



การไฟฟ้าส่วนภูมิภาค  
PROVINCIAL ELECTRICITY AUTHORITY



CSR REPORT 2012  
PROVINCIAL ELECTRICITY AUTHORITY

**we**  
**move**  
**Beyond**

# PEA Move Beyond



PEA encourages appreciative use of energy among Thai people, and, meanwhile, concentrates on the organization development along with the environmental conservation in a sustainable manner.



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We  
move  
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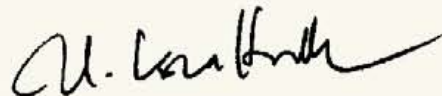


# Message from PEA Governor

Provincial Electricity Authority (PEA) is a leading organization in the energy and service sectors with its internationally accredited advancement and efficiency enabling it to be well-adjusted and genuinely responsible for society and the environment. During the last 52 years PEA has been committed to expanding the power system to entirely cover every household countrywide, improving power system capacity and quality as well as enhancing service efficiency through latest technology to become a modernized organization and customer centric organization. Concernedly realizing its duty to partially partake in the global warming mitigation, PEA actively supports renewable energy consumption to generate electricity. It also urges electrical purchase from very small power producers (VSPP) so as to establish power system security, reinforce the community, and locally generate revenues. Following the cost-saving and efficient energy consumption policy and the reduction in greenhouse gas emissions, PEA is a leader in LED lighting technology. As planned over 400,000 sets of street lamps, 3,000,000 sets of lighting in municipal areas, and lamps in all PEA offices throughout the country will be replaced.

In terms of economic development in the business, industrial, and private sectors, PEA has supported the use of electricity in efficient, cost-saving, and safe manners by initiating various social and environmental projects such as Project of Energy Management Consultancy Service for Business and Industrial Sectors, Project of Young Savers, and Project of Safety Awareness Raising in the Young and Electricity Users. Moreover, ISO 26000, the International Organization for Standardization on Social Responsibility, has been deployed as a management tool by having a hearing from stakeholders of all segments in order to improve the operations and advocate participation both in and outside the organization.

In regard to corporate governance, PEA is focused on result-oriented performance by adhering to moral values, transparency, integrity, and balance between economy, society, and the environment to become a high performance organization ready for a brave and sustainable entry into the ASEAN Economic Community (AEC) hereafter.



(Mr. Numchai Lowattanatrukul)  
Governor





# VISION

Provincial Electricity Authority is a leading international organization in the energy, service businesses and related.

# MISSION

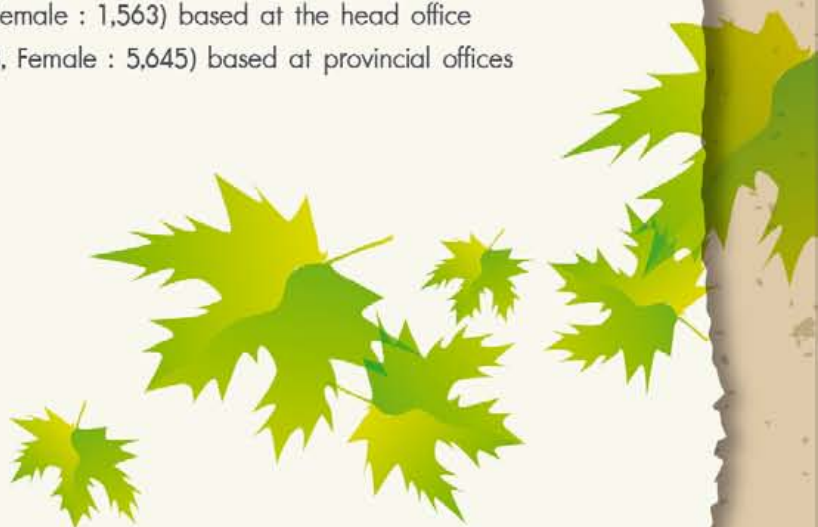
To supply power energy services and related both domestically and abroad in compliance with international standards to meet demand and increase customer satisfaction of product quality and service through continuity of organization development, adoption of cutting edge, powerful, and business management approaches, readiness for competition, and corporate social responsibility.





# ORGANIZATIONAL PROFILE

<b>Name</b>	Provincial Electricity Authority (PEA)
<b>Product and Service</b>	Electricity distribution through conveyance mechanism from 487 substations in its service areas
<b>Nature of Business</b>	A state enterprise of the energy sector attached to the Interior Ministry, established on the 28th September 1960 following Provincial Electricity Authority Act, B.E. 2503, engaged in transferred assets, liability, and responsibilities of then Provincial Electricity Authority. The core mission is to produce, procure, dispatch, and distribute power energy to residents, businesses, and industries.
<b>Service Area</b>	Covering 74 provinces countrywide (except for Bangkok, Nonthaburi, and Samut Prakan) equivalent to 510,000 km <sup>3</sup> or 99% of the country, divided into 4 regions : North, Northeast, Central, and South. Each region consists of 3 areas, totalling 12 Offices at provincial and district levels, branch offices and sub-branches are prevalent to provide services to every segment : provinces, districts, sub-districts, and villages.
<b>Head Office Location</b>	200 Ngam Wong Wan Road, Ladyao, Chatuchak, Bangkok 10900
<b>Subsidiary</b>	PEA Encom International Co., Ltd.
<b>Manpower</b>	Totalling 28,060 employees divided into : 4,082 (Male : 2,519, Female : 1,563) based at the head office 23,978 (Male : 18,333, Female : 5,645) based at provincial offices



# SOCIAL AND ENVIRONMENTAL POLICIES





**To manifest rigorous resolution in social and environmental responsibility in a sustainable manner, PEA has set up social and environmental policies as follows :**

1. To substantially support the government and the Interior Ministry's policy on social and environmental responsibility.
2. To continue developing electrical power services to become sufficient, available, efficient, and safe as well as to stabilize the distribution system to the extent of international accreditation in order to elevate the quality of life.
3. To advocate alternative and renewable energy development, efficient energy consumption, and reduction in greenhouse gas emissions to address global warming crisis.
4. To concentrate on improving quality of life in its personnel, promoting a pleasant ambiance and environment in the workplace along with enhancing potential performance to meet organizational goals.
5. To promote awareness in personnel at every level to perform their duties in regard to their social responsibility and participation.
6. To endorse corporate governance policy and social responsibility to bring about decency in personnel and stakeholder management systems.











# **CORPORATE** **SOCIAL** RESPONSIBILITY

PEA has reiterated operations as far as corporate social responsibility and organizational missions are concerned. The ISO 26000 guidance is, therefore, used to formulate policy-making to achieve ultimate efficiency and effectiveness throughout the organization. The essence of the policy consists of the following aspects :







## ORGANIZATIONAL GOVERNANCE

PEA substantially supports management and operation in compliance with corporate governance where transparency and accountability are concerned. Based on corporate social responsibility, the ultimate objective of PEA's organizational governance is to build confidence in stakeholders in every segment. Policy has been drawn up to serve as practical guidance on good organizational governance in accordance with 7 features of international standards as follows :

1. Accountability	Accountability for performance outcomes
2. Responsibility	Responsibility with sufficient capability and efficiency
3. Equitable Treatment	Equitable and scrupulous treatment to stakeholders
4. Transparency	Transparency of the following aspects : - Traceable operations - Disclosure of information to all stakeholders in a sincere manner
5. Value Creation	Value creation both in a long term and short term and the act must thoroughly enhance capability for competitiveness.
6. Ethics	Endorsement and development of business ethics
7. Participation	Participation is to stimulate decentralization of opportunities to people so that they can give their opinions on any operation that may affect the environment, wellness, quality of life, and living.

## HUMAN RIGHTS

In 2012, PEA conducted a survey to find out "Employees' Love and Loyalty to the Organization". It showed that the level of their love and loyalty to the organization was at 4.39. However, when based on 3 specified aspects, the survey showed that dedication and efforts to work for the organization had the highest mean. For details of the other aspects, see the below table :

Love and Loyalty to Organization	$\bar{X}$	S.D.
Dedication and efforts to work for the organization with willingness	4.42	0.500
Pride in being part of the organization	4.40	0.541
Aspiration to continue being a member of the organization	4.35	0.615
Average	4.39	0.498

Source : Personnel System Division, PEA, Collected during 14 August 2012 – 14 September 2012

In accordance with PEA's strategic plans, the organization is committed to becoming a live organization that concentrates on human and intellectual capital development. Training and development plans in various fields such as learning organization establishment, executive development, engineering, management, international collaboration, and scholarship have been formulated and executed. Meanwhile, in order to stimulate the continuity of learning, a wide range of activities and tools such as Knowledge Management System (KMS), e-Learning, e-Library, and PEA Live Broadcasting via PEA-Intranet, Reading Day, and Quality Exhibition have been launched.



In 2012, PEA conducted various training courses and activities including executive development, specialist development, innovative technology events, seminars on working system development, study visits and article presentations as well as provisions of scholarship. There were 198 training courses in total, equivalent to 44,846 man-days or 277,644 man-hours. Total training hours/year/staff was 10 hours on average.

In addition to personnel development, PEA also provides fringe benefits for the employees including medical expenses for the employees and their families, medical service at PEA's in-house healthcare institute, reimbursement of children's tuition fees from primary to higher education, financial support to childbirth and delivery cost, those affected by fire incidents and natural disasters, staff's ordination as well as provision of supportive loans so that the employees receive great care, stability, and a secure living.

## LABOUR PRACTICES

PEA has regulated a policy on safety, occupational health, and working environment by assigning an organization to study and formulate guidance in compliance with the Zero Accident Policy so as to instill safety awareness and cautiously emphasize the importance of personnel training.

### Safety, Occupational Health, and Working Environment Training

PEA assigned an organization licensed by Department of Labour Protection and Welfare to conduct training in basic fire fighting as made mandatory. In 2012, PEA organized training courses in safety, occupational health, and working environment as follows :

1. Basic fire fighting
2. Safety officer at high technical level
3. Safety officer at executive level
4. Safety officer at supervisory level
5. Safety committee
6. Safety supervision

### Emergency Preparedness and Crisis Response Plan

PEA has developed Disaster Prevention and Mitigation Master Plan 2012 – 2016 to address public hazards and security. The objective of the plan is to provide appropriate measures to prevent, manage, and prepare for natural disasters and war perils that may cause serious damages, especially to the power system.

Apart from the above-mentioned master plan, PEA has produced a contingency response manual and a workplace fire safety plan as guidelines when an emergency is arising.

### Work-related Accidents

In 2012, PEA had 46,076 personnel in total, divided into 28,060 employees and 18,016 staff and workers. The total case of incident rate was 36 with 25 injured people and 21 deaths. Work-related days lost from injuries were 132,976 while the Disabling Injury Index (DI) was 0.1646.





## ENVIRONMENTAL

PEA launched a management project to reduce the greenhouse gas emissions as a result of PEA's both direct and indirect day-to-day activities. It also organized a mass relations activity by surveying attitudes of people towards the project on ecosystem and environment restoration along the 115kV transmission line construction (Phase 3) to Koh Samui of Surat Thani Province. It found that the majority of the local people were satisfied with the project in reference to the high average of the overview of every aspect concerned (Combined Mean = 4.26). According to the findings of the survey, the interviewees opined that the project decreased voltage sags and power outages, and it was also beneficial to the economy, society, and environment as summarized below :

### Advantages

No	Issue	Percentage (%)
1	Decrease in voltage sags/outages	51.20
2	Solution to personal/local/community problems	23.60
3	Increase in productivity/incomes and reduction in expenses	16.40
4	Others (Radio/TV/Internet)	8.80

Source : Corporate Social Responsibility Project Management Division, PEA, compiled during 15-16 May 2012

### Levels of Satisfaction to Submarine Cable Construction Project

No	Aspect	Mean	Level of Satisfaction
1	Economy	4.15	Good
2	Society	4.24	Good
3	Environment	4.35	Good
4	Operations	4.30	Good
	Total	4.26	Good

Levels of Satisfaction : 1= Poor, 2= Below Average, 3= Average, 4=Good, 5=Excellent

Source : Corporate Social Responsibility Project Management Division, PEA, compiled during 15-16 May 2012

PEA has also researched into various forms of alternative energies by endowing universities to continuously develop related technology.

## FAIR OPERATING PRACTICES

Executives and employees of PEA work with devotion and ethics as prescribed in the following sections :

- Section 1 Core value of business ethics
- Section 2 Responsibility to customers and the public
- Section 3 Responsibility to business owners
- Section 4 Responsibility to employees
- Section 5 Responsibility to the state
- Section 6 Responsibility to society and the environment
- Section 7 Responsibility to achievement of corporate goals
- Section 8 Code of ethics for executives
- Section 9 Code of ethics for employees
- Section 10 Mitigation of conflicts of personal and public interests





## CONSUMER ISSUES

### Power distribution to residents on Samui and Pa-ngan Islands

PEA has been supplying electricity on Samui Island of Surat Thani Province since 1961. Generated at a small diesel power plant, electricity had been distributed in continuity. In 1987, PEA connected the 33kV submarine distribution line system to the mainland. Due to growing demand based on the increasing number of households and the rapid expansion of economy on Samui Island, PEA connected 2 more circuits of the submarine cable (115kV system) in 1995 and 2006, respectively. Furthermore, it constructed 2 power plants for stability in the power distribution. In late 1996, the submarine cable on Samui Island was connected to Pa-ngan Island for the power distribution purpose.

Currently, the highest demand for electricity on Samui and Pa-ngan Islands is totally 100MW. To respond to the increasing demand, PEA is constructing a 115kV submarine cable (circuit 3) and a new power plant on Samui island, which is expected for long-term demand for more over 10 years. PEA has always realized that people dwelling both on the mainland and islands are fairly eligible for electricity use.

Following the outages on Samui and Pa-ngan Islands caused by the short circuit on the underground cable joint in December 2012, which largely affected the users, PEA responded to the problem by urgently fixing the damaged cable, mobilizing generators to the affected areas to supply electricity to prime communities, and setting up a centre to provide help and support. By doing so, the power system was restored in a fast manner.

### Setting up proper channels to receive complaints

1129 PEA Call Center serves as a contact centre to receive reports on electrical failures, provide billing information, and receive electricity applications and well as related services around the clock. This is to ensure that the stakeholders making a complaint to PEA or requesting for assistance can reach it conveniently in no time. PEA has also increased more channels to receive complaints and comments through the social network, i.e., Facebook and Twitter.



## COMMUNITY INVOLVEMENT AND DEVELOPMENT

Realizing that the fundamentals of a strong society involve good quality of life and the environment, PEA has initiated projects and activities to promote and improve quality of life including occupations, education, health and sanitation, amenities, safety in life and property, energy conservation, as well as natural resources and environmental preservation. Details of the projects and activities PEA closely cooperated with community in 2012 are below :



### Granting Scholarships

To promote primary education in its employees' offspring, PEA partially lessens their financial burdens by granting scholarships to those who are well-behaved with a good scholastic performance and whose parents are entry-level employees with a low income and/or support many children.



### Mobile Medical Team

Cooperated with a group of the National Defense College's students of Class 27, the Sang-Saiki Hetrakool Foundation, and the Daily News, the activity aims at providing free medical service to people in remote areas. To support the activity PEA extends help in the form of electricity supply, vehicles, volunteers, and equipment. In 2012, the service was provided in 17 provinces countrywide treating totally 25,806 people.



### Donating Blood to Thai Red Cross Society

With its thorough realization that blood can vitally help injured people and patients live longer, PEA is an organization that has been donating blood on a 4-month basis to the Thai Red Cross Society. In 2011, up to 1,161 PEA staff made blood donations for 522,450cc in total.





### Launching Project of "Provincial Electricity Conserves Water to Celebrate the Queen's 80th Birthday Anniversary on August 12, 2012"

It was coordinated with 80 communities throughout the country. The project aimed at constructing creek dams to collect water for the community's use and agricultural purposes. Wrecked concrete material such as electricity posts, pillars, and reinforced concrete were used. The project was to commemorate the Queen's 80th birthday anniversary on August 12, 2012.



### Lively Classroom from PEA's Heart Project and Happy Kids on a Full Stomach Project

Coordinated between PEA's team of housewives and families, the projects provide desks, chairs, educational instruments, sports equipment as well as lunch funds to 80 schools in 74 provinces under PEA's responsibilities that comprise 50 border patrol police schools and 30 schools in remote areas. The projects aimed at promoting educational and nutritional equality in children, and improving their quality of life.



### PEA's Love and Care for the Elderly Project

Held on the National Elderly's Day in 2012, the project was to stimulate recognition of the elderly. Activities included pouring a little water on the elderly's palms for blessings, holding games and recreations, offering congregate lunch, and donating daily necessities to 5 homes for the elderly.





### Drought Relief Project in Cooperation with Public and Government

The project aimed at helping people affected by a severe draught leading to a shortage of clean water for daily use and agricultural purposes. PEA alleviated the crisis by conveying water to remote and arid areas, sending tenders to where water was needed, providing electricity at the spot where a water dispenser was installed, as well as supplying fuel, machines, and necessary equipment. Besides, PEA supported electrical expenses incurred by the Department of Groundwater Resources in water pumping and dispensing where permanent and, recently, 18 water service providers were installed.



### PEA's Public Mind to Provide Green Roof Project

In order to give support to the Green Roof Project initiated by the Thai Red Cross Society's Princess Pa Foundation with the aims of rescuing those affected by natural disasters, create favourable attitudes and understanding of sustainable environment management, instill efficient use of natural resources, and mitigate global warming, PEA has started PEA's Public Mind to Provide Green Roof Project. In doing so, PEA has installed recycling bins at its countrywide offices for empty milk and fruit juice cartons. These cartons will be delivered to the Princess Pa Foundation for recycling. Recycled roofs will be provided to those hit by natural disasters and deprived of shelters in compliance with the foundation's objective.



### Ecosystem and Environment Restoration along Submarine Transmission Line Construction Project

PEA launched a project to restore the ecosystem and environment along the 115kV submarine transmission line construction (Third Circuit) to Samui Island of Surat Thani Province. The activities included hearings and discussions with communities along the construction line, providing educational and sports equipment, giving financial support at the amount of 250,000 THB to 5 schools to refurbish classrooms, donating 239,000 THB to renovate a sport arena, and freeing marine life up to 837,500 to help restore the ecosystem and environment of the community in Khanom District of Nakhon si Thammarat and Koh Samui District of Surat Thani, which are the connection spots of the submarine cables. In addition, PEA planned to test the environmental quality and start activities to restore operation-related damages, which would be completed in March 2013.





### LED Lighting installation in PEA Offices Project

PEA launched a pilot project of LED lighting installation in its offices throughout the country in favour of efficient energy use through the LED technology. Approximately 5,000 fluorescent lamps were replaced with LED lamps enabling PEA to save on electricity to 407,652 unit/year. As planned, the project will go nationwide with the installation of 200,000 LED lamps, which could save on electricity to 8.8 million units/year. Previously, PEA had launched a pilot project by installing energy-saving devices for LED street lighting in countrywide public lights.



Before



After

### Power System Rearrangement in City and Community Project

PEA has initiated an underground infrastructure project aiming at revamping townscapes in downtowns, historical landmarks, and tourist centres in 14 provinces : Chiang Mai, Pitsanulok, Udon Thani, Nakhon Ratchasima, Chonburi, Nakhon Pathom, Petchaburi, Phuket, Songkhla, Khon Kaen, Mukdahan, Nakhon Panom, Surat Thani, and Trang. The activity is coordinated between PEA and relevant public and private sectors such as municipalities and telecommunications companies. Signal cables will be removed and reinstalled so that PEA will disassemble electricity posts and wires before converting the electrical system to underground.

Up till 2012, 13 jobs had successfully been completed in the following provinces : Mukdahan, Nakhon Panom, Chonburi, Nakhon Pathom, Songkhla, Pitsanulok, Phuket, Chiang Mai, Khon Kaen, and Surat Thani.



### 60 Earth Hour 2012

PEA joined "60 Earth Hour 2012" to mitigate global warming. Collaborated between Bangkok and the WWF Thailand, the activity aimed at campaigning to save on electricity use in the PEA personnel, the public, and governmental and private units by turning off unnecessary lights on March 31, 2012 during 20.30 – 21.30 hrs. Reduction in power consumption can mitigate global warming.



## PEA's Stakeholders

Based on impacts or losses as a result of its operations PEA has divided its stakeholders into 15 groups as follows :





## Participation with Stakeholders

PEA listens to opinions of its stakeholders to perceive their anticipations or requirements (in compliance with the ISO 26000). In 2012, PEA divided target groups of its stakeholders into 5 based on pilot work units in order to analyze anticipations and formulate plans/projects as shown in the table :

Summary of 2012 CSR Plans/Projects at 5 Pilot Work Units		
Pilot Work Units	Grouped Stakeholders	Plan/Projects
PEA Headquarters	<ol style="list-style-type: none"> <li>1. Staff, employees, workers (janitors and drivers)</li> <li>2. Staff, employees, workers at concrete product factories in Chiang Mai</li> <li>3. Staff, employees, workers at concrete product factories in Nakhon si Thammarat</li> <li>4. Concessionaires</li> <li>5. Suppliers</li> </ol>	<ol style="list-style-type: none"> <li>1. Bidding through E-mail</li> <li>2. Improvement and Installation of Bulletin Board for Bidding Notice through E-mail at the Headquarters</li> <li>3. Training in Rights and Welfare Employees should Know</li> <li>4. Public Relations of Rights and Welfare for Workers in Concrete Product Factories</li> </ol>
PEA Office Region 1 (North) Chiang Mai	Core business customers (Lamphun Industrial Estate)	<ol style="list-style-type: none"> <li>1. Briefing Meeting on Accounting and kWh Calculation for industrial Users in Lamphun</li> <li>2. Training in Quality Power and In-house Power System Safety for Industrial Users in Lamphun</li> </ol>
PEA Office Region 3 (Northeast) Nakhon Ratchasima	Workers/Contractors (those hired to cut down trees and PEA agents hired to suspend electricity distribution and reconnect meters)	<ol style="list-style-type: none"> <li>1. Enhancement of Efficiency in Acceptance Inspection and Lump Sum Disbursement of Tree-Cutting Service in PEA Office Region 3 (Northeast)</li> <li>2. Knowledge Enhancement of Tree-Cutting Safety and Meter Reconnection in Contractors</li> </ol>
PEA Office Region 2 (Central Area) Chonburi	Core business customers (Bangpakong Industrial Estate and other industrial estates outside)	<ol style="list-style-type: none"> <li>1. Improvement and Increase of Communications Channels with Industrial Users</li> <li>2. Working Plan for Knowledge Enhancement in Energy Conservation Promotion in Industrial Users</li> </ol>
PEA Office Region 2 (South) Nakhon si Thammarat	<ol style="list-style-type: none"> <li>1. Community (Koh Sukorn) where the cable is laid ashore</li> <li>2. Community (Baan Ta Se) where the cable is laid underwater</li> </ol>	<ol style="list-style-type: none"> <li>1. Adjustment of Low-Voltage Distribution Line System for Safety of Community in Koh Sukorn of Trang Province</li> <li>2. Knowledge Enhancement in Safe and Smart Use of Electricity to Communities of Koh Sukorn and Baan Ta Se of Trang Province</li> <li>3. Safety Check of Residential Electrical System</li> <li>4. Campaign for Safety and Cost-saving Use of Power in Collaboration with Subdistrict Administrative Organization (SAO)</li> </ol>

# SOCIAL AND ENVIRONMENTAL PROJECTS IN 2012



## Reduction in Emission of Greenhouse Gases Project

PEA has developed an action plan to promote the reduction in internal and external greenhouse gas emissions based on the 2004 Greenhouse Gas Protocol. The greenhouse gas emissions are divided into 2 types : direct emissions by work units attached to PEA and indirect emissions by other organizations from which PEA purchases energy for its operations.

In 2012 PEA launched projects and adopted measures to reduce the emissions of greenhouse gas as follows :

1. Forest Planting and Conservation by Community to Mitigate Global Warming Project – the activity was extensively collaborated with nationwide communities to plant 30,124 trees in order to maintain forested areas for sustainability. By doing so, we can reduce the greenhouse gas emissions to 445.70 tCO<sub>2</sub>e/Year
2. Efficiency Enhancement in Diesel Engine Power Plants Project to decrease fuel in electricity generation by improving efficiency of diesel engines and replacing obsolete diesel engines. The project could control fuel consumption originally at 0.315 litre/unit to 0.282 litre/unit and reduce the greenhouse gas emissions by 1,621.41 tCO<sub>2</sub>e/Year.
3. Ecosystem and Environment Restoration along Underground Cable Construction Line Project by planting trees on Koh PP Don of Krabi Province resulting in the reduction of greenhouse gas emissions by 32.78 tCO<sub>2</sub>e/Year.
4. Energy management consultancy service to business and industrial sectors totalling 36 to save cost enabling them to reduce the greenhouse gas emissions by 221,107.62 tCO<sub>2</sub>e/Year.
5. Endorsement of purchasing electricity totalling 302.58 MW from very small power producers enabling PEA to help reduce the greenhouse gas emissions by 183,408.08 tCO<sub>2</sub>e/Years.

### Amount of Reduced Greenhouse Gas Emissions in 2012 by PEA

Reduction in Greenhouse Gas Emission Projects	tCO <sub>2</sub> e/Year
<b>Internal</b>	
Forest Planting and Conservation by Community to Mitigate Global Warming	445.70
Efficiency Enhancement in Diesel Engine Power Plants	1,621.41
Ecosystem and Environment Restoration in Krabi	32.78
<b>External</b>	
Energy Management Consultancy Service	221,107.62
Endorsement of electricity purchase from very small power producers	183,408.08
<b>Total</b>	<b>406,615.59</b>

Source : Corporate Social Responsibility Project Management Division, PEA





### The Young Save the World and Mitigate Global Warming Project

To instill accountability and create realization of how to use electricity safely and efficiently to mitigate global warming in the young and people in community, PEA educated both vocational and high vocational students about cost-saving and safe use of power and electrical appliances. The trainees would be assigned to transfer practical knowledge to the community as well as to check and give advice on the use of power and electrical appliances. As a result, the students did not only change their power-use behavior, but they also sharpened up skills and optimize their free time for themselves and the community.



### Outage Reduction Project

The activity was collaborated between PEA and local administrative organizations and volunteers to educate people about safe use of electricity and to ask for their cooperation in keeping their eye on the distribution system equipment and reporting power failures for the continuity of electrical supply and reduction in power outages. The activity has been started since 2008. Currently, there are 9,090 participants.



### Little Saver's Journal Project

Extensively collaborated between PEA, schools, teachers, students, and parents, the activity aims at giving knowledge of electricity use in an efficient and cost-saving manner. The project has been conducted since 2005. In 2009, the Outcome Mapping (OM) was adopted to the project. Two years later, in 2007, PEA's Little Saver's Journal Project was awarded by the State Enterprise Policy Office in the category of Outstanding State Enterprise for Social and Environmental Operation. Currently, 56 schools and 6,119 students participate in the activity.









## ABOUT THE REPORT

PEA's 2012 Social and Environmental Report is based on performance appraisal requirements for Corporate Governance (CG) and Corporate Social Responsibility (CSR). The State Enterprise Policy Office assigned TRIS Corporation Co., Ltd. to formulate the requirements and carry out the assessment by including the Corporate Social Responsibility Report (CSR Report) in the social responsibility practices in terms of achievement and benefit assessments to the stakeholders including committees, executives, employees, communities, customers, and the public.

PEA's 2012 Social and Environmental Report was made for the fiscal year of 2012 starting from January 1–December 31, 2012. Separated from PEA's Annual Report 2012, the report features economic, social, and environmental performance in view of sustainable development so that the stakeholders will be informed of PEA's commitment, direction, and success of its corporate social responsibility.

The report referred to Sustainability Reporting Guidelines & Electric Utility Sector Supplement by Global Reporting Initiative (GRI) as guidelines on reporting and information disclosure including indicators of GRI-G3.1. As for the selection of titles of the report, it was undertaken by the Corporate Social Responsibility Working Group on CSR Report 2012. Meetings had been organized to give useful suggestions and comments to the preparation of this report.

PEA's 2012 CSR Report shows the indicators prescribed by TRIS Corporation Co., Ltd. It also specifies pages of details and particulars of GRI-G3.1 indicators in the table of GRI Content Index.

Available in the Thai version, the report can be downloaded on PEA's corporate website. For more information, please contact :-

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# AWARDS AND HONORS











### Benefactor to Buddhism

PEA received a plaque of Benefactor to Buddhism presented by Somdet Phra Wannarat acting for Somdet Phra Sangharaja on October 19, 2012 at Mahamakut Buddhist University on the auspicious occasion of Somdet Phra Nyana-samvara Somdet Phra Sangharaja's 99th Birthday Anniversary. Those nominated for the prestigious award comprising 99 plaques in total included various organizations, academics, government officers, movie stars, and people in general.



### Benefactor to Siriraj Hospital's Faculty of Medicine

The King graciously assigned Prince Maha Vajiralongkorn, the Crown Prince, to present a plaque to PEA, a benefactor to Siriraj Hospital's Faculty of Medicine at the Faculty of Medicine, Siriraj Hospital, Bangkok on September 24, 2012.



### Rajanubhab Award

Mr. Veera Prommas, Technician 7 attached to Operation and Maintenance Section, PEA Lansaka Branch Office in Nakhon si Thammarat, was presented with the Rajanubhab Award in the category of the Ministry of Interior's State Enterprise Employee. The award is part of the Mahadthai Damrongtham Damrong Rajanubhab Project organized by the Ministry of Interior to commemorate HRH Prince Damrong Rajanubhab, the first Minister of State, and carry on his determination to relieve misery, keep up happiness, and create peaceful society.







### Winning Prize for Booth Decoration Competition in Red Cross Fair

In Red Cross Fair 2012, PEA's booth received a winning prize in the category of Booth Decoration and Exhibition of Natural Resources and Environment with the conceptual theme of "Long Live the Queen, the Royal Patron, on the 80th Birthday" PEA presented works and projects featuring natural resources and the environment that PEA had been following in Her Majesty the Queen's footsteps.



### Recognition for 72 years of Voluntary Works

PEA's Team of Housewives and Families was presented with a commemorative plaque as recognition for 72 years of voluntary works by Mr. Phan Wanamethee, General Secretary of the Thai Red Cross Society on the 72nd anniversary of the establishment of the Thai Red Cross Society at Chulalongkorn University's Faculty of Medicine.



### State-Owned Enterprise Award

PEA was presented with the State-Owned Enterprise Award (SOE) 2012 from the State Enterprise Policy Office (SEPO), Ministry of Finance. The government presents the award to state enterprises to recognize their efficient performance, management standards, and collaboration between boards of committees, executives, and employees to drive the economy and society to sustainability and stability. The fact that PEA received the award in the category of Outstanding Organization Management reflected its efficient operation, competitiveness, capability to create value added to the organization, and sustainable growth.







## Winning Prize for Outstanding Provident Fund at Regional and National Levels

### • At Regional Level

PEA's Provident Fund won the first prize at regional level from Asia Asset Management Awards 2012 : Best of the Best Awards categorized Section B Best of the Best Country Awards in the field of Plan Sponsor of the Year which was organized by the Asia Asset Management Magazine : The Journal of Investment and Pensions in Hong Kong Special Administrative Region.

The award is presented to Asian provident funds that are progressive and successful. The selection process considers members' benefit management, initiatives to the members, communications development between the members, various investment programs, and potential personnel selection in order to improve Return on Investment (ROI).

### • At National Level

PEA's Provident Fund was presented with a winning plaque by HRH Princess Maha Chakri Sirindhorn in the category of a big fund worth more over 5,000 million baht. The award presentation was part of the 1st Outstanding Provident Fund Competition 2012 organized by the Association of Provident Fund (AOP). Criteria were considered from the structure of the fund management, roles and responsibilities of the employer and the committee of the fund, reliability to its members after retirement, roles of the fund in potential development among its members and in the AOP and society.



## Encouragement of Planting Seagrasses and Restoring their Habitats

PEA was presented with a prestigious plaque by the Department of Marine and Coastal Resources as a sponsor for the activity of planting seagrasses and restoring their habitats in Trang Province. In 2012, PEA planted 25,000 seagrasses and engaged in marine life release. The activity was joined by 770 people.



## G3.1 Content Index

### Application Level

#### STANDARD DISCLOSURES PART I : Profile Disclosures

Profile Disclosure	Description	Reported
<b>1. Strategy and Analysis</b>		
1.1	Statement from the most senior decision-maker of the organization.	✓
1.2	Description of key impacts, risks, and opportunities.	✓
<b>2. Organizational Profile</b>		
2.1	Name of the organization.	✓
2.2	Primary brands, products, and/or services.	✓
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	✓
2.4	Location of organization's headquarters.	✓
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	
2.6	Nature of ownership and legal form.	✓
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	✓
2.8	Scale of the reporting organization.	✓
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	✓
2.10	Awards received in the reporting period.	✓
<b>3. Report Parameters</b>		
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	✓
3.2	Date of most recent previous report (if any).	✓
3.3	Reporting cycle (annual, biennial, etc.)	✓
3.4	Contact point for questions regarding the report or its contents.	✓
3.5	Process for defining report content.	✓
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	✓
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	✓
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	
3.12	Table identifying the location of the Standard Disclosures in the report.	✓
3.13	Policy and current practice with regard to seeking external assurance for the report.	
<b>4. Governance, Commitments, and Engagement</b>		
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	✓
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	✓
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	✓
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	✓
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	✓
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	✓
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	✓
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	✓



Profile Disclosure	Description	Reported
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization : * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	
4.14	List of stakeholder groups engaged by the organization.	✓
4.15	Basis for identification and selection of stakeholders with whom to engage.	✓
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	✓
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	✓
<b>Economic</b>		
<b>Economic performance</b>		
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	✓
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	
EC3	Coverage of the organization's defined benefit plan obligations.	✓
EC4	Significant financial assistance received from government.	
<b>Market presence</b>		
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	
<b>Indirect economic impacts</b>		
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	
<b>Environmental</b>		
<b>Materials</b>		
EN1	Materials used by weight or volume.	
EN2	Percentage of materials used that are recycled input materials.	
<b>Energy</b>		
EN3	Direct energy consumption by primary energy source.	
EN4	Indirect energy consumption by primary source.	
EN5	Energy saved due to conservation and efficiency improvements.	✓
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	
<b>Water</b>		
EN8	Total water withdrawal by source.	
EN9	Water sources significantly affected by withdrawal of water.	
EN10	Percentage and total volume of water recycled and reused.	
<b>Biodiversity</b>		
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	
EN13	Habitats protected or restored.	
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	
<b>Emissions, effluents and waste</b>		
EN16	Total direct and indirect greenhouse gas emissions by weight.	✓
EN17	Other relevant indirect greenhouse gas emissions by weight.	✓
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	✓
EN19	Emissions of ozone-depleting substances by weight.	
EN20	NOx, SOx, and other significant air emissions by type and weight.	
EN21	Total water discharge by quality and destination.	
EN22	Total weight of waste by type and disposal method.	
EN23	Total number and volume of significant spills.	



Profile Disclosure	Description	Reported
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	
<b>Products and services</b>		
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	
<b>Compliance</b>		
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	
<b>Transport</b>		
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	
<b>Overall</b>		
EN30	Total environmental protection expenditures and investments by type.	
<b>Social : Labor Practices and Decent Work</b>		
<b>Employment</b>		
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	✓
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	
LA15	Return to work and retention rates after parental leave, by gender.	
<b>Labor/management relations</b>		
LA4	Percentage of employees covered by collective bargaining agreements.	
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	
<b>Occupational health and safety</b>		
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	✓
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	✓
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	✓
LA9	Health and safety topics covered in formal agreements with trade unions.	
<b>Training and education</b>		
LA10	Average hours of training per year per employee by gender, and by employee category.	✓
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	
<b>Diversity and equal opportunity</b>		
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	✓
<b>Equal remuneration for women and men</b>		
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	
<b>Social : Human Rights</b>		
<b>Investment and procurement practices</b>		
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	
<b>Non-discrimination</b>		
HR4	Total number of incidents of discrimination and corrective actions taken.	
<b>Freedom of association and collective bargaining</b>		
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	
<b>Child labor</b>		
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	✓



Profile Disclosure	Description	Reported
<b>Prevention of forced and compulsory labor</b>		
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	✓
<b>Security practices</b>		
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	
<b>Indigenous rights</b>		
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	
<b>Assessment</b>		
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	
<b>Remediation</b>		
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	
<b>Social : Society</b>		
<b>Local communities</b>		
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	
SO9	Operations with significant potential or actual negative impacts on local communities.	✓
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	✓
<b>Corruption</b>		
SO2	Percentage and total number of business units analyzed for risks related to corruption.	
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	
SO4	Actions taken in response to incidents of corruption.	
<b>Public policy</b>		
SO5	Public policy positions and participation in public policy development and lobbying.	
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	
<b>Anti-competitive behavior</b>		
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	
<b>Compliance</b>		
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	
<b>Social : Product Responsibility</b>		
<b>Customer health and safety</b>		
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	
<b>Product and service labelling</b>		
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	
<b>Marketing communications</b>		
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	
<b>Customer privacy</b>		
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	
<b>Compliance</b>		
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	






# Reporting Based on 2012 Memorandum of Understanding (MOU) between PEA and Ministry of Finance

PEA's operation report on corporate social responsibility 2011 as per the 2012 MOU requirements declares information of non-financial indicators (2.3), social service, and environmental promotion, which is divided into 2 sections as follows :

Criteria for Social Services and Environmental Promotion	Outcome	Score	Level
Social Service and Environmental Promotion			
1. Encouragement of reduction in the emissions of greenhouse gases			
1.1 Encouragement of reduction in the emissions of greenhouse gases (internal organization)	Developed GHG Inventory	5.0000	Improved a lot
1.2 Encouragement of reduction in the emissions of greenhouse gases (external organization)	Achieved targets	5.0000	Improved a lot
2. Social and Environmental Implementation			
2.1 Outcome Mapping application in social and environmental action plan	Operations as per OM procedures 1-12 were completed	5.0000	Improved a lot
2.2 ISO 26000 Practice	Conducted a workshop to design ISO 26000-based practical guidelines for 4 pilot areas and the head office	5.0000	Improved a lot







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