

# Moving Beyond CSR: Addressing Modern Slavery through a Human Rights Due Diligence Framework

**Darian McBain**

Global Director, Corporate Affairs and Sustainability  
GOAL, Chennai, 2019

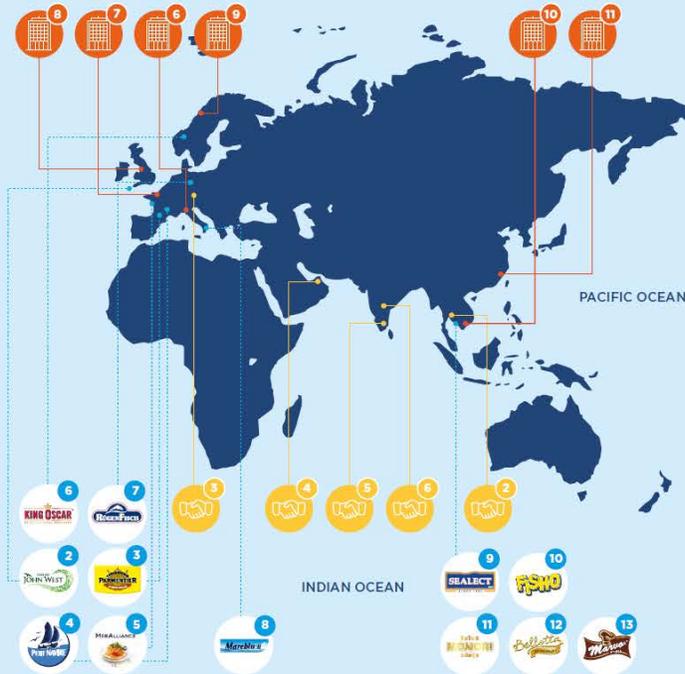


# Who is Thai Union?



## THAI UNION'S FOOTPRINT

Brands / Corporate office / Sales / Key joint venture and associated companies



Brands



Corporate office / sales



Strategic Partnership/  
Key joint venture

### LEGEND

#### Consumer Brands

- 1 Chicken of the Sea, USA
- 2 John West, UK
- 3 Parmentier, France
- 4 Petit Navire, France
- 5 MerAlliance, France
- 6 King Oscar, Norway
- 7 Rügen Fisch, Germany
- 8 Mareblu, Italy
- 9 SEAELECT, Thailand
- 10 FISHO, Thailand
- 11 Monori, Thailand
- 12 Bellotta, Thailand
- 13 Marvo, Thailand
- 14 US Pet, USA

#### Corporate office / Sales

- 1 El Segundo, CA, USA
- 2 San Diego, CA, USA
- 3 Lake Success, NY, USA
- 4 Portsmouth, NA, USA
- 5 Shediac, Canada
- 6 Milan, Italy
- 7 Paris, France
- 8 Liverpool, UK
- 9 Svolvær, Norway
- 10 Bangkok, Thailand
- 11 Shanghai, China

#### Strategic Partnership/ Key joint venture

- 1 Red Lobster, USA
- 2 Thammachart Seafood, Thailand
- 3 TUMD Luxembourg, S.a.r.l., Luxembourg
- 4 Seafood International Two FZCO, UAE
- 5 Avanti Frozen Food, India
- 6 Avanti Feeds Ltd., India

Thai Union is a seafood processor, and has production facilities in 17 locations globally including US, UK, Thailand, Germany, France, Seychelles, Portugal, Ghana.

# Sometimes the worst case scenarios happen

Active NGOs

Angry Customers

International Media

EU IUU Yellow Card

US Law Suits on Forced Labor

US Trafficking in  
Persons Report

Government in  
transition

Greenpeace  
Global Campaign





# The New York Times

# theguardian



## Slavery and trafficking continue in Thai fishing industry, claim activists

Environmental Justice Foundation says abuses in Thai seafood sector persist despite government insistence that new legal measures are working





# seachange

## OUR OVERARCHING OBJECTIVES

Sustainable seas,  
now and for future  
generations

Workers are safe,  
legally employed  
and empowered

Legal and licenced  
vessels, operating  
responsibly

## OUR PROGRAMS



### SAFE AND LEGAL LABOR

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

[Fair Labor Goals and Roadmap](#)



### RESPONSIBLE SOURCING

Traceability is the key to improving the transparency and operational practices of the entire seafood supply chain.

[Responsible Sourcing Goals and Roadmap](#)



### RESPONSIBLE OPERATIONS

The way we operate must be environmentally responsible and show a duty of care for our workers.

[Responsible Operations Goals and Roadmap](#)



### PEOPLE AND COMMUNITIES

At Thai Union we take responsibility for improving the lives of those living and working in the regions in which we operate.

[People and Communities Goals and Roadmap](#)

SeaChange® is an integrated plan of initiatives, organized into four programs, to drive meaningful improvements across the entire global seafood industry.

## OUR OPERATING PRINCIPLES

### Good Governance

Robust leadership, policies and processes ensure our business is focused on delivering our sustainability objectives and is ethical across all our operations.

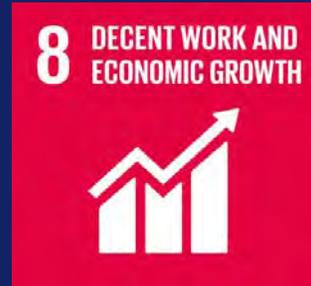
### Transparency

We will remain transparent in all communications with stakeholders, customers and the industry, sharing our learnings and providing regular updates on our progress.

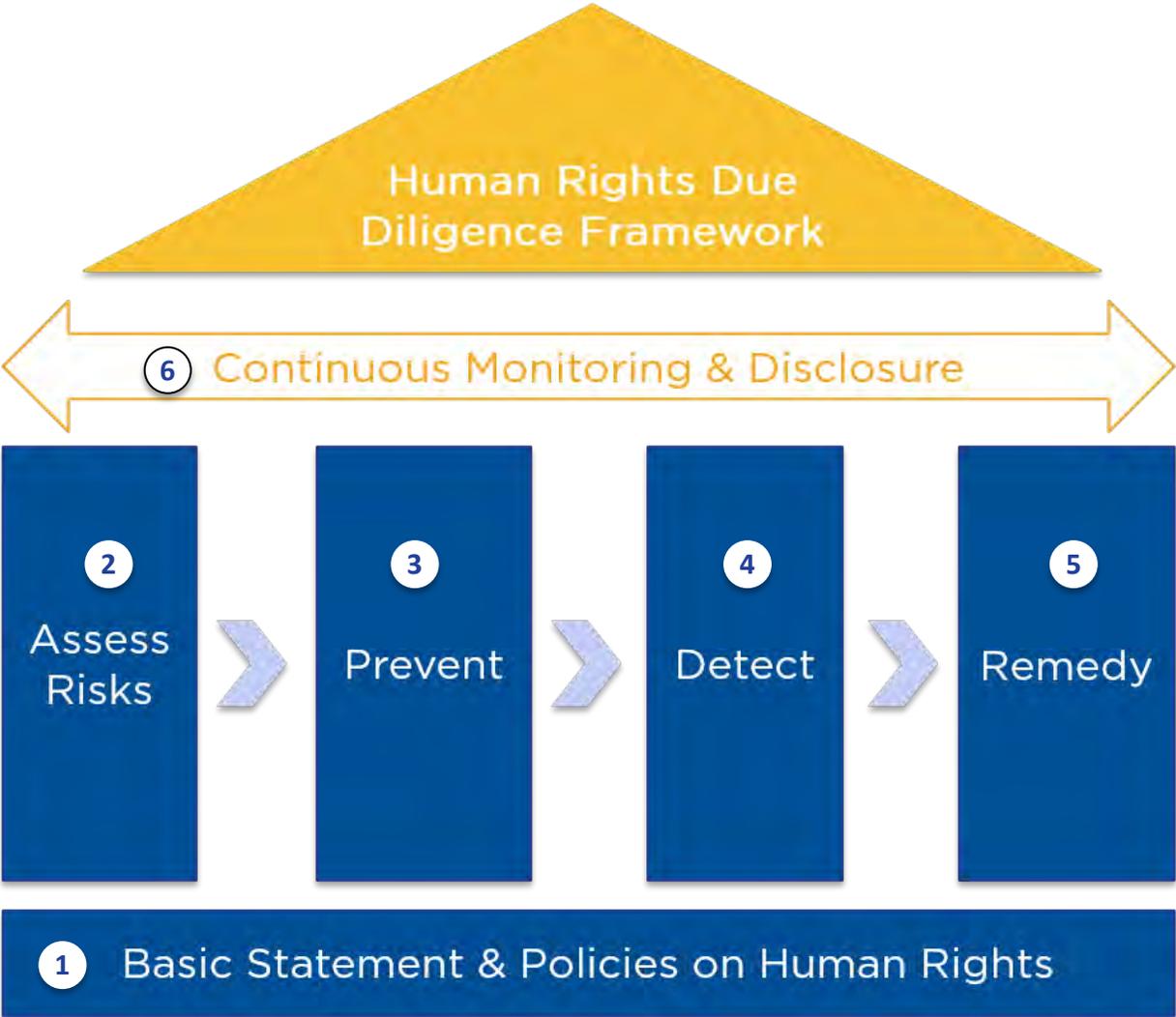
### Partnerships and Collaboration

We have and will continue to actively seek out NGOs, governments and industry partners to work with us on initiatives designed to deliver against our overarching objectives. We will continue to share our findings so the entire industry can benefit from our experience and findings.

**SeaChange® will also help deliver against three of the UN Sustainability Development Goals for People, Planet and Prosperity:**



# Component of the Framework – Brief Description of Six Pillars



- 1 Fundamental commitment, strategy, targets, and policies on human rights
- 2 Assessment of actual and potential human rights risks in our operations and value chains
- 3 Prevention or minimization of human rights violations risk in our operations and value chains
- 4 Detection of actual human rights violations in our operations and value chains
- 5 Provision or facilitating access to remedies for affected right holders
- 6 Tracking and disclosing progress and effectiveness of due diligence activities

# Pillar 1

## BASIC STATEMENT & POLICIES ON HUMAN RIGHTS

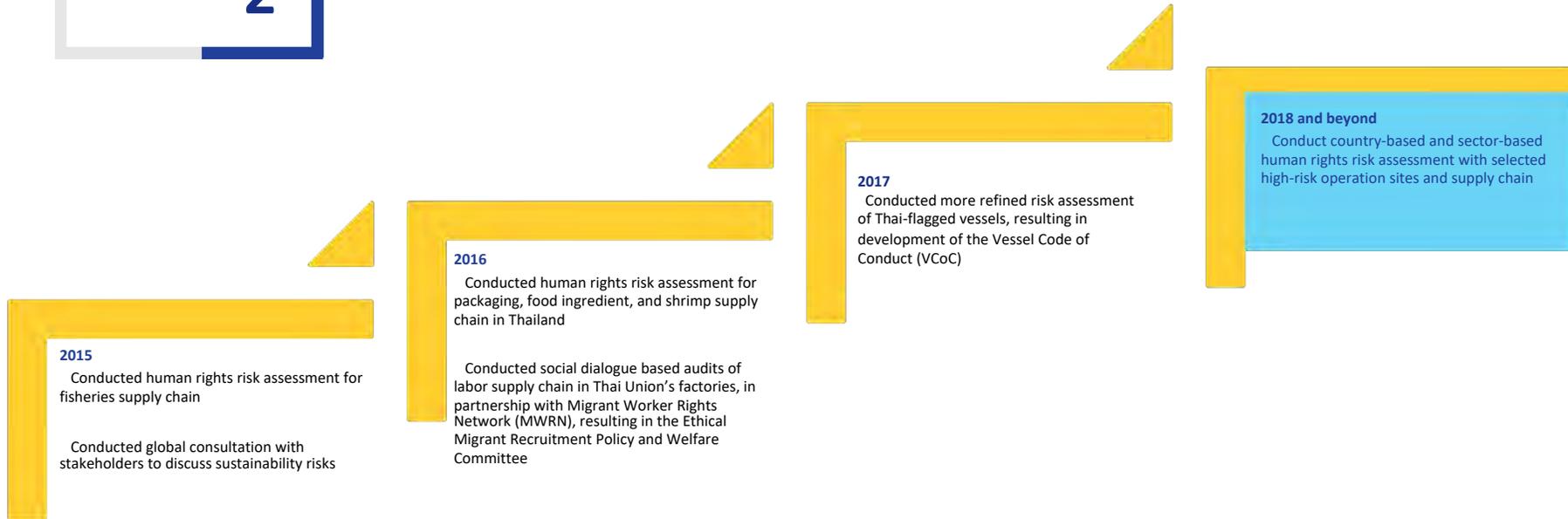
*Thai Union's fundamental commitment on human rights and the belief in our unique roles in addressing human rights issues within our company, value chains, and the global seafood industry.*



# 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



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 condition
- 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



#### Vertical Integration to protect human rights in the supply chain

In January 2016, all shrimp pre-processing was moved in-house at Thai Union. This was done working with the local industry, and local NGO MWRN to provide oversight for the workers. Over 1000 workers were moved in-house and provided with safe and legal employment at Thai Union.



#### Ethical Migrant Recruitment Policy

In April 2016, Thai Union issued an Ethical Migrant Recruitment Policy that covers all aspects of recruitment and hiring migrant labor throughout Thai Union. The Policy aims to reduce risk of abuse or extortion by agents in the recruitment process, and ensure all workers are legally employed.



#### Supplier Education and Training

We have an extensive program to train suppliers, both on land and at sea, about our Codes of Conduct as well as on issues identified. We have run training programs on using Automatic Teller Machines for Electronic Payments, basic fire safety, basic first aid, the meaning of C188 to fishers, and rights to contracts. Our training has shown that practical is best for impact.



#### Ensuring our employees know their rights

Since 2014 migrant workers in our Thai facilities have received formal training on Thai labor and social welfare regulations in collaboration with Labour Promotion Network (LPN) Foundation. We are also rolling out in-house Code of Conduct (CoC) training for all employees.

# Pillar 4

## DETECT

*Thai Union implements policies and measures to identify actual and potential violation of human rights in both our operations and value chains. Examples are social audits and amplification of workers' voice.*

### Examples



#### Vessel Code of Conduct Audits

We have conducted both internal and external audit of our suppliers across different supply chains, to identify non-compliance with our Vessel Code of Conduct and relevant labor laws & regulations. The focus of audits is to identify breaches and challenges, and establish vessel improvement programs.



#### 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.



#### Providing workers with a voice

Since 2014 we have been partnering with the Issara Institute to improve the conditions for workers in Thailand. In 2015 we worked together to provide workers with access to Issara's independent worker helpline – available in five languages – in our factories and ports in our supply chain.



#### Welfare Committee

In Thailand, all of our factories have established welfare committee whose role is to provide consultations and opinions about welfare issues. Starting in 2016, Migrant Workers Rights Network (MWRN) worked with Thai Union to promote and support our migrant workers' election into the Committee.

# Pillar 5

## REMEDY

*Thai Union provides remedies or facilitate access to remedies to affected right holders within our operations or value chains.*

### Examples



#### Enforcement of remedies through internal audit mechanism

In Thailand, we annually conduct internal audit of our factories against the CoC and Thai labor law. We strictly enforce remedial action plans where cases of labor right impacts are found.



#### 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.



#### Supporting Human Rights Defender

We supported Human Rights Defender Mr. Andy Hall through collaborative work, financially supporting legal case, and with statements at court cases hearing.



#### Helping victims of human trafficking

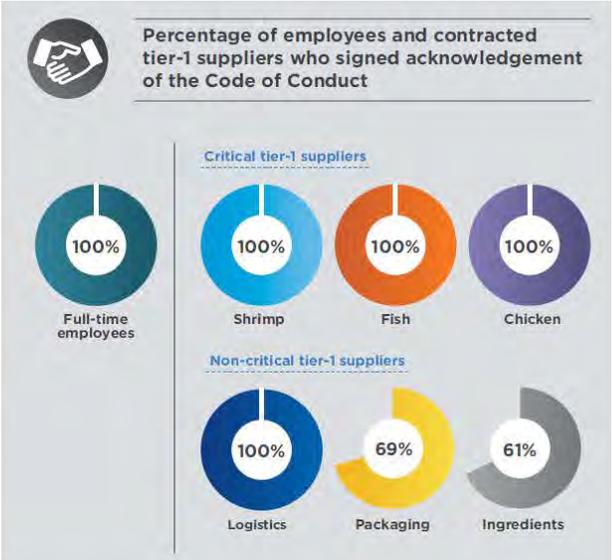
In 2015, we initiated a pilot program with LPN to deliver counselling, medical assistance, temporary food and shelter, and to provide legal aid to repatriated men who had been victims of human trafficking.

# 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 intended outcome.*

Examples of Disclosed Indicators



**HUMANITY UNITED**      **THE FREEDOM FUND**

**In 2018, with support from Humanity United and the Freedom Fund, an independent evaluation of Thai Union’s Ethical Migrant Recruitment Policy was conducted to document our experience and assess its impact.**

Thai Union’s Sustainability Report is in alignment with GRI Guidelines and the UN Global Compact Communication on Progress.





## GOOD GOVERNANCE

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

Board of Directors

Global Leadership Team (GLT)

Global Director of Corporate Affairs and Sustainability (CA&S) is a member of the GLT and reports to the GLT on sustainability issues and progress. The GLT reports to the Board.

Risk Management Committee

Global Director of CA&S is a member of the committee and updates quarterly on key sustainability risks and tracking progress

Global Sustainability Committee

A committee comprising team members across functions and locations, chaired by the Global Director CA&S.

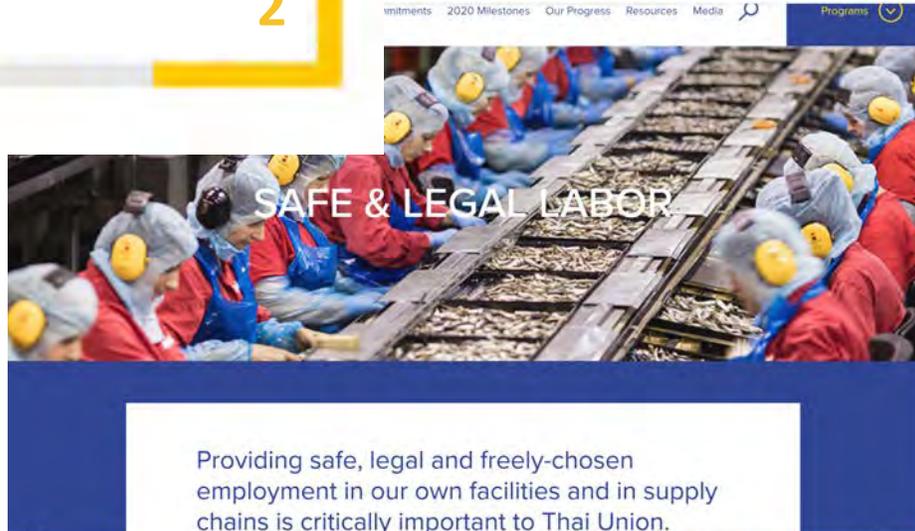
Global Environmental, Health, and Safety Committee

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

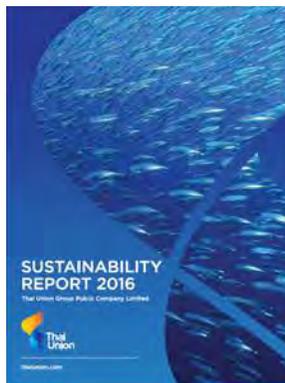
## Operating Principle 2

### TRANSPARENCY

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



- Main Communications on Human Rights
- Websites – Thai Union and SeaChange
  - UK Modern Slavery Act Statement
  - California Transparency in Supply Chain Statement
  - Annual Sustainability Reports
  - Safe and Legal Labor Update
  - Public Speaking and Opinion Pieces



# Operating Principle 3

## PARTNERSHIPS & COLLABORATIONS

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



# Advocacy on Human Rights, Modern Slavery and Responsible Recruitment



Shortlisted for the Stop Slavery Award in 2016, and Highly Commended in 2018.

Winner, Freedom Award, Anti-Slavery Australia in 2019

Addressed world leaders on combatting modern slavery at the 2018 United Nations General Assembly in NY for response on UK Modern Slavery Act.

Participant in the Bali Process Government and Business Forum.

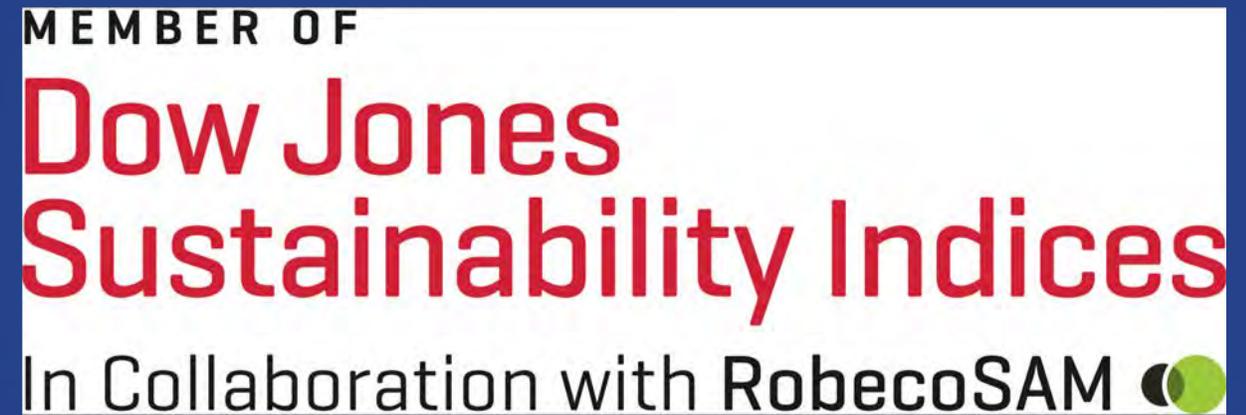


# No. 1 in Food Products Industry in DJSI in 2018 and 2019

Industry best-in-class 100th percentile ranking for total sustainability score driven by SeaChange®

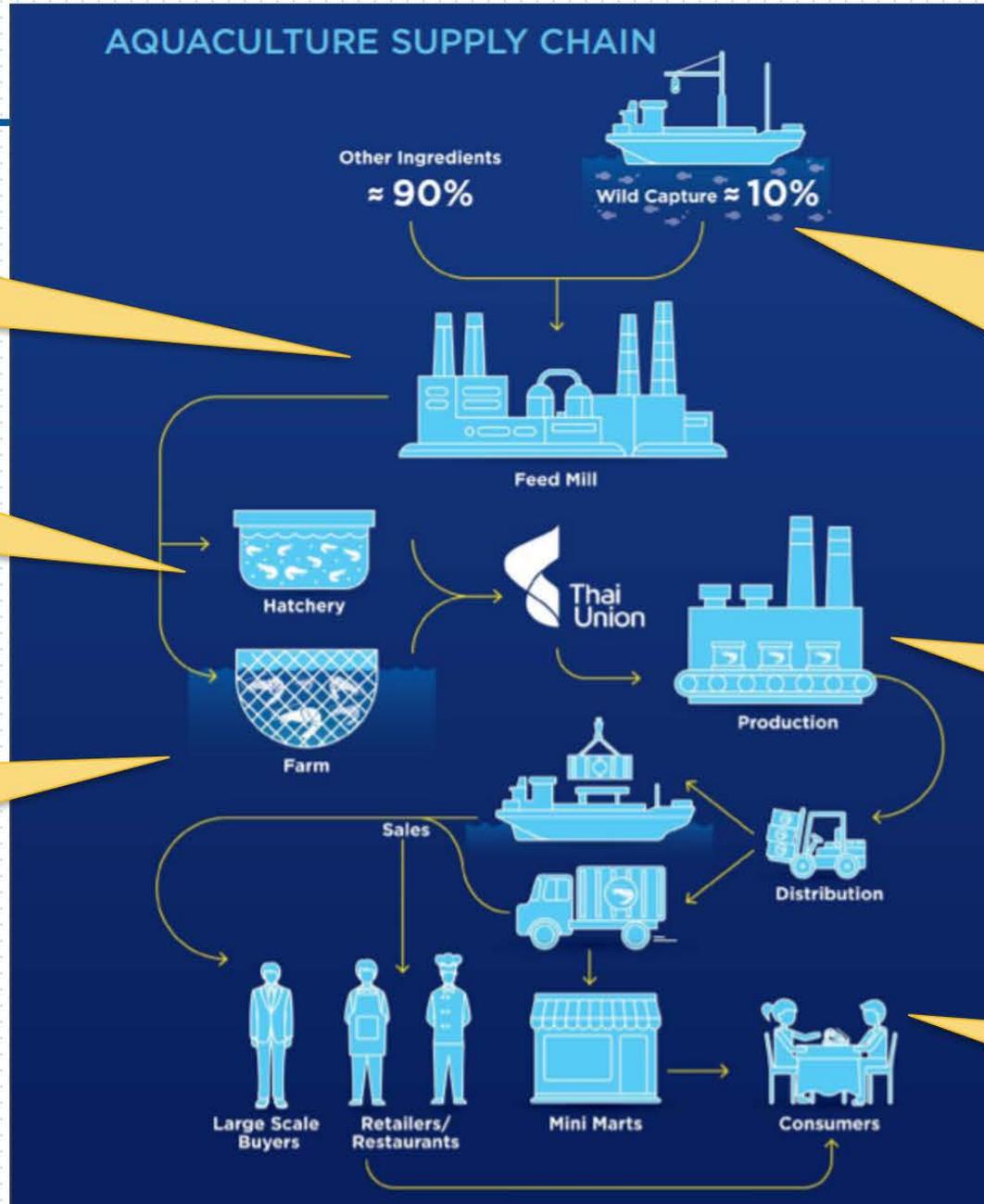
Industry best-in-class 100th percentile rankings for:

- Codes of Business Conduct
- Materiality, Health and Nutrition
- Human Rights
- Supply Chain Management
- Risk and Crisis Management
- Packaging
- Water-Related Risks
- Genetically-Modified Organisms
- Talent Attraction and Retention



If you want to know more, visit <https://youtu.be/vUU86SCABEo>

# TU Shrimp Supply Chain





# Thai Union Feedmills - Our Action Plan

Where we have control	Introduce <b>'wild caught fish free'</b> product range	<b>Achieved</b>
	Overall consumption of fishmeal; as sustainable sourcing 100%	<b>Achieved Early 2016</b>
	Introduce <b>'zero fishmeal product range'</b>	<b>End 2020</b>
Where we can influence	Work with fishmeal suppliers to have full traceability for non-IUU practice	<b>Mid 2014</b>
	Work with fishmeal suppliers to have human rights and non-IUU policy	<b>Mid 2014</b>
Where can we cooperate	Support Fisheries Improvement Project	Ongoing with IFFO RS
	Contribute through TFFA / TFPA on various governmental initiatives, eg. Good Labor Practice in Fisheries	<b>Ongoing</b>



# The future of shrimp feed



**CALYSTA**  
— MORE FROM LESS —



## FeedKind protein: Enabling Traceability

Calysta and Thai Union have collaborated to introduce the first commercially harvested shrimp fed FeedKind® protein. The shrimp are 4-star BAP certified using Thai Union's integrated supply chain. Calysta is helping Thai Union make more from less.

Traceability underpins sustainability initiatives, ensuring shrimp feeds, production practices, and processing are conducted to Thai Union's social and environmental standards as laid out in their sustainability strategy SeaChange®. Traceability has traditionally depended on paperwork and label tracking. For the first time, FeedKind adds the ability to measure the shrimp directly and validate it was fed the targeted ingredient. When combined with existing traceability methods, FeedKind can provide further assurance against seafood fraud and the sourcing of fishmeal from unsustainable sources.

FeedKind protein is a single cell protein produced by fermenting natural gas, an abundant source of energy. It is a safe, nutritious, and price competitive protein alternative. FeedKind protein has been proven to be an effective feed ingredient in many aquaculture species including salmon, trout, and shrimp.



## How it works

All feed ingredients, whether fishmeal, soybeans, or wheat, bring along unique signatures embedded in their basic elemental building blocks of carbon and nitrogen. FeedKind protein's unique carbon and nitrogen ratios and patented production process allow Calysta to trace its products through the supply chain all the way to the consumer. Its use in feed or seafood products can be quickly identified with a simple laboratory test.

Shrimp Traceability Analysis using Carbon Ratio



- Shrimp fed FeedKind
- Shrimp fed Fishmeal



### FeedKind in shrimp feed

- Reduces marine ingredients and forage fish dependency ratios
- Improves environmental impact - no agricultural land and little water use
- Is additive to the food chain, improving food security
- Contains no anti-nutritional factors
- Improves supply chain resiliency



# MEDIA

## COVERAGE HIGHLIGHTS

# AP

# The Grocer

# YAHOO! FINANCE

# The Fish Site

# edie



### Thai Union rolls out first use of Feedkind sustainable shrimp feed

By Keris White | 8 May 2019



MOST POPULAR MOST COMMENTED



### A gas-tronomical experience

FEED INGREDIENTS NUTRITION

by The Fish Site  
8 May 2019, at 3:40p.m.

Delegates at Seafood Expo Global today are being given the chance to taste shrimp fed on diets containing protein produced from natural gas.

### Calysta and Thai Union Offer World First Taste of Commercial Shrimp Fed FeedKind Protein

Business Wire May 6, 2019

MENLO PARK, Calif.-(BUSINESS WIRE)-

-- Traceable protein welcomed as new tool to help validate integrity of supply chain --

Leading alternative protein producer Calysta has joined forces with seafood giant Thai Union Group PCL to offer the world its first taste of commercially farmed shrimp fed with protein produced from natural gas.

Delegates at Seafood Expo Global in Brussels will today be offered pan-fried shrimp fed Calysta's innovative and sustainable FeedKind® protein, which contains a unique carbon signature that can help the food industry provide traceability and integrity to its supply chain.

# AP

Top Stories Topics Video

PRESS RELEASE: Paid content from Business Wire

### Calysta and Thai Union Offer World First Taste of Commercial Shrimp Fed FeedKind Protein

43 minutes ago



### Calysta shows off shrimp fed on natural gas protein

Partner Thai Union highlights benefits of avoiding use of fishmeal in Calysta feed.

### Tesla's extended range EVs and off-grid treehouses: The best green innovations of the week

10 May 2019, source [edie newsroom](#)

Every week, numerous eye-catching and potentially transformational innovations are being developed to help businesses and nations turn their green ambitions into actions. Here, we round up six of the best.

# 15,054,000+ OPPORTUNITIES TO SEE

6 May – 23 May 2019



**And finally, remember why you are doing this. Take a worker centric approach.**



# Thank you

Dr Darian McBain  
Global Director of Corporate Affairs and Sustainability  
Thai Union  
E: [Darian.McBain@thaiunion.com](mailto:Darian.McBain@thaiunion.com)  
M: +66 6 14033901

## REVIEW SEACHANGE<sup>®</sup>

SeaChange<sup>®</sup> 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](http://www.seachangesustainability.org)

