

# Human Rights Due Diligence Framework

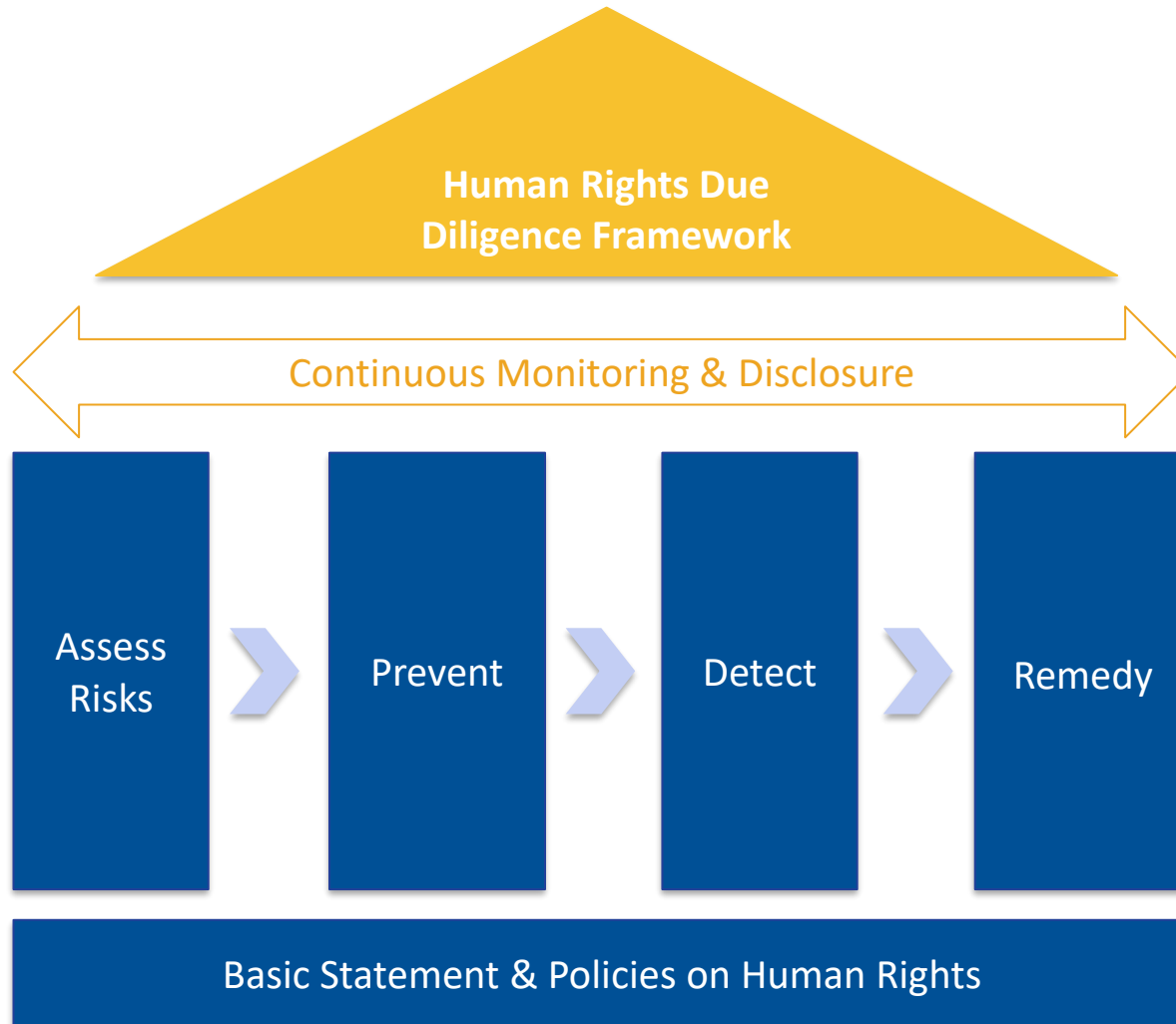
Update as of July 2023



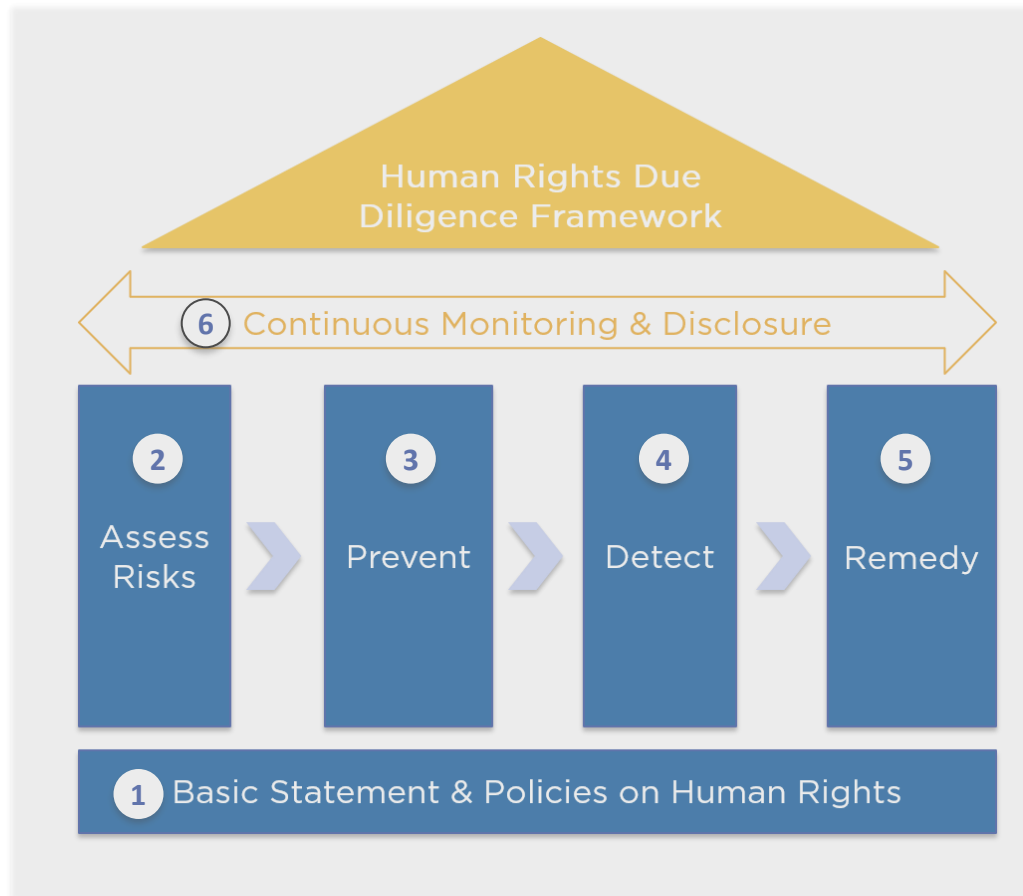
# OUTLINE

- Human Rights Due Diligence Framework
- Operating Principles
- Recent Activities & Initiatives
- Way Forward

# Thai Union's Human Rights Due Diligence Framework



## Component of the Framework – Brief Description of Six Pillars



1

Fundamental commitment, strategy, targets, and policies on human rights

2

Assessing actual and potential risks of human rights violations linked to our operations and value chains

3

Preventing or minimizing risks of human rights violations in our operations and value chains

4

Detecting human rights violations and non-compliance with relevant laws or best practices that leads to increased human rights risks

5

Providing or facilitating access to remedies for affected right holders

6

Tracking and disclosing progress and effectiveness of due diligence activities

## Thai Union's Three Operating Principles Guide the Implementation of our Human Rights Due Diligence Framework.

### Good Governance

- Robust leadership, policies, processes to ensure our business is focused on delivering human rights related objectives

### Transparency

- Regular public disclosure and experience sharing on our human rights performance through Thai Union's Annual Report, Sustainability Report, Webpages, Conferences, and other channels

### Partnerships & collaborations

- Collaboration with NGOs, labor unions, governments, and industry partners to implement & continuously improve our human rights due diligence activities



# Pillar 1

## BASIC STATEMENT & POLICIES ON HUMAN RIGHTS

*Thai Union's fundamental commitment on human rights and the belief in our unique roles in addressing human rights issues within our company, value chains, and the global seafood industry.*

### High-level Principles

UN Guiding  
Principles on  
Business and  
Human Rights

UN Global  
Compact's Ten  
Principles

Thai Union commits to support and respect internationally proclaimed Human Rights. We recognize our responsibility to avoid infringing on human rights of others and address human rights impacts with which we are involved within our operations and value chain.

We have committed to implementing the commitments in the UN Global Compact's Ten Principles since 2013.

UNITED NATIONS  
GUIDING PRINCIPLES  
ON BUSINESS  
& HUMAN RIGHTS



# Pillar 1

## BASIC STATEMENT & POLICIES ON HUMAN RIGHTS

*Thai Union's fundamental commitment on human rights and the belief in our unique roles in addressing human rights issues within our company, value chains, and the global seafood industry.*

### High-level Principles

UN Guiding Principles on Business and Human Rights

UN Global Compact's Ten Principles

We believe that it is our responsibility to uphold the human rights of others and address adverse human rights impacts within our operations and the value chain.

We have been committed to implementing the commitments in the UN Global Compact's Ten Principles since 2013.



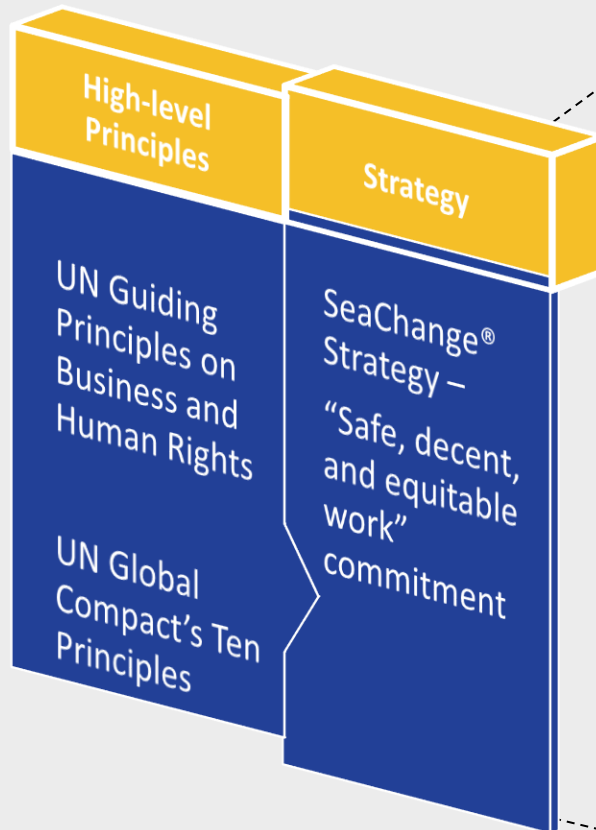
**In 2018, we officially launched the UN Global Compact Network Thailand, along with other founding members.**



# Pillar 1

## BASIC STATEMENT & POLICIES ON HUMAN RIGHTS

*Thai Union's fundamental commitment on human rights and the belief in our unique roles in addressing human rights issues within our company, value chains, and the global seafood industry.*



**SeaChange® 2030** is our sustainability plan to help reshape the seafood industry with solutions for People and Planet that better sustain a future for all.

One of the commitments under **SeaChange® 2030** is to **provide safe, decent, and equitable workplace** by ensuring that 100% of the vessels/farms in our supply chain meet current industry best practices in welfare and working conditions and that 50% of management positions within our operations are held by women by 2030”.

# Pillar 1

## BASIC STATEMENT & POLICIES ON HUMAN RIGHTS

*Thai Union's fundamental commitment on human rights and the belief in our unique roles in addressing human rights issues within our company, value chains, and the global seafood industry.*



- Ensure responsible recruitment by implementing Employer Pays Principle across our own global operations;
- 100% of the vessels and farms we source from are a safe and decent workplace by 2030;
- 50% management positions within our operations are held by women by 2030;
- Work towards a diverse and inclusive workplace;
- Reduce the lost time injury frequency rate to 0.15 and strive towards zero accidents and injuries across our global operations.

# Pillar 1

## BASIC STATEMENT & POLICIES ON HUMAN RIGHTS

*Thai Union's fundamental commitment on human rights and the belief in our unique roles in addressing human rights issues within our company, value chains, and the global seafood industry.*

- The Human Rights Policy states our commitment to respect human rights throughout our value chain.
- The Suppliers' Business Ethics & Labor Code of Conduct (CoC) states our commitment and expectation of our suppliers' and contractors' commitments to respect labor rights throughout our value chain.
- The Vessel Code of Conduct (VCoC) is an extension of the CoC but takes into account unique working conditions on fishing vessels.
- Enforcement and implementation of these policies are supported by secondary prevention, detection, remediation policies and activities described in the subsequent pillars.

# Our “Safe, Decent, and Equitable Work” Commitment – in one page



SeaChange 2030 is our sustainability plan to help reshape the seafood industry with solutions for People and Planet that better sustain a future for all.

## SAFE, DECENT, AND EQUITABLE WORK

Provide a safe, decent, and equitable workplace by ensuring 100% of the vessels and farms that we source from meet current industry best practices in welfare and working conditions. Within our operations, 50% of management positions are held by women.



### GLOBAL URGENCY

**Safe, decent, and equitable work are the foundational building blocks for any successful business.** This includes, but is not limited to fair wages, employment security, health and safety, non-discrimination, equal opportunity, and respect for workers' rights.

**Workers in the seafood industry deal with long hours, dangerous work environments, and limited access to medical facilities.** Many maritime safety standards exclude fishing vessels, which can leave up to 15 million workers onboard susceptible to unfavorable working conditions or worse, forced labor while trapped at sea. In addition, workers, predominantly migrants, face discrimination with little to no consequence for those responsible.



**Women represent up to 50% of all seafood workers, but primarily work in low-skilled, low-paid, and low-valued positions.** Businesses that actively support gender equality make better decisions up to 87% of the time, and those that show a commitment to gender diversity tend to attract and retain better talent. When companies protect workers and invest in equitable solutions, communities prosper, and business ultimately thrives.

### INTEGRATED APPROACH

**Thai Union continues to advance our efforts to improve the lives and livelihoods of all workers** by providing safe and decent work within our own operations and only sourcing from suppliers that are committed to improving working conditions in line with current industry standards. This incorporates changes to employment practices such as responsible recruitment, access to worker voice mechanisms, equal opportunity practices, occupational health and safety, and supply chain traceability.



**Although Thai Union does not own any vessels, it is our responsibility** to ensure the vessels and farms we source from are free from any exploitation or mistreatment. Thai Union continues to work with suppliers to understand the supply chain and implement effective and lasting improvements. We are embarking on a profound commitment to drive forward labor rights advancements across our entire global operations, from upstream to downstream, working to ensure the well-being and dignity of our workers and our suppliers' workers at every stage.

### SEACHANGE COMMITMENT



**100%**  
of the vessels and farms we source from are a safe and decent workplace **by 2030.**

**50%**  
management positions within our operations are held by women, **by 2030.**

**Work towards a diverse and inclusive workplace.**

**Reduce the lost time injury** frequency rate to 0.15 and strive towards zero accidents and injuries across our global operations.

### ACTION PLAN



**Responsible recruitment**

Ensure responsible recruitment by implementing Employer Pays Principles across our own global operations

Continue to work with industry partners to advance responsible recruitment in the global seafood industry



**Suppliers - vessels & farms**

We will implement Thai Union's Code of Conduct with our suppliers and make sure the work and welfare conditions are met or are improving to be met for 100% of the vessels and farms we source from

Secure protections for workers across the supply chain by deploying worker voice and other empowerment mechanisms

Continue to engage with social partners to ensure our requirements are up to date with current industry standards and practices.



**Production**

Ensure safety of all workers across Thai Union's processing sites by conducting regular training, hazard prevention and risk assessments



**Supporting gender equity**

Develop and enhance leadership development programs, ensuring equal gender participation

Establish equal gender representation during interview processes for all management roles and internal succession planning of management roles

### FUTURE OUTCOMES

Impact Areas



**Human & Labor Rights**  
100% of vessels & farms meet or are working towards meeting industry best practices in welfare & working conditions

50% of management positions within our global operations are held by women

United Nations Sustainable Development Goals



For more information & sources:



# Pillar 1

## BASIC STATEMENT & POLICIES ON HUMAN RIGHTS

*Thai Union's fundamental commitment on human rights and the belief in our unique roles in addressing human rights issues within our company, value chains, and the global seafood industry.*

**Thai Union's Business Ethics & Labor Code of Conduct (CoC) and Vessel Code of Conduct states our commitment which encompasses 12 fundamental principles, namely:**

1. Business is conducted lawfully and with integrity.
2. Work is conducted on the basis of freely agreed and documented terms of employment with legal compliance.
3. All workers are treated equally and with respect and dignity.
4. Work is conducted on a voluntary basis with no forced or compulsory labor.
5. All workers are of an appropriate age.
6. All workers are paid fair wages.
7. Working hours for all workers are reasonable.
8. All workers are free to exercise their right to form and/or join trade unions and to bargain collectively where permitted by law.
9. Workers' health and safety are protected at work.
10. Workers have access to fair procedures.
11. Business is conducted in a manner that embraces sustainability and reduces environmental impact.
12. Progress and compliance are monitored.



## Pillar 2

### ASSESS RISKS

*Assessment of actual and potential risks of human rights violations caused by, or linked to, Thai Union's operations and value chains*

#### 2015

Conducted human rights risk assessment for fisheries supply chain

Conducted global consultation with stakeholders to discuss sustainability risks

#### 2016

Conducted human rights risk assessment for packaging, food ingredients, and shrimp supply chain in Thailand

Conducted social dialogue-based audits of labor supply chain in Thai Union's factories, in partnership with the Migrant Worker Rights Network (MWRN), resulting in the Ethical Migrant Recruitment Policy and Welfare Committee

#### 2017

Conducted more refined risk assessment of Thai-flagged vessels, resulting in the development of the Vessel Code of Conduct (VCoC)

#### 2018 and beyond

Continuously conduct a country-based and sector-based human rights risk assessment with selected high-risk operation sites and supply chains

In 2023, TU introduced a formal due diligence policy and process for all new Mergers & Acquisitions (M&A) and new Joint Ventures (JV) going forward. Part of the Policy and Process will also involve conducting **sustainability-related due diligence including Human Rights risks assessment for partners, industries, or geographies flagged as 'high risk'**. In the case of M&A, we also introduced standardized integration process post-acquisition to drive alignment with TU Group's SeaChange® 2030 including human rights related requirements.

Eight (8) salient human rights risks identified in our operations and value chains:

Forced labor or modern slavery

Indebted or bonded labor arising from excessive recruitment fees

Lack of freedom of association or the lack of a worker voice to negotiate

Child labor

Excessive overtime

Unsafe & unhealthy working conditions

Community health & safety in the event of major accidents in production plants

Consumer health & safety

# Pillar 3

## PREVENT

*Thai Union implements policies and measures to prevent or minimize risks of human rights violations within our company's operations and value chain.*

### Examples



#### Pilot Training for Factory Management and Worker Welfare Committee (WWC)

Thai Union began “Tell Us” Project to strengthen internal worker voice mechanisms in our key processing facilities in Thailand in 2019. In 2022, we piloted two training sessions to provide TU management and worker representatives with knowledge and practical skills that will enable them to fulfill their roles related to worker voice mechanisms.



#### Ethical Migrant Recruitment Policy

In 2021, Thai Union issued the third update of Ethical Migrant Recruitment Policy to reflect the “Employer Pays Principle” (EPP) for all recruitment of migrant workers for our Thailand-based operations, starting from January 2022. Under the EPP, TU bears all recruitment-related fees and costs, thereby significantly reducing risk of debt bondage. In 2022 alone, a total of 3,370 new workers were recruited under the new Policy.

In addition, two recruitment agencies in our supply chain received “On The Level” (OTL) certification in 2023, demonstrating their high ethical recruitment standard.



#### Vessel Code of Conduct (VCoC) & Health and Safety Training

Since 2018, we have hosted series of health & safety training workshops for fishers in Thailand, in collaboration with the International Transport Workers’ Federation (ITF). Participants received a range of guidance, including first aid and basic medical training techniques such as CPR and how to effectively respond to a potential life-threatening situation while at sea. In 2022 alone, a total of 9 training sessions were conducted for more than 690 fishers across almost 60 vessels.



#### Seafood Task Force Code of Conduct and Health & Safety Training for Shrimp Farms

We have been a member of the Seafood Task Force (STF) – an industry-led coalition tackling human rights and environmental issues in Thai seafood industry. Since 2022, we have nominated shrimp farm owners in our supply chain to participate in STF Code of Conduct and Health & Safety trainings designed to drive good labor practices within the farms.

# Pillar 4

## DETECT

*Thai Union implements measures to identify actual human rights violations and to identify non-compliance with laws, regulations, or global best practices that could potentially lead to increased risks of violation in both our operations and value chains.*

### Examples



#### Vessel Audits

We started to implement our Fishing Vessel Improvement Program and Vessel Code of Conduct (VCoC) to provide guidance to fishing vessels in our supply chain as well as improve labor and ethical performance in the fishing industry. The third-party audits against the VCoC began in 2018 for Thai fleets and global tuna fleets. In 2022, we contracted MRAG Ltd. Consultants to conduct the first social audits at sea. This [blog](#) outlines the project. The at-sea audits focused on health and safety and general working conditions. The auditor was placed on board a carrier vessel and audited vessels during transshipments.



#### Social Audits of Thai Union's Factories

Our facilities are subject to internal audits as well as world recognized external verifications and audits by third-party certification bodies working to promote standard labor practices. These include the Ethical Trading Initiative (ETI) Base Code; Amfori BSCI; SMETA. Our internal audit program covers social audits of Thailand-based subsidiaries against our Business Ethics and Labor Code of Conduct.



#### Trialling Independent Worker Survey

To complement social audit, in 2023 we will trial independent worker surveys for workers in our operation and on fishing vessels in our supply chain in collaboration with CSOs and technology providers. The survey results will allow TU to deepen our understanding of labor risks such as forced labor risks, unethical recruitment risk as well as other concerns related to welfare and working conditions.



#### Welfare Committee

In Thailand, all of our factories have established welfare committees whose role is to provide consultations and opinions about welfare issues. Starting in 2016, the Migrant Workers Rights Network (MWRN) worked with Thai Union to promote and support the election of migrant workers to the committee. To share our learning and experience, we published a short [case study](#) on our welfare committee approach.



# Pillar 5

## REMEDY

*Thai Union provides remedies or facilitates access to remedies to affected rights holders in the case where we cause, contribute to, or are linked to adverse human rights impacts.*

### Examples



#### Establishing a Remediation Guideline and Non-Reprisal Policy through “Tell Us” Project

In collaboration with an NGO partner, in 2019 we began “Tell Us” Project to strengthen internal worker voice mechanisms in five of our key processing facilities in Thailand. As a result of this project, we issued a global Non-Reprisal Policy, guidelines to classify and rate severity of workers’ complaints, and finally a guideline for determining appropriate remedial actions.



#### Protecting pre-processing workers

In 2016, over 1,000 former employees from external pre-processing facilities have been employed to work in Thai Union factories in Thailand. We ended all relationships with external pre-processing facilities so we have full oversight of all processing stages in the supply chain.



#### Promoting Children’s Right to Education through Preschools

In Thailand, many migrant workers’ children have limited access to education due to language barriers and insufficient knowledge about the Thai school system – depriving them of the right to education. In collaboration with Labor Promotion Network (LPN), we opened five preschools in Samut Sakhon, Thailand to help prepare the children of migrant workers for the Thai education system. In 2022 alone, 297 migrant children entered the preschools.



#### Piloting Parent Training

In Thailand, both Thai and migrant workers are often parents and live apart from their children due to geographical, economic, and social barriers in relocating their children. Living apart from their children could have negative impact on the well-being of parents and their children. Parents become stressed and feel guilty as a result of separation from their children. To help mitigate such negative impacts, Thai Union piloted parent training in collaboration with a child psychologist and children rights expert organization to develop skills and capability on remote parenting and effective remote communication with their children.

# Pillar 6

## CONTINUOUS MONITORING & DISCLOSURE

*Thai Union strives to measure and disclose progress of its human rights' due diligence activities and their impact to ensure that we achieve the intended outcome.*

Examples of Disclosed Areas of Improvement identified from fishing vessel audits

### KEY ACTIONS FOR IMPROVEMENT

We wanted to use this reporting opportunity to share some key actions that can be taken in fisheries to improve fisher working conditions and welfare based on our work. Generally speaking, the biggest impacts have been seen by completing engagement with suppliers and crew; improving administrative processes, updating policies and procedures, completing training to educate and empower crew, implement management systems to record, report and maintain items of importance to crew welfare and working conditions.

The following table suggests actions which are likely to be a priority and that can be taken to reduce the likelihood of the most frequently found areas for improvement to meet the VCoC requirements.

#### 1 Business is conducted lawfully and with integrity

A processor can put processes in place at the procurement stage of business to ensure that they are dealing with a legitimate business and that the catch was caught according to legal requirements and is traceable.

#### 2 Work is freely agreed and with documented terms of employment, legally compliant

The content of worker contracts should be compared to the required list and then if required, a new contract drafted and implemented. Ensuring that the information meets legal requirements and all aspects concerning pay, benefits, repatriation etc. Record keeping of resignations and terminations should be maintained. Policies and procedures need to be implemented to make sure that there are no recruitment or hiring related fees being charged to crew - agreements in place with recruitment agencies should be reviewed and amended to meet best practices.

#### 3 Workers are treated equally, with respect & dignity

Policies, procedures and training need to be in place to ensure that there is no discrimination on board and that best practices are understood.

#### 4 Work is conducted voluntarily with no forced or compulsory labor

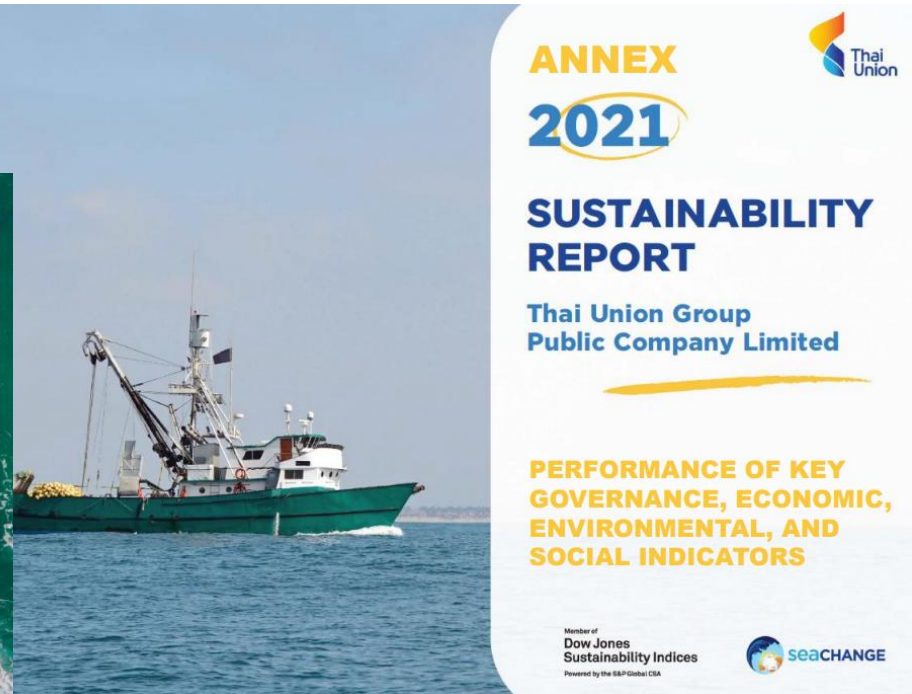
Two factors influence the risk of the vessel having an AFI raised: the duration of the trips and distance of the crew from home. AFIs resulted if: deposits were charged to the crew; if the auditor did not understand all of the details; if there was differences between the contract or between different contracts for the same fisher; if there was not a clear process for resignation.

#### 5 Workers are of an appropriate age

A procedure for verifying the age of the crew is required.

#### 6 Workers are paid fair wages

Payroll processes should be clear and easy for the crew to understand. Pay slips must be issued which contain information that shows the crew are paid what has been agreed, and be clear about any deductions that are made.



Thai Union's Sustainability Report is in alignment with GRI Standards (2021), Food Processing Supplement Sector, GRI 13 Agriculture Aquaculture and Fishing Sectors, and the UN Global Compact Communication on Progress.



## Operating Principle 1

### GOOD GOVERNANCE

*Robust leadership, policies and processes to ensure our business is focused on delivering human rights related objectives.*

#### Board of Directors

##### Global Leadership Team (GLT)

Group Director of Sustainability is a member of the GLT and reports to the GLT on sustainability issues and progress.

##### Risk Management Committee

Group Director of Sustainability is a member of the committee and updates quarterly on key sustainability risks and tracking progress.

##### Sustainable Development (SD) Committee

A committee comprising team members across functions and locations, chaired by the CEO

##### Global Environmental, Health, and Safety Committee

A committee comprised of representatives from Thai Union's plants around the world to address key environment, health and safety issues

More information about sustainability governance can be found in our Annual Report available for download at [www.thaiunion.com](http://www.thaiunion.com).

## Operating Principle 2

### TRANSPARENCY

*Regular public disclosure and experience sharing on our human rights performance through Thai Union's Annual Report, Sustainability Report, Webpages, Public forums, and other channels*



Prad Kerdpairoj, Asia Regional Director of Sustainability at Thai Union, shared TU's experience in addressing modern slavery in the company's own operations and supply chain at the launch of 2023 Global Slavery Index – June, 2023



#### Main Reports on Human Rights

- Thai Union's UK Modern Slavery Act Transparency Statement
- Annual Sustainability Report

....and more on SeaChange®



## Operating Principle 3

## PARTNERSHIPS & COLLABORATIONS

*Collaboration with NGOs, labor unions, governments, and industry partners to implement & continuously improve our human rights due diligence activities*



**Global Compact**  
Network Thailand

For more information on Thai Union's SeaChange® 2030 Strategy,  
please visit: <https://www.seachangesustainability.org/>

## REVIEW SEACHANGE®

SeaChange® is designed to deliver real and lasting changes in the way that we operate and in the wider Thai and global fishing industries.

EXPLORE MORE



[www.seachangesustainability.org](https://www.seachangesustainability.org)