

SAFE AND LEGAL LABOR UPDATE

Thai Union Group
Public Company Limited



THAI UNION'S SAFE AND LEGAL LABOR COMMITMENT

Providing safe, legal and freely-chosen employment in our facilities and supply chains is critically important to Thai Union.

While the company has significant programs in place for our employees, we also partner with specialist organizations and NGOs to ensure those working in the wider industry are protected.

Globally, Thai Union owns no vessels but uses our market position to improve labor conditions throughout the seafood supply chain. Full traceability of all our seafood products from catch to consumption will help accurately identify gaps in safe and legal labor and, critically, give workers a voice.

With full digital traceability we will be able to follow each of our products back to its source—from the vessel that caught it or the pond that produced it. This information will allow Thai Union to monitor labor conditions in our facilities and the supply chains from which we purchase.

Thai Union's 2020 Milestones for Safe and Legal Labor are part of our SeaChange® sustainability strategy, which can be found in full [here](#).



OUR PROGRESS | 2017-2018



Due diligence on modern slavery, forced labor, and other unethical labor practices



In 2016, Thai Union published our first [Modern Slavery Act Statement](#), in accordance with the UK Modern Slavery Act of 2015.

Thai Union recently published an [updated statement](#) to cover the period up to 31 March 2018, which included key progress since the first statement.

The company strengthened [enforcement of our Business Ethics and Labor Code of Conduct](#) (CoC) for both our own facilities and direct suppliers through [regular audits](#), supplier training, and the launch of our [Vessel Code of Conduct](#) (VCoC).

Thai Union has continued to implement an [Ethical Migrant Recruitment Policy](#). This includes zero-recruitment fees for workers in our operations, which reduces the potential for abuses and extortion by agents and brokers during the recruitment process.

We continue to collaborate with partner NGOs to enhance understanding of labor rights among our workers and suppliers and work with these partners to address any emerging labor issues in our facilities and supply chains.



Demonstrating best practice with Nestlé

In February 2018, Nestlé and [Thai Union inaugurated a demonstration boat](#) to promote and increase understanding of human and labor rights for workers in the Thai fishing industry.

In collaboration with [Verité](#), both companies refurbished a traditional Thai fishing boat, transforming it into a vessel demonstrating good living and working conditions. This includes adequate and clean food and drinking water, appropriate rest, dining and leisure areas on board, first-aid kit, and toilet facilities with proper sanitation standards.



New government regulation follows successful Thai Union digital traceability pilot project

Thai Union welcomed new regulations from the [Thai government introduced in May 2018](#) requiring Thai vessel owners operating outside of national waters to provide a satellite communication system and device onboard for workers at sea.

The initiative aims to enhance the quality of life for captain and crew by providing a channel of communication to contact families or report any problems that might occur at sea.

The new regulations followed a successful [trial of digital traceability technology](#) by Thai Union and Inmarsat, along with Thailand's Department of Fisheries and others.

Launched in 2017, the pilot program tested scalable platforms for electronic catch data and traceability (eCDT) systems, which use mobile applications and satellite connectivity to improve traceability in the supply chain and provide workers with a voice at sea to communicate with loved ones or flag problems to authorities.

Further information on the program can be found in this [video](#).

Read Thai Union's response to the Thai government's new regulation [here](#).



New Human Rights Risk assessment procedure and Human Rights Policy

In May 2018, Thai Union updated details of its commitment on human rights and [risk assessment](#) approach, stating that we will use our commercial leverage and leadership role to address human rights issues not only in our value chain but also in the wider seafood industry.

The policy is based on the six pillars of Thai Union's Human Rights Due Diligence Framework, and commits the company to a program of continuous monitoring, prevention, and resolution of human rights issues. The new Human Rights Policy and Due Diligence Framework are aligned with our past and ongoing efforts to uphold labor rights under the SeaChange® Strategy.



Thai Union's journey towards sustainable aquaculture

Thai Union's work with the Seafood Task Force, as well as the Southeast Asian Shrimp Aquaculture Improvement Protocol (ASIC), Best Aquaculture Practice (BAP) and Aquaculture Stewardship Council (ASC) all forms part of our journey towards sustainable aquaculture.

We are also members of the Global Seafood Sustainability Initiative (GSSI), to help ensure confidence in the supply and promotion of certified seafood as well as to promote improvement in the seafood certification schemes.

In 2017 we partnered with Cropin, to develop an app based audit tool to assess social performance in our Thai shrimp supply chain, as well as help deliver aquaculture improvement plans at individual farm level. The trial is starting with 2000 farms and associated supply chains.

Further details of Thai Union's work in our aquaculture supply chain can be found in this [video](#).



Working collaboratively with civil society

We are working with the [Migrant Worker Rights Network](#) and [Labors Rights Promotion Network](#) on initiatives such as training migrant workers to be aware of human and employment rights, as well as their children's rights to education. In collaboration with Issara we have made available in our factories and supply chains an independent hotline in five languages for workers to receive advice and report problems.

Furthermore, Thai Union has continued to [strengthen the workers' welfare committees](#) to allow open and shared dialogue between the workforce and management.

We are working with [Verité](#) on a number of capacity building projects in Thailand. This includes providing training for our internal audit team on identifying forced labor, and building on the partnership with Thai Union in North America to develop performance improvement projects for suppliers.





Vessel Code of Conduct and VCoC Audit Program

In December, 2017, Thai Union published its [Fishing Vessel Improvement Program and Vessel Code of Conduct](#) (VCoC), which focus on the recruitment and treatment of workers, stipulating protocols on employee welfare, benefits, wages, age, the right to freedom of association, the right to collective bargaining, and non-negotiable frameworks for health and safety.

The Vessel Code of Conduct is an extension of the [Thai Union Business Labor and Ethics Code of Conduct](#), which aims to provide clear guidance to the fishing vessels in our supply chain, and improve the standard for labor rights in the fishing sector.

Thai Union's existing and new vessel suppliers are required to sign the Vessel Code of Conduct in order to work with the company.

The Vessel Code of Conduct includes a commitment by suppliers to develop a Vessel Improvement Program (VIP) to meet the Code of Conduct and address any non-compliance issues identified to be of a major or critical concern.

Following a competitive tender process, we have appointed independent auditors to assess compliance of the fishing vessels that are supplying Thai Union and identify improvements that are required to drive positive change in the sector.

[The first of these audits](#) was completed at the end of June 2018. It included 240 vessels in its sample, helping to identify potential labor and human rights abuses, and improving the performance of the Thai fleet by creating a targeted action plan based on its results. Our transparency in releasing these results was focused on helping to drive change throughout the industry.

The results of the audit have been used to put in place vessel improvement projects and develop a Capacity Building Program in Thailand, being run in collaboration with the ILO/EU Ship to Shore Program and the International Transport Worker's Federation (ITF) to raise the standard of suppliers to Thai Union.



Health and safety workshop for fishers in Thailand

In August 2018, Thai Union partnered with the International Labor Organization and International Transport Workers' Federation to run a health and safety training workshop for its suppliers in Thailand's Pattani Province.

The workshop was part of the company's Capacity Building for Fisher Safety at Sea program, and brought together approximately 60 vessel owners, captains, crew supervisors, crew members and other staff.

Key findings from our [first third-party audit](#) and surveys from Thai fishers were used to devise the training workshop's agenda, which ensured workers' voices were taken into consideration and the material was directly relevant and useful for them.

Thai Union intends to hold additional workshops in the Thai provinces of Songkhla, Ranong and Trat later this year.



Advocacy and partnerships

Thai Union is working with global partners to ensure the seas are sustainable now and for future generations. As part of our ongoing advocacy, Thai Union's Global Director for Sustainable Development, Dr. Darian McBain, has recently addressed the topic of human rights at the [Bali Process Government and Business Forum](#) and the opening ceremony of the [Thailand Ministry of Foreign Affairs International Conference on United Partnerships Against Human Trafficking](#).

