



Social Responsibility and Environment

2016

The Board of Directors recognizes the importance of corporate sustainable development and success and strongly believes that the Company's steady advancement towards prosperity relies mainly upon its ethical business conduct and corporate social responsibility. The Company implemented various internal and external activities to reflect its commitment towards social and environmental responsibility and conducted business based on the code of ethics and effective management framework. It is the corporate mission to do business under the good corporate governance principles with a focus on the highest standard of safety and care for the environment, society and community in a move towards sustainable business growth and stability. At TRC Group, employees are considered the most important assets and various formats of employee-related support programs were implemented such as external trainings and internal trainings, provident fund, social security fund, employee uniforms, annual physical check-up, etc. Employees were also encouraged to give back to the society and environment.

CSR-In-Process

The Company is strongly determined to create organizational value based on the concept of sustainable development and will consistently improve or develop management processes and procedures with a view to promoting integrity and transparency in the business undertakings ranging from bidding to procurement of raw materials, recruitment, construction and delivery of deliverables after construction completion.

The Company takes into account possible impacts upon the community or society as a whole as well as the environment. When the Company starts the construction project after winning the bidding, it will educate locals or area residents on its policies and details of the project from the commencement until the completion. The benefits of the majority of the locals will also be taken into consideration. The Company would take steps in paying compensation for any impacts caused by its operations; or would provide clarification and take immediate rectification actions for any impacts occurring during the operations. All complaints can also be filed directly with the Company, and after the completion

of the construction, the Company will also adjust local landscape to resume its original condition before handover of deliverables.

1. Overall policy and operation

The Board of Directors set up a policy requiring the Company and its subsidiaries to conduct business in accordance with the highest standard of corporate governance and safety while caring for the environment, society and community for sustainable business development and stability. In 2015, the revised corporate vision, mission, and goals were disclosed in the Company's website under the "Company Profile" section for use as a code of conduct for directors, management, and employees. The Company recognizes the importance of the equitable rights of all stakeholders as well as the compliance with legal framework, corporate rules and regulations, ethical conduct, and the principles of fairness and equality, and requires that all executives and employees possess proper conduct and behavior that are widely accepted by the society, which will meaningfully contribute to the Company's sustainable business growth.

TRC Group launched the policy and guideline to comply with the 8 CSR principles of the Stock Exchange of Thailand as follows:

1. Fair business practice

The Company has defined desirable practices that represent the fair business undertakings and the respect for others' property in the Code of Conduct for Management and Employees for 2015 in Chapter 5 "Desirable Practices towards Vendors", Chapter 6 "Desirable Practices towards Business Competitors" and Chapter 7 "Desirable Practices on Intellectual Property or License".

2. Anti-corruption

The desirable practices in connection with anti-corruption and complaints handling channels or whistleblowing channels are specified in the Code of Conduct for Management and Employees for 2015 in Chapter 10.

In 2016, there was no reporting of complaints or whistleblowing relating to fraud or corruption to the Audit Committee.

3. Respect for human rights

The Company places importance on the respect for human rights and non-involvement in all forms of violation of human rights as well as gender discrimination. The Company hires people with impaired hearing as permanent employees as well as adopts gender-equality-oriented employment policies.

4. Fair labour practice

The practices regarding employment, labour, occupational health and safety, and equal opportunities are described in the Code of Conduct for Management and Employees for 2015 in Chapter 1 “Desirable Practices towards the Company”, and Chapter 2 “Desirable Practices toward Supervisors, Subordinates, and Colleagues”.

The practices regarding effective management system, occupational health and safety and concrete environmental management are described in “10. Corporate Governance”.

5. Responsibility for consumer

At TRC Group, efficient service provision, timely delivery, meeting the needs of every customer, and compliance with the highest standard of safety are at the heart and center of business undertakings and are mentioned in the Code of Conduct for Management and Employees for 2015 in Chapter 4 “Desirable Practices towards Customers”.

The Company undertook Customer Satisfaction Survey every six months. The survey questions can be divided into 10 topics as follows: 1. Disclosure of information before job acceptance 2. Communications 3. Availability of supporting documents 4. Coordination of problem solving and speed of actions 5. Timely delivery 6. Fulfillment of requirements 7. Safety-oriented practices 8. Environmentally friendly practices 9. After-delivery services, and 10. Pricing. The assessment results and opinions of the customers will be sent to the management for further use as a guideline to develop and improve services that better suit the customers.

6.-7. Environmental protection and community or social development engagement

The Company recognizes the importance of

environmental protection and community or social development engagement activities. This is reflected in the Code of Conduct for Management and Employees in Chapter 8 “Desirable Practices towards Society, Environment, and Community”.

CSR and community or social development activities are always considered as part of the job at TRC Group because the nature of its business involves the provision of construction services for the energy and petrochemical industries whereas community safety and environmental protection during the course of construction and after the handover of deliverables are of utmost importance. Moreover, the Company always takes into account the potential impacts on the nearby communities.

The Company publicizes and disseminates knowledge and educates local communities on potential impacts from the implementation of the project on a periodical basis at the beginning, in the middle, and upon the delivery of the project through various means of communications, depending upon specific circumstances and project characteristics.

8. Innovation and distribution of CSR innovation

- no information of this item. -

2. Business against Corporate Social Responsibility

In 2016, the company had no any significant cases inspected or under inspection by the authorities concerned for law violation and incompliance with the abovementioned 8 items.

3. Social and Environmental Activities

In 2016, the Company and its subsidiaries conducted the following social and environmental contribution activities:

1) Gift-giving activity. This activity held on occasion of the 2016 National Children’s Day to give gift sets to 344 kindergarteners at Wat Phon Phraruang Kindergarten School in an attempt to keep their spirits up; the Company believes in the saying that the children are the future and power of the nation.



2) Blood donation by staff and non-staff. The Company has been consistently organizing this activity since 2008. In 2016 the blood donation activity was held twice in February and September at the Company’s head office with assistance of Rajavithi Hospital that made arrangement for blood donation mobile unit. This year a total of donated blood was 131 bags.



3) “Paint the Dreams, Craft the Future” project held in June. The purpose of this project was to give educational support to students at Wat Phon Phruang Kindergarten School. To reinforce children’s skills, imagination, and concentration, the Company donated to this school a supply of paints and accessories.

4) Recognizing the importance of normal livelihood of the handicapped as well as their morale and quality of life, the Company donated wheelchairs to the Thai with Disability Foundation in July at their office in Nonthaburi Province.



5) Other socially responsible activities organized by the Company included the donation of used (but operable) computers and accessories to the “Mirror Foundation” and clothes, electrical appliances, books, wares, etc. that could be useful for educational purpose to “Phradabos Foundation”.



6) In September, the Company organized a charitable activity under the theme of “Travel-Loving Pilgrims”, arranging a trip to Chaiyaphum Province to donate computers, give gifts, and award scholarships to students of Ban Huai Ket School in Amphoe Thep Sathit, Chaiyaphum Province.



7) The Company donated Baht 2,370,000 to save lives of 79 cows and buffalos from the slaughterhouse which would then be put in the care of the Royal Initiative Project on Cattle and Buffalo Bank for Farmers. This donation was part of Free the Life of Cattle and Buffalos Charity Project organized by the National Legislative Assembly in cooperation with the National Reform Steering Assembly, Constitution Drafting Commission and Wat Rajadhiras. This project was dedicated to Their Majesties on the Occasion of the 70th Anniversary Celebrations of His Majesty’s Accession to the Throne and the Celebrations on the Auspicious Occasion of Her Majesty Queen Sirikit’s 7th Cycle Birthday on 12th August 2016. The event was held at Wat Rajadhiraj Vihara, Dusit District, Bangkok.



8) In September 2016 the Company started an internal health campaign called “Move for Change” after realizing the importance of employees’ good health and well-being, in all aspects of physical, mental, and social lives, This program was part of the campaign to make employees pay attention to their health, realize the health benefits of exercise, and participate in the sports and workout programs that the Company has specifically organized for employees, e.g. yaga, boxing, fitness class, badminton, cover dancing, Boxing Burn, Zumba. The Company also sponsored any interested employees to participate in mini-marathon (walking-running) events organized by third-party organizations. A major event on the first day of campaign launch was the auction of the executives’ loved items and all money raised from this auction were spent on sports equipment to be donated to Ban Budee School in Pattani in order to promote sports skills and physical fitness.



9) It has always been a policy of the Company to strive for business sustainability and give something back to the society by, inter alia, starting at the person closest to the organization, and that is its employees. One of the reflections of this policy is “Back to Hometown” program which was first initiated in 2013 with a view to improving and rejuvenating its employees’ selected hometown communities.

In 2016 a budget, as part of Back to Hometown program, was allocated for the development of hometown community and for public use; the Company sponsored the supply of exercise and fitness equipment to Ban Na Si Nuan community in Tambol Na Si Nuan, Amphoe Phayakkhaphum Phisai, Maha Sarakham Province.



10) Recognizing the benefits of sports activities taken in combination with academic curriculums and advantages of recreational activities during free time, the Company sponsored the supply of sports equipment to Bankoksawang (Kuruprachanukul) School in Tambol Ban Petch, Amphoe Bamnet Narong, Chaiyaphum Province. This school is located near the Company’s construction site.



11) Part of a royal speech delivered by His Majesty King Bhumibhol Adulyadej on March 31, 1995 saying “any society in which its members interact with one another with hospitality and good intention will be a community of goodwill, cordiality, peacefulness, and amenity” has inspired the Company to find a way that its organization’s members could work and live together in harmony in order to mutually create and pass on good things to the society in remembrance of His Majesty the late King. In December 2016 the Company’s employees at both the head office and site offices jointly organized “Love Father, Do Good Things for Father” event at, for example, Wat Phon Phruang Prasit for which the Company’s employees helped do the chores and repair works e.g. sweeping the temple court, cleaning restrooms, re-painting the facilities, etc.



In addition, the site staff of the construction project on the improvement of provincial waterworks at Amphoe Kho Samui, Surat Thani Province engaged in CSR activities within the neighborhood as follows.

- CSR activities: putting the sewage system at the housing complex of Khanom Provincial Policy Station in Nakhon Si Thammarat Province during February 3 to April 24, 2016.



- CRS activities: constructing a Buddha pavilion and toilet sinks at Ban Nam Cho School in Amphoe Khanom, Nakhon Si Thammarat Province during February 3 to March 15, 2016.



- A meeting to explain detailed information about the project at the conference room of Rajamangala University of Technology Srivijaya, Nakorn Sri Thammarat (Khanom) Campus on May 31, 2016.



- CSR activities: sponsoring the dredging of piers at Thong Node Bay and Kao Ork Bay in Amphoe Khanom, Nakhon Si Thammarat Province on June 23, 2016.



- CSR activities: providing and installing a Wat Than Thong name plaque by the entrance to the temple on August 4, 2016. This temple is in Amphoe Khanom, Nakhon Si Thammarat Province.

