

Director development

The Boards values regular participation of Director and Top Executives in training and seminars concerning their competencies for their jobs. HARN directors underwent training with Thai Institute of Directors Association (IOD) and other leading entities and institutes as well as seminars on related topics. The Nomination and Remuneration Committee consider training curricula related to the Board and Top Executives, for application to HARN's businesses for sustainable growth. However, the Board and Top Executives trainings to foster their work knowledge and HARN's activities include the items below.

At present, 100% of the all Board who have attended training courses related to performance directors of IOD.

Training course for the Thai Institute of Directors Association (IOD) of the Board

Name	Courses										
	DAP	DCP	SFE	FSD	RCP	ACEP	ACP	ELP	ACPG	HRP	BNCP
Dr. Thakol Nunthirapakorn	8/2004	228/2016			43/2018		8/2005	3/2016	36/2017		
Mr. Prasert Deejongkit	184/2021										14/2022
Mrs. Valeeratn Chuerboonchai	SET/2012	205/2015		28/2015		14/2015					14/2022
Mr. Wirat Sukchai	SET/2012	204/2015	24/2015		36/2015	14/2015				12/2017	
Mr. Thammanoon Tripetchr	116/2015	211/2015	24/2015	28/2015						31/2022	
Mr. Jain Charnnarong		173/2013	23/2015							8/2014	14/2022
Mrs. Sirima Iamsakulrat	SET/2012	211/2015	24/2015								5/2018
Dr. Teerachai Pornsinsirak		211/2015									

Training courses at other leading institutions of the Board and Top Executives in 2022

Name of the Board	Courses
Dr. Thakol Nunthirapakorn	<ul style="list-style-type: none"> Hot issue for Directors - What Directors Need to Know About Digital Asset Class 3/2022 Value of Audit Program Study Results Business Sustainability Fundamentals Business Sustainability Strategies Risk analysis and key sustainability issues
Mr. Prasert Deejongkit	<ul style="list-style-type: none"> Board Nomination & Compensation Program, class 14/2022
Dr. Teerachai Pornsinsirak	None

Name of the Board	Courses
Mrs. Valeeratn Chuerboonchai	<ul style="list-style-type: none"> Board Nomination & Compensation Program, class 14/2022
Mrs. Sirima Iamsakulrat	None
Mr. Jain Charnnarong	<ul style="list-style-type: none"> Board Nomination & Compensation Program, class 14/2022
Mr. Wirat Sukchai	<ul style="list-style-type: none"> Fire Product value and on Lead Free (NSF) value Analytical Thinking and Systems Thinking for Cross-functional Problem Solving and Decision Making
Mr. Thammanoon Tripetchr	<ul style="list-style-type: none"> How to Develop a Risk Management Plan (HRP), Class 31/2022 Analytical Thinking and Systems Thinking for Cross-functional Problem Solving and Decision Making
Mr. Rattanaphan Mukhariwattananon	<ul style="list-style-type: none"> Fire Product value and on Lead Free (NSF) value Analytical Thinking and Systems Thinking for Cross-functional Problem Solving and Decision Making
Mr. Wisit Wachiralappaatoon	<ul style="list-style-type: none"> Operations in accordance with the Personal Data Protection Act Analytical Thinking and Systems Thinking for Cross-functional Problem Solving and Decision Making Checking corporate fraud with Jurisprudence of Accountancy. Foreign exchange risk analysis and risk management.
Mrs. Varinkan Teraumranon	<ul style="list-style-type: none"> Operations in accordance with the Personal Data Protection Act Analytical Thinking and Systems Thinking for Cross-functional Problem Solving and Decision Making

6) Board and Board-Committees Self-assessment

In compliance with the CG code, HARN required the Board and Board-Committees to conduct self-assessment to scope its regular review of its performance. With the resolution of Board Meeting No. 5/2022 of October 7, 2022, the Board approved all 4 self-assessment forms as year 2022, with some modifications made to align with the roles, duties and responsibilities of the Board in the Charter so that all directors can consider the assessment results more clearly. Details are as follows:

- Update and add questions in the assessment form of the whole on executive committee and risk management committee on the topic of structure and qualifications.
- Update and add the assessment form of the Board and Board-Committee of roles and performance both whole and individual to reflect the efficient, effective implementation in accordance with duties and responsibilities specified.

The 4 assessment forms stipulated the percentages corresponding to the levels of performance achieved in each topic: more 90% = Excellent, 80-89% = Good, 70-79% = Relatively Good, 60-69% = Fair, below 60% = Need improvement, Self- Assessment were as follows:

1. Self- Assessment of the whole Board, consist 4 topics: Structure and qualifications, Meetings, Roles, duties and responsibilities, Ohters such as good relationship to management and encourage training.
2. Self- Assessment of the individual Board, consist 3 topics: Structure and qualifications, Meetings, Roles, duties and responsibilities
3. Self- Assessment of the whole Board-Committees and individual 3 consist: Structure and qualifications, Meetings, Roles, duties and responsibilities

Process, criteria and results of the evaluation of the whole Board and individual style, in 2022 as follows:

Process of Self- Assessment of the whole Board and Individual

1

Board of Directors approve and review the evaluation form for accuracy and completeness in accordance to the regulations set by the supervisory authorities.

2

Executives do self-evaluations, as team and individuals to express the opinions about the roles and duties of committee. The freedom, managerial structure, knowledge development and comments on corporate management.

3

The summary and performance evaluation of the board of directors are summarised by the Company Secretary and reported to the Board of Directors

4

The Company Secretary analyzed the results and additional comments from the board of directors to make a plan to improve and develop.

Results of Self- Assessment of the whole Board and Individual

Criteria of Self- Assessment of Board and Board-Committees	2022 – Evaluation results (Whole)				
	Board of Director	Audit Committee	Nomination & Remuneration Committee	Executive Committee	Risk management Committee
Whole					
1. Structure and qualifications					
<ul style="list-style-type: none"> Diversity of directors in terms of number and experience Proportion of directors Qualifications of each Board 	89.58%	98.61%	93.06%	89.58%	87.08%
2. Roles, duties and responsibilities					
<ul style="list-style-type: none"> Spending adequate time to consider important matters etc. direction, strategy, action plan, transactions with conflict of interest, and internal control and risk management 	95.09%	97.62%	95.24%	84.72%	87.50%
3. Meetings					
<ul style="list-style-type: none"> Schedule meetings all year in advance The sufficiency of information for directors to make a decision Freedom of decision making and the expression of opinions of directors Time frame of meeting 	84.64%	95.83%	76.19%	83.33%	87.15%
4. Others					
<ul style="list-style-type: none"> Relationship with the board and management team Self development of the board/Executive, Training 	90.63%	-	-	-	-
Total Results	89.98%	97.35%	88.16%	85.76%	87.25%

Measurement: more 90% = Excellent, 80-89% = Good, 70-79% = Relatively Good, 60-69% = Fair, below 60% = Need improvement

Criteria of Self- Assessment of Board and Board-Committees	2022 – Evaluation results (Individual)				
	Board of Director	Audit Committee	Nomination & Remuneration Committee	Executive Committee	Risk management Committee
Individual					
1. Structure and qualifications					
<ul style="list-style-type: none"> Qualifications, knowledge, experience suitable for business of company Assigned duties that are appropriate for role (Independent / Board-Committee) 	81.25%	95.83%	83.33%	89.58%	89.58%
2. Roles, duties and responsibilities					
<ul style="list-style-type: none"> Perform duties efficiently according the charter Time and dedication to perform duties Control and follow up the operations of management appropriately Does not interfere with the management function Develop and learn all the time 	90.63%	97.22%	94.44%	84.72%	86.81%
3. Meetings					
<ul style="list-style-type: none"> Attending the meeting Studying the information to meeting in advance Showing appropriate comments, to meeting Abstain from attending the meeting or voting in case of having conflict of interests 	86.25%	93.33%	85.00%	83.33%	87.50%
Total Results	86.04%	95.46%	87.59%	85.88%	87.96%

Measurement: more 90% = Excellent, 80-89% = Good, 70-79% = Relatively Good, 60-69% = Fair, below 60% = Need improvement

However, the assessment of the Board (whole) results has suitable overall performance / indicated good, with an average score of 89.98% and the assessment of the Board (individual) results have vision and responsibility to perform duties regularly / indicated good, with an average score of 86.04%

However, the assessment of the Board-Committees (whole) results suitable perform efficiently consist; Audit Committee indicated excellent, with an average score of 97.35% / Nomination & Remuneration Committee indicated good, with an average score of 88.16% / Executive Committee indicated good, with an average score of 85.76% / Risk management Committee indicated good, with an average score of 87.25%

However, the assessment of the Board-Committees (Individual) results has suitable perform duties consist; Audit Committee indicated excellent, with an average score of 95.45% / Nomination & Remuneration Committee indicated good, with an average score of 87.59% / Executive Committee indicated good, with an average score of 85.88% / Risk management Committee indicated good, with an average score of 87.96%

However, the board has no outsource consultant to assist in directing and propose the assessment of the Boards' performance. HARN also analyzed the assessment topics to improve performance for directorship efficiency enhancement and formulated an annual director develop plan increase the efficiency of performing duties and realize the maximum benefits of corporate governance approved by the Board's Meeting.

Assessment the Chief Executive Officer

The Board arranges an annual evaluation of the Chief Executive Officer's performance to ensure the principles of good corporate governance, has process and summary of performance evaluation of the Chief Executive Officer year 2022 as follow;

Performance evaluation process

The Nomination and Remuneration Committee reviewed the annual performance appraisal form of the Chief Executive Officer, and presented to the Board of Directors for approval in accordance with the specified criteria. The non-executive committee is required to conduct independent performance appraisals. HARN's secretary was assigned to summarize and analyze the results of performance evaluation for approval by the Nomination and Remuneration Committee, along with providing additional opinions to develop plans and appropriate compensation adjustments before presenting to the Chief Executive Officer and the Board of Directors for further approval.

The results of performance evaluation and annual remuneration would be communicated to the Chief Executive Officer for improvement of work efficiency, according to the established goals and strategy of the organization.

Performance evaluation criteria

Consider 2 types of performance indicators and change the weight of each KPI score for evaluation as appropriate, with the proportion of measurement as follows:

1. KPI = Key Performance Indicator, weighted 70%

It is an evaluation from performance scores, according to the assigned mission which supports the main goals.

2. API = Appraisal Indicator-weighted 30%

It is an evaluation from performance consistent with the strategy, vision, mission and values by the non-executive committee, according to guidelines of the Stock Exchange of Thailand in 8 topics: strategy formulation / strategic execution / financial planning and performance / relationship with the Board / external relations / management and relations with personnel / leadership / personal attributes. There are 5 levels of evaluation criteria: 5 = excellent / 4 = very good / 3 = good / 2 = fair / 1 = improvement.

The Chief Executive Officer Performance evaluation results in 2022 are quite good, equivalent to 63.70%

Orientation of New Directors

For new directors, HARN arranges an orientation program to know the business policies, understand applicable laws, standards regulations, risks and environment to business operation as well as present information. In addition, each director receives a Director's Handbook, which the company secretary has prepared, includes the following topics:

1. Structure of the board, executive and company secretary
2. Group structure, major shareholder structure
3. Company information and nature of business
4. Charter of the board of directors and board-committees
5. Schedule of management approval authority
6. Remuneration of the board of directors and board-committees
7. Meeting and Training Courses of the Board of Directors
8. Policy and principles of corporate governance and business ethics
9. Role of directors under general law
10. Certificate memorandum and HARN's articles of association
11. Consolidated and separate financial statements
12. Annual Registration Statement/ Annual report (From 56-1 One Report)

In 2022, HARN has appointed 1 new director, namely; Dr. Teerachai Pornsinsirak as an independent director by the Nomination and Remuneration Committee meet for new directors and provide them with the above-mentioned documents and handbook were handed over. On January 28, 2022, one director orientations were arranged was held with the Chief Executive Officer, Chief Marketing Officer, Chief Operating Officer, Chief Financial Officer along with Unit Director, join the self-introduction in meeting. This year in the briefing to the new directors, the Chief Executive Officer presented information about HARN, it introduces the Board and executives / company profile / vision mission / products and services / customer samples, and relevant information for their overview of the business operations.