)

The assessment results will be used for consideration of the annual return and communicated to employees in order to find a mutual solution for improvement between supervisors and employees. In 2021, the assessment was completed at 100% for all.

In 2022, all employees received 100% evaluation

### Labor Disputes

As of December 31, 2022, HARN and Subsidiaries has a legal case for a total claimed amount of Baht 11.01 million which is currently being considered by the Civil Court. The management of HARN believes that the outcome of this case will not have significant effect to HARN. However, the management estimated provision for such litigation in an amount sufficient to cover the expected damages.

**Remuneration for Employees of HARN (Excluding CEO and Top Executives designated under SEC) in 2021 – 2022**

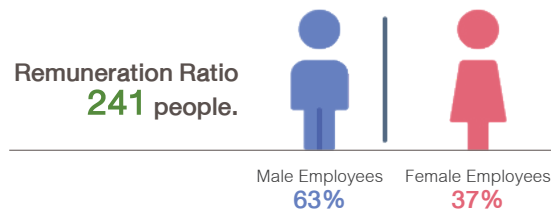
Unit: Million Baht

Remuneration	2022		2021	
	Person	Amount	Person	Amount
Salary, Bonuses and Other such as social security contributions and EJIP	241	149.72	237	146.43
Provident fund contributions	241	3.89	237	3.84
<b>total</b>		<b>153.61</b>		<b>150.27</b>

Note: Remuneration Employee referral from separated financial statement of HARN

HARN has the fair remuneration polycys of employees can be competitive in the market, including creating stability in the career opportunity for fair career in line with the strategic direction both the short and long-term. Drive performance to meet planned objectives, which will receive remuneration in both monetary and and other benefits according to the reguls of HARN and with the law.

In 2022, HARN paid monetary remuneration consists; Salary, Bonuses, overtime, commission, incentives and EJIP. The total amount paid to employees is about Baht 134.64 million, and the remuneration ratio of male and female employees is 37%



## Provident Fund

In 2022, HARN has 238 employees and executives have joined the Fund from its total 238 employees are eligible to participate or as 100%, contributed to the fund Baht 4,566,559 and managed by an authorized UOB Asset Management (Thailand) Co., Ltd. which disclosed related information in compliance with the Investment Governance Code to be compliant with the provisions of Provident Fund Act B.E. 2542 (1999) with employee savings rate to go up in line with the increasing years of service of the respective employee.

Moreover, HARN also allows the employees to select or change their investment policy as considered proper for them with acceptable risk level, choice can be made no more than 4 times a year. Including changing in the contribution rate, to encourage employees to have financial planning after retirement.

## Other Remunerations

HARN has instituted employee welfare and remuneration programs apart from salary, bonus, overtime, commission, incentives, EJIP and provident fund contributions for management and all employees. This is to keep up with economic conditions, the cost of living, and other standards peer companies' as well as HARN's performance.

1. Annual staff health check, Group life and health insurance is taken out to insure the employees, with coverage amount varied to job position and level of risk associated with nature of job performance.

2. The Employee Joint Investment Program (EJIP). The period of May 1, 2020 to April 30, 2025, with a total duration of 5 years for employees and director on the voluntary basis and own HARN, which will be regarded as savings for the employees' long-term financial security.

3. Physical and mental care, such as medical expenses for illness and dental care, staff visit baskets, allowance for the funeral/cremation of a death in the employee's family, including vaccination at a special price.

4. Support of learning and development, such as trainings, seminars both inside and outside the organization, as well as trainings abroad or scholarships for both bachelor and master's degrees, including language skills.