

Economic Sustainability Management (Smart & Lean)

Economic Policy and Practice

HARN aims to be maintain the leader in services with the “Sustainable Solutions” of the engineering system by utilizing the knowledge in products selection and develop innovations which responds to the customers’ demands in order the quality and the safety of the consumers with high quality products, modern technologies, sales and services that are fast, accurate and worth the value. These are the tools which create customer’s satisfactions, enhance flexibility and increase the ability to compete, including securing the brand loyalty, gaining value in the long term to HARN. In addition, also seek more cost-effective and appropriate investment opportunities through the following strategies:



HARN is committed to sharing the engineering knowledge of HARN with its customers and the general public by posting contents on Facebook and HARN’s website to establish a with wider knowledge and deeper insights. However, HARN did a project called “Knowledge Sharing” to efficiently expand the customer base, enhance product awareness among customers, establish relationships with customers nationwide, foster credibility and brand loyalty, instill confidence in product quality and after-sales service, enhance knowledge and skills in the field of work and correctly maintaining products in accordance with engineering principles. Adhering to the principle that “providers always learn and grow,” in the year 2023, we conducted seminars/workshops on energy-saving innovations in refrigeration systems, date printing technology, and innovations in fire suppression and air conditioning systems, which were distributed to customers and interested parties in various regions, totaling 29 events. In the provinces of Nakhon Sawan, Samut Sakhon, Chonburi, Rayong, Ayutthaya, Songkhla, Ratchaburi, Chiang Mai, Chonburi, Surat Thani, Phuket, Nakhon Ratchasima, and Bangkok.

Additionally, HARN has been driving operations to achieve its sustainability goals as follows:

- 1) In the 2D Barcode for Consumer Safety and Protection project, HARN’s sales director joins in the working group and becomes a lecturer in printing technology. This is an operation by CP All Public Company Limited, along with CPRAM Company Limited, and the International Code Institute (GS1 Thailand), Federation of Thai Industries for a change on the printing of production and expiration dates on food packaging, from only numbers and letters to 2D Barcode together. When scanning the product for payment, the scanner reads information from the 2D barcode for payment and verifies the product’s expiration date at the same time. In case of an expired product, it notifies of such immediately. This is a campaign so called “2D barcode printing to prevent the sale of expired products at the point of sales”, to improve the quality of life of consumers while creating business opportunities.
- 2) The 3DMed research project creates an organ model with advanced 3D printing technology to help diagnose and plan effective treatment.
- 3) In the 3D for Medical Application, Siriraj Hospital made a memorandum of agreement 3D model files continuously in 2023 totaling 25 cases. In the past year, there have been a total of 4 cases. Rajavithi Hospital has a total of 56 cases, and last year there were a total of 13 cases, the more than 300 cases cumulative of cases

in 2023 which HARN is also a coordinator between the Faculty of Dentistry, Chulalongkorn University, King Mongkut’s University of Technology Thonburi, and Materialise to organize a workshop on the application of Mimics program in creating 3D files and 3D models used diagnostic purposes and surgical planning for about 15 medical doctors, while being in the process of coordinating to arrange a workshop for Khon Kaen University. This can be another success as a leader and professional in bringing the 3D technology to the medical field. Moreover, HARN is a co-sponsor of the 3D printer research grant to print biomaterials for Professor Ratchathin Chancharoen, which was approved by the National Research Council of Thailand, committed to success in the project of “Biomaterial print head with embedded measurement device for 3/4D printing”.

- 4) Project to develop a prototype commercial refrigeration system in Thailand, SANYO S.M.I. (THAILAND) COMPANY LIMITED and King Mongkut’s University of Technology North Bangkok signed an MOU in the year 2023 to collaborate academically and develop refrigeration systems. The collaboration also aimed to promote learning and enhance the capability to produce quality graduates according to international standards, both academically and professionally. Furthermore, it involved the exchange of knowledge in research and various related technologies in commercial refrigeration systems which aimed to benefit the development of teaching and learning at King Mongkut’s University of Technology North Bangkok and to maximize benefits for the refrigeration industry sector in the country.

Academic Partner, government, and Standard regulatory agencies



Economic Performance

1) Targeted operations

HARN monitors progress towards its goals, plans, and specified indicators to review effectiveness and efficiency as outlined in the year 2023. Significant outcomes of the operations include:

- Retention of existing customer base with total sales of Baht 988.26 million compared to the target of Baht 996.39 million or a decrease of 0.82% due to economic conditions and relatively high price competition
- Business expansion with new products or sales channels for total sales of Baht 303.13 million compared to the target of Baht 345.61 million or a decrease of 12.29% because some groups of products are not yet accepted by the market.

However, HARN continues to strengthen relationships through continuous customer visits, organizing product promotions, and conducting events/seminars to provide knowledge and understanding to both existing and target customers. Furthermore, sales staff are consistently trained to understand product aspects thoroughly, enhancing their expertise to effectively convey accurate information to customers. Additionally, there is a focus on product development and seeking new products to increase sales opportunities.

2) Promote fair competition

In the year 2023 HARN not any advantage by seeking competitors’ confidential information through dishonest or improper means, and do not defaming competitors using slander that lead to reduction or limitation of trade competition, including no disputes with trade competition occurred, with the guidelines as follow;

- Undertake the business activities in compliance with the law and competition regulations, and cooperate with the government authorities.

- Establish the procedure and measure preventing the involvement in or conspiracy with the behavior against fair competition.
- Ensure the employees be aware of fair competition and compliance with applicable competition law.
- Promote fair competition and activities, and support anti-monopoly and anti-dumping.
- Pay attention to social context and not take advantage of natural or social conditions, such as poverty, to unfairly create competitive advantages.

3) Promote social responsibility in value chain

In the year 2023 HARN not any violation of good corporate governance, code of conduct and compliance with relevant laws, rules and regulations, has safety and legal management standards, with the guidelines as follow;

- Define social and environmental measures in the policy and procedures for procurement and distribution.
- Encourage other relevant companies to accept and apply the similar policy in order to prevent unfair competition.
- Actively participate in elevating awareness of the principles and issues relating to CSR activities in which takes part.
- Promote fair treatment to one another throughout the value chain, both in terms of costs and benefits of implementing CSR activities; that is to say, improve the capability to achieve the CSR targets in all operations of the value chains including appropriate procurement such as creating guarantee for fair price with adequate lead delivery time and an established trade agreement.

4) Promote respect for assets rights

In the year 2023 HARN not any violation of intellectual property infringement by complying with the law related regulations, with the guidelines as follow;

- Appropriately check to ensure that is legally allowed to use and grant the right to use a certain property.
- Not participate in any activity violating other person's properties, for example, inappropriately using advantageous marketing position, producing fake products, and intellectual property infringement.
- Fairly pay for the use or acquisition of a certain property.

HARN allows for reporting of any possible offence or filing any complaint of any breach of law or ethics through chairman of Audit Committee. HARN has an established procedure for actions to be taken after getting the report of such issue. The reported matter shall be investigated and then submitted to the Board's.

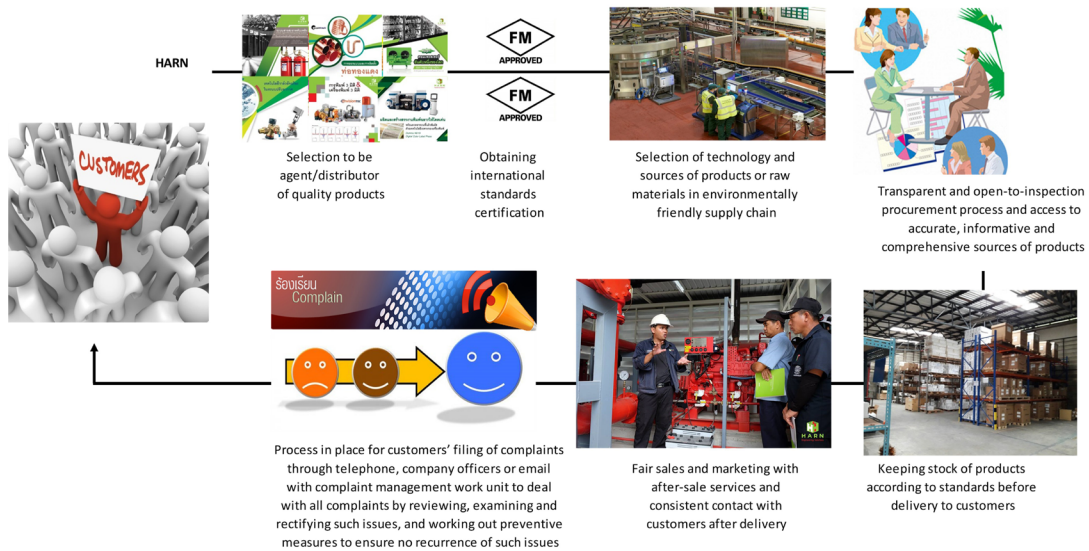
In addition, HARN also sets a practice guideline for the directors, top executives and employees, including code of ethics and accountability for the stakeholders. The guideline is aimed at creating behavioral standard for the operation of such personnel on an integrity basis. It is also a guideline for the Board members, top executives, and employee's organization-wide to be aware and follow. In this regard, HARN has set a process to monitor such performance on a regular basis.

5) Customer Responsibility Management and Development

Responsibility to Consumers

HARN develops the responsibility to the consumers through the practical process and the staff activities in various departments, Operations under ISO 9001:2015 have been strictly executed along with continuous improvement of the management system as well as development of an efficient internal system for data collection and review, to minimize any possible error in data transmission and to facilitate data validation. The audit unit is responsible for driving the assessment of compliance with laws and regulations while developing some tools or systems that help enhance work efficiency. In 2023, HARN has no major legal deficiencies according to an audit by the ISO Certification Institute from SGS (Thailand) Co., Ltd. on November 27-28, 2023.

With realization of the importance of products that enhance quality of life and safety of consumers, HARN has paid great care and attention to all processes on an end-to-end basis until the goods reach the consumers according to policies and guidelines, as follows;



Confidentiality of Customer's Personal Data

HARN adheres to the importance of respecting the rights and committing to protect the personal data of customers which have been collected, stored, used, and revealed in presenting products and services to meet the needs as appropriate. HARN has announced its policies on privacy at the website to show transparency in its operations. The personal data protection officers (DPO) are responsible for taking care of customers' personal data. Those policies and guidelines are in accordance with the Personal Data Protection Act (PDPA) as follows:

- Personal data collected by HARN
- Objectives of personal data processing
- Disclosure of personal data
- Duration of personal data collection
- Rights of the owners of personal data
- Contact channels to HARN and personal data protection officers
- Review of policies on privacy

Customer Relationship Management Plan

HARN defined policy and action plan to strive is committed to strengthening customer satisfaction and confidence by delivering quality products based on their requirements along with honoring agreements and conditions made with customers on a fair, complete, prompt and factual basis, as well as foster a sustainable relationship between the customers and HARN through various programs. These programs included the regular customer visits, launched customer satisfaction survey continuously every year, set channel for receiving complaints related to products, services and solutions on HARN's website. In addition, service quality is monitored in order to improve complaints, improve service quality, Including, monitoring the progress in solving various problems and operational reports etc.

In 2023, the Quality System Management Department randomly inspects service quality, complaints, compliance with operational regulations twice a year, including sending surveys to customers to assess satisfaction with service quality, as well as notifying the said survey results and recommendations to relevant agencies to improve and carry out relationship enhancement activities, such as continuously visiting customers and immediately organizing support teams when customers encounter product issues, provide training for sales personnel to enhance their professional skills able to accurately and clearly communicate to customers, includes developing products and finding new products to meet customer needs. The overall average satisfaction survey results in 2023 increased compared to 2022, representing 0.22% and higher of 3.09% compare target set of 90%

Customers' Satisfaction	2023	2022	2021
Product (quality, variety of products)	97.67	91.82	88.72
Sale persons (product knowledge, services, problem solving)	93.84	93.19	92.11
Other services (management, providing information, contact channels with the company)	93.78	93.66	92.70
Overall average	93.09	92.89	91.18