

Corporate Social Responsibilities [CSR]

Electric transformers manufacturing industry is a downstream industry which related to electricity because electric transformers are products used in transmitting and distributed electricity. It is a kind of fundamental energy crucial for the well-being of the people and drive the economy as a whole.

Tirathai Company has realized the importance and determined to be part of sustainable electric energy with good member of the society. The company also operate the organization with responsibility to the public, caring to the community, society, and environment. Cooperation with public participants and stakeholders will be company main concerns for continuously and sustainable growth. As a result, the company projects the CSR operation as follows,

1. Good Corporate Governance

The company operates legitimately and strictly follow related regulations with transparency, important information disclosure, and verifiable. The Compliance Policy with Good Corporate Governance, the company is taking into account the benefits of shareholders, employees, community, society, business partners, clients, competitors, creditors, and all stakeholders. In 2016, the company was assessed and evaluated with good CG Score and was also assessed by the Annual General Meeting in 2016 with 92.5 score.

2. Fair Business Operation Practices

The company prioritize the fair business operation practices and hold on to abide by treating partners equally and fairly. The company also operate business with integrity, respect Intellectual property, promote political rights, and follow the commitment with stakeholders equally and reasonably.

2.1 Fair Competition

Practices and Guidances

1. Specify all agreed terms and conditions in the agreements and strictly follows the agreement. In case the company can not follow any conditions, the company will immediately inform customer for further discussions and mutually consider the resolution.

2. Provide necessary information and being good consultants to clients. Offering good, adequate, and updated advices to clients about the products and services.

3. Understand and respond needs and expectations of customer appropriately and timely manner.

4. Deliver good quality products, according to specifications, and reasonable prices.

2.2. Promoting social responsibility with trading partners.

The company do not yet operate the official promotion of social responsibility within the business chain of the stakeholders.

2.3 Respects the property rights

Practices and Guidances

1. Encouraging both executives and employees to use all company's assets and resources efficiently in order to increase the competitive edge and provide good service to customers. Promote copyright products and discourage the Intellectual property infringement.

2. The company aims to protect and preserve the company's Intellectual property from any infringement without permission, also respects other companies' Intellectual properties.

2.4 Political Involvement with Responsibility

Practices and Guidances

1. The company runs business without bias and have no interests in any political parties or political authorities. Financial supports or resources of the company will not be brought to support any political parties both direct and indirect ways.

2. Motivating and supporting employees to have freedom in political appreciation without domination, threat, force, or participation.

3. Anti-Corruption

According to the resolution of the company executives meeting, 1/2015, 18 February 2015, The resolution was to announce the policy and intention about protecting any corruption involvement, as well as appointed subcommittees including Mr. Singha Nikornpun, Mr. Upakrom Thaweephoke, and Mrs. Sunan Santichotinan to act as follows,

1. Draft policies concerning prevention in any corruption involvement.
2. Announce policies concerning prevention in any corruption involvement.
3. Declare intention to participate in the anti-corruption campaign (Collection Action Coalition Against Corruption : CAC)

determining the company to achieve Anti-Corruption Progress Indicator in level 2 Declared level within 2nd quarter of the year 2016.

4. Respect Human Rights

The company stimulates the significance of respects to the human rights and dignity and treats all the participants, employees, community, and neighboring society with respect in values and do not offend any fundamental rights, which is the foundation in managing and developing human resources. These actions associate with business in increasing its values by linking the value added to the products and productivity.

Practices and Guidances

1. The company promotes the practices of human rights mandate including to the operation of its subsidiaries, joint venture, and business partners.
2. Protect personal information of the company's administered and caring employees, to the public without employees' consent.
3. The company promote and open opportunity to the employees, community, and society to participate in expressing any actions that may violate the human rights.

5. Fair Labour Practices

The company comprehends and places importance on fair labor practice with respect and abide by the laws and principles of ethics without discrimination in employment, no force labor, nor child labors. Employees are able to have freedom in associations along with concerning health and safety in workplace of the employees. Therefore, the improvement of the working environment, providing good quality of life, and opportunity to express personal potentials, as well as equal opportunity in practicing and training, which are the Values of the company continuously operate for long period of time.

1. The company emphasizes on employment without discrimination and bring indifferences in nationality, religion, gender, age, disability, social status, education, or educational institutes in considering and judging for the employment.
2. The company will treat all employees fairly in providing returns, promotion, and capability development as well as moral development in order to promote qualified and moral employees such as, proper potential remuneration , taking care of and in consideration of maternity health and safety as priorities.
3. The company cares for health and sanitation of the employees and related employees by promoting and raising awareness on safety, sanitation, and environment in workplace. According to the Occupation Health and Safety Policy with the target to prevent any incidents of loss and sickness, the plan has put in place for Incident Prevention, promoting participation, risk avoidance, and continuously improvement to create the Safety Culture to all employees and the associated.
 - 3.1. The company defines specific unit to control and push for the operation of safety, sanitation, and environment in workplace. According to The Occupation Health and Safety Policy (Safety, health, and environment at work), there shall be a meeting once a month to provide improvement guidance, mistakes, diagnosis of risk and risk assessment as well as follow up the progress of the operation as planned.
 - 3.2. The company performed the Health Risk Assessment (HRA) in order to observe risk level of health in employees in order to assure that the employees will be taken care of and manage the risk to health for instance, the examining of lead in blood level, volatile matters in urine, lungs conditions, and hearing capability. The results of the HRA report in 2016 found no abnormal employees except the abnormal hearing capacity of 5 employees. The company has set up the measures to retest verification and the results showed the abnormal hearing capacity did not impact the work and daily life. The company proceeds the preventive action with protection gears for employee to wear at all working time and check the environment condition up to the standards on yearly basis. Besides, the company established the "Hearing preservation campaign" to the impacted employees.
 - 3.3. The company has campaigning "Safety Campaign Program" to follow up and examine the safety plan and the environment suitable for working standards and regulations. In 2016, the company has reward ed "Zero Accident" to high risks accidents target to 14 units out of 23 units, achieved the expected target.

4. The company focus on development and enhancement all levels of employees to be expertise along with team spirit, quality, virtue, and customer concern which will lead to company growth and economic sustainability. Therefore, the company had held various training programs which suits for positions, experiences, and responsibilities, such as executives and engineering manager, operating employees, etc.

In 2016, total employees are 558 people , enrolled the training programs 501 people accounted for 89.78% divided in

- executives, division managers, section heads, and engineers 115 people or 89.15%,
- operating employees 386 people accounted as 89.98%.

The training session were:

- Knowledge 671 hours;
- Skill 844 hours; and
- Attitude 13 hours.

5. The company provided welfares, such as group insurance, organ loss insurance from accidents, health insurance, Provident Fund (PVD), employees transportation, free lunches and dinners for over-time working(OT), and health examination according to the risks involved, etc.. In 2016, there was a financial support in funerals of the employees' family totally 13 employees accounted for 48,600 baht. In addition, there was the "Caring and Sharing Tirathai Family" campaign which provide necessity to childbirth employees and sick employees in total of 10 people accounted as 9,783 Baht.

6. The company promote and support the education of all levels of employees by regulating the leave for further study by the human resources guidance plan in 2008 in order to enhance employees' knowledge and skills and good quality of life, to take leave for further study or short-term and long-term training session.

7. The company established Tirathai Cooperatives in order to encourage employees to save and plan for money spending following the Sufficiency economy by His Majesty King Bhumibol Adulyadej. Tirathai Cooperatives was established on 29th March 2006 with current members of 263 people with capital stock of 28,109,900 Baht.

8. The company provided the petition for those employees who were treated unfair from the working regulations in 2008 in order to build employees-company relationship and among employees themselves. The petition will be inquired, investigated and considered the resolution which those petitioner and associated will be receiving protection.

The total number of employees in the company and its subsidiaries as of 31th December 2016 and 31th December 2015 are as follows:

Company	Population (People)			
	31th December 2016		31th December 2015	
	Male	Female	Male	Female
1. Tirathai Public Co.. Ltd.,	411	146	350	144
2. Thai Fin Co., Ltd.,	57	12	63	13
3. Tirathai E&S Co., Ltd.,	30	7	29	6
4. L.D.S. Metal Work Co., Ltd.	281	60	278	59
Total	779	225	720	222
Employee numbers categorized by employment				
Full-time employees	770	222	694	213
Contract employees	9	3	26	9

9. The company provides the employees freedom to express opinions without interruption, and allowing employees to be participate in the welfare committee in order to inform the progress and status of the company regularly. The company also supports discussion and collaboration with the welfare committee to enhance working standard of the employees.

6. Responsibility to Consumers

The company set up policies to respond to customer satisfaction. Consumers who directly purchase products and services from the company will obtain quality products up to international standards at fair and reasonable price, The company pays close attention to the needs and expectation of consumers' responses appropriately and timely manner. In addition, the information gatherings are used to improve quality of products and services in order to build trusts from customers.

Practices and Guidances

6.1 Assurances of quality and safety of electric transformers

Every transformers will be tested with electric properties before distribution because transformers are peripheral devices in electric transmitting system with high pressure. If there was a problem from transformers to cause damage to properties, the business opportunities will be impacted, as well as risks to the users and associated. The company realized the impact and pay close attention to every process from design, production, and testing processes of which TRT is capable of testing the transformer in every single process from Routine Test, Type Test, or Special Test in accordance IEC60076 IEEE C57.12.90 standard and 384-2543. Only in short-circuit with-stand test will be sent to the KEMA testing laboratory in Netherlands. The testing laboratory of the company were established by Thai Industrial Standards Institute (TISI) to insure standards of TIS 384-2543 ISO 9001, OHSAS/TIS 18001, ISO 14001 and ISO/IEC 17025.

In order to guarantee the quality of design, production and ability to examine electric transformers with international standard before distribution to customers.

6.2 Confidentiality and customer rights

The company has measures to keep customer's information confidentiality and secret, such as technical information, testing results or other confidential information. The company has procedures in collecting and sending the information in consideration of customer's confidentiality as a main concern, and maintain customer's rights. For example, customers can attend in the Witness Test for their own transformers in order to insure the results of the test. In 2016, customers attend the Witness test of the Power transformer 33 times and attend the Witness test of the Distribution transformer 34 times.

6.3 Provision of sufficient and correct information to customers

Tirathai's transformers which passed the testing will be labeled with the Name Plate (Labels will be placed on the body of transformers to show the details and components of the transformers according to IEC60076-1 and TIS 384-2543 standards including transformer type, standard number, manufacturer name, manufacturer serial number, production year, phase number, electric power, frequency limit, highest current, insulator level, weight, etc. These labels inform customers all the details of each transformers. Besides, the user manual and the training about instructions, cautions, and maintenance in using transformers will be provided to customers.

6.4 Knowledge training to customers

In 2016, the company sent technical expertise engineers to train about instructions, cautions, and maintenance in using transformers in order to provide knowledge to customers both domestic and overseas for totaling 10 agencies with total number of 216 participants including Provincial Electricity Authority (PEA); Aranyaprathet 2 Power Plant, Mae Sai Power Plant at Chiang Rai, Pak Chong station at Nakhon Ratchasima, ItalThai Engineering Co., Ltd.

6.5 Knowledge Publication in Transformers Engineering

The company published an academic journal "Tirathai Journal" in order to publicize the knowledge in Transformers Engineering for those who interest. There is no commercial purpose for this journal and the copyright is not reserved which is free to distribute further. The Editor and team are TRT's own employees. Presently, the publication is the 6th year and 16th journal publication which contains knowledge about electrical engineering, valuable thesis to engineering students' universities, including techniques of usage and maintenance of transformers, along with knowledge management and concept of business administration philosophy that cannot be found in the university, etc. Besides, the company hope the journal will be environmental and care for the reader's health. The cover and the papers were made out of agricultural non-toxic leftover, also the printing ink was made from soybean oil. In 2016, journals were distributed to employees, customers, universities' libraries, the PEA, EGA, MEA, and general people totaling 11,500 copies. There was also the information posted in the website www.tirathai.co.th

6.6 Comments Hearings

Factory visit: in order to assure customers to gain confidence in the processes of design, production, and testing processes as well as to listen the hearing comments and exchange between the company and customer and educational institutes. The comments will be analyzed and diagnose for improvement for better customer satisfaction. In 2016, there were customers from domestic and overseas paid a courtesy visit the capabilities of Electric Transformer totaling 247 people, such as the PEA, the MEA, The Engineering Institute of Thailand (EIT), Electric Authority from Sudan, Eclectic Authority from Cambodia, Eclectic Authority from Laos LPD, and Siam Cement Group (SCG), etc.

Satisfaction survey the company had done the satisfaction survey from customers who attended the Witness test in the topic of satisfaction in services of sales, testing personnel, production and testing processes, products, and the environment, In 2016, the satisfaction survey showed satisfactorily results in accordance with the target 80%.

Complaints the company has the process to receive complaints about quality of products and services through many channels as such; 30 lines of call center, e-mail, and faxes. The company operate 24 hours call center is 24 hours in order to respond customer complaint and solve problems spontaneously.

7. Participation of Community and Society Development

The company determine to be good member of the society and operate the business realize the responsibilities, profit sharing, and return to creative community at large in order to drive the business, community, and society to grow up sustainability through the following activities and programs:

Practices and Guidances

Outside Learning Source

The company has policy to turn into the learning organization as source of engineering knowledge of electric transformer production for students to appreciate the processes of making electric transformers for both Distribution Transformer and Power Transformer. In 2016, there were college students from various institutes visited the production line and quality management, environment and safety for 147 engineering students from Rajabhat University, Burapha University, Don Bosco Institute of technology etc.

Furthermore, the company has collaboration program on in-turn and coop from universities proposing to support students to have real life operations experience. In 2016, there were 196 internship, cost total allowance for 666,053 baht.

Public Benefit Activities

The company had sent personnel to join the executive committee of IEEE Power & Energy Society, Thailand for the year 2016-2018, of which IEEE is the chapter of IEEE Power & Energy Society, Thailand Section to organize the Educational seminars and support the technical Professional Activity and Educational Activity to Electric and Energy Engineering of the country.

During November 9-10, 2016, The Company had sent personnel to be MC in the subject of the structure of Oil and Dry Transformers in the career training arranged by the Engineering Institute of Thailand Under H.M.. The King Patronage, in cooperation with The Provincial Electricity Authority and Department of Alternative Energy Development and Efficiency.

The company had sent personnel to join the subcommittee of National Labor Skill Development in assembly of distribution transformer arranged by the Committee of Promotion Skill Development and the Federation of Thailand Industry.

8. Environmental administration

Environmental administration must be operated along with business operation. The Company has conducted policy to administer the environment in consideration of impact from the production process or any activities by abiding the environmental friendly practices and laws and regulations strictly which leads to true sustainable growth of community and business.

Practices and Guidances

1. The company obtained the certificate of ISO14001 standard for all the area in the company by an assessment of outside evaluator which is independent. Last assessment in 2015, both Major Non-compliance and Minor Non-compliance were not found

2. The company complies with environmental laws and also investigates environmental effects found that any pollution levels are normal based on environmental standard as follows,

Air pollution

The company set the Bag House Filter system to ventilate dust which come from the insulation paper production. The evaluation of air quality from the insulation paper production along with another area of production. As a result, in order to restrain impact to the environment and nearby community, the testing result will be designated by laws.

Water pollution

The company completely controlled the wastewater system. When water was consumed and used, it will be transferred to wastewater system. The wastewater will be examined monthly, such as pH, BOD, COD, Oil & Grease, SS, TDS, and TKN are used as examining methods. Terms and conditions as designated by laws.

Noise pollution

The company regularly checks noise volume. The source of noise is from the working machine. Therefore, in consideration of effects which will affect employees and nearby community, noise volume will be checked at least yearly by taking the average of 8 working hours. Terms and conditions as designated by laws

Industrial waste

The company adopted the process to dispose of industrial waste from the production process by segregating waste into 3 types; 1. Common waste; 2. Recycling waste; and 3. Hazardous waste. The company has hired the agency who has the license to collect hazardous waste, transport, treatment, and dispose of and or unused materials as according to the waste type. Besides, the company is making sure of the waste management process out of the factory, the company has sent the safety representative to double check the landfills and segregate the contaminated materials. On May 12th, 2016, the safety representative has checked at the Environmental Recovery company and on May 13th. At the AK Mechanical & Recycling, Ltd. Pro waste Co., Ltd.

1. The company received the Green Industry certification in 4th. level (Green Culture) from Green Industry Agency, Ministry of Industry.
2. In 2016, the company had no complaints about environmental issues or misconduct from any inside and outside the company.

9. Innovation and publicize Innovative Corporate Social Responsibility (CSR)

The company has adopted the knowledge, creativity, and experience in business administration combined with socio-economic Sufficiency Economy that beneficial to the economic and society adapting to utilize the invention of innovative business to increase competitive edge, value added to the company as well as the society.

Practices and Guidances

Transformer Testing Process is the crucial process to determine the quality of Transformers. Presently, the capability of Testing Laboratory is able to test domestic standards as well as international standards for instance IEC , IEEE, ANSI capable of testing 300 MVA 3 Ph 50 Hz 230 kV. In order to build up confidence and trust from customer, the company has applied for ISO/IEC 17025 standards since 2005 until now and in 2016, the company has received Certificate to test 900 MVA 3 Ph 50 Hz 550 kV standards and extend the testing certificate for:

Lightning Impulse Tests

- Line Terminal AC withstand test
- Switching Impulse Test

An additional IEC 60076 Standard Test that certified the company to test transformer in any standards.

The preparation and development of testing Laboratory to receive the certificate of ISO/IEC 17025/2005 standards allow the opportunity to gain competitive advantage nationally and overseas market.

The Capability development of testing laboratory for the ISO/IEC 17025/2005, the company has invested human resources, engineering, to knowledge potentiality in high electric voltage which can be applied to test others equipment such as electric wire, Lightning Arresters equipment, etc. to support the research and development of other industries and being appointed from the Industry Standing Agency to be third party of Transformers Lab. Test.

10. Publication of Environment and Corporate Social Responsibility Report (CSR report)

The company emphasizes on the exposure of information which reflects the practice of Corporate Social Responsibility (CSR) as stated earlier. From the publication of information, not only it will be advantageous for stakeholders, every respondents will have feedback to the company about the CSR quality that it reaches the goal or not.

Practices and Guidances

1. The company conducted the publication of CSR report by informing within the annual report and distributing information through the website www.tirathai.co.th, stating the information as follows,

1.1 Business administration The business organization is officially legal and the regulation is clearly obvious. All important information are verifiable and provable with concerns to the profit of shareholders, employees, community, society, business partners, clients, competitors, creditors, and all stakeholders. Moreover, the company regards the society and runs business with concerns to the public.

1.2 Environment and Safety Administration The company focus on working environment and safety by concerning safety in works, health, and suitable environment for employees. These are main concerns in business administration which lead to the organization of the environment (ISO 14001), occupational health safety and environment master plan (OHSAS /TIS 18001), and waste disposal process which designated as laws and another regulations.

1.3 Social Administration The company treats employees equally in unbiased employment (without violating human rights), reasonable profits, workplace welfare suitable for employees' needs, and employee's enhancement in

sufficient to company's values. Furthermore, the company makes itself as an external learning source about the electric transformer production engineering of the country by allowing students from many education institutes to participate in the transformer production process. Also the collaboration with the financial supports and tools for building high-voltage laboratory, combining with the permission of internship and co-operative education. These shows that Tirathai is more than Thai electric transformers manufacturer, with dedication of stimulating the education of Thai citizens.

2. The company offered numerous ways of information distribution in order to access easily. Therefore, the company published the CSR report in both Thai and English through these media; annual report, and the information distribution on website www.tirathai.co.th, 56-1, and CD-Roms.