

Thai Union Group:

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Ethical Migrant Recruitment Policy

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Approved by: Mr. Thiraphong Chansiri and Mr. Chan Shue Chung

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Thai Union is committed to conducting business with integrity, openness, and respect for universal human rights. These are expressed in the International Bill of Human Rights and the principles concerning fundamental rights, set out in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. We do not tolerate child labor, human trafficking and any forms of forced labor.

The company promotes equal opportunities; non-discrimination standards on the basis of caste, national origin, ethnicity, religion, age, disability, gender, marital status, sexual orientation, union membership, political affiliation, health, or pregnancy and seeks to ensure consistent practices throughout Thai Union and its subsidiaries.

Our recruitment and hiring processes must meet our obligations under the UN Global Compact, the United Nations Guiding Principles on Business and Human Rights, and our own Business Ethics and Labor Code of Conduct. With appropriate operational controls in place, we can ensure workers are hired with practices that comply with the law and conform to international standards on discrimination, any forms of forced labor (debt-bondage, indentured and prison labor), child labor (younger than the legal minimum age), human trafficking and other social responsibility risks.

Thai Union's Ethical Migrant Recruitment Policy was first released in April 2016 and was subsequently updated in January 2021. This version of the Policy, effective from January 1, 2022, represents the third update, following our announced commitment to implement the "Employer Pays Principle" https://www.thaiunion.com/files/download/sustainability/policy/tu-commitment-to-implementemployer.pdf

Objectives

The objective of this policy is to provide a set of principles to ensure that recruitment and hiring are managed consistently, professionally, fairly and transparently. The policy aims to ensure the safe migration and reduce the potential vulnerability of migrant workers to labor exploitation, including the worst forms of child labor and human trafficking, and that the integrity of Thai Union is upheld. The policy seeks to comply with the international standard reflecting the Dhaka Principles for Migration with Dignity and the Employer Pays Principle to ensure that no worker should pay for a job.

Scope

This policy covers all aspects of new recruitment and hiring for migrant labor throughout Thai Union and its subsidiaries in Thailand. The term recruitment as applicable to migrant workers and migrant jobseekers who have applied for a job according to the period of TU's announcement for the open opportunity.

Migrant Labor & Supplier Approval Process

Migrant workers must only be sourced from formally approved or registered/licensed third party suppliers (recruitment agency) or through direct application by workers to Thai Union. Wherever possible, or to whatever extent desirable, however, Thai Union and its subsidiaries will recruit workers directly without using a third-party supplier.

Where Thai Union or its relevant subsidiary has a preferred supplier agreement in place for the provision of migrant labor, all labor must be sourced via these third-party providers.

Where local agreements preclude the use of agency labor, these arrangements will be respected until they can be renegotiated or come to an end.

No supplier shall be utilized until it has signed and acknowledged that it will comply with Thai Union's Supplier Business Ethics and Labor Code of Conduct, this Ethical Migrant Recruitment Policy itself, and a service level agreement with Thai Union. Furthermore, no supplier can be utilized until it has been audited by Thai Union staff against our Code of Conduct (and other requirements, as relevant). Auditing and monitoring by Thai Union and/or our NGO partners will be an ongoing process to ensure continued compliance with our Code of Conduct and implementation of fair and legal practices and encourage continuous improvement of services.

The selected/approved suppliers should disclose and continue to share as updated or adjusted all charges and terms of business to Thai Union and its subsidiaries, ensuring transparency about the costs, i.e. costs associated with documentation and the recruitment service fees, and must have in place a policy and procedure to ensure that their staff or subagents do not charge workers any additional fees beyond those agreed by Thai Union and its subsidiaries.

The selected/approved suppliers must also conduct due diligence monitoring of any subagents utilized to ensure their overall compliance with Thai Union's Supplier Code of Conduct, this Ethical Migrant Recruitment Policy, and the Service Level Agreement with Thai Union.

Procedures for recruiting workers

- Thai Union or its relevant subsidiary informs the approved recruitment agency of the job-related information, general conditions of work and remuneration as well as specific recruitment fees and related costs to be responsible by Thai Union or its subsidiary. Then the recruitment agency clearly informs the jobseekers.
- The recruitment agency interviews the applicants for pre-selection according to advised and agreed upon recruitment criteria or other requirements determined by Thai Union or its subsidiaries.
- Pre-selected candidates' applications are filed and skill-tested and then short-listed.
- The applications of short-listed candidates are shown to Thai Union or its relevant subsidiary for final selection.
- Recruitment agencies must ensure that selected workers are informed in their own language (or a language understood by the worker, consistent across all applicable languages used) and clearly understand and freely accept the terms and conditions of employment prior to recruitment. The selected candidates are shown and asked to sign the employment contract.
- Workers must be provided with copies of all relevant employment contracts in all applicable languages.
- Pre-departure training will be provided to the successful candidates. The training will cover the
 terms and conditions of employment, repatriation, culture, safety, complaint mechanisms,
 relevant laws for working and living in Thailand, etc.
- Thai Union or its relevant subsidiary, and the approved recruitment agencies, shall coordinate
 with immigration and other authorities concerned to ensure that applicants who have been
 selected by employers have fulfilled the following requirements:
 - Visas or other forms of entry or departure permission
 - ➤ Work permits or origin country labor cards
 - ➤ Health Certificate, Insurances, and any health services
 - > Any other required regulation for the work permit

Walk-in jobseekers applying for employment opportunities at Thai Union premises, in relation to job opening announcements

- Thai Union or its relevant subsidiary clearly informs the applicants about the job information, general conditions of work and remuneration as well as specific recruitment fees and related costs to be responsible by Thai Union or its subsidiary.
- Thai Union or its relevant subsidiary interviews and selects the applicants for employment according to recruitment criteria.
- The selected workers are informed in their own language (or a language understood by the
 workers, consistent across all applicable languages used) and clearly understand and freely
 accept the terms and conditions of employment prior to recruitment. The selected candidates
 are shown and asked to sign the employment contract.

 The employees must be provided with copies of all relevant employment contracts in all applicable languages.

Recruitment Fees and Related Costs

The terms 'recruitment fees' or 'related costs' refer to any fees or costs incurred in the recruitment process in order for workers to secure employment or placement. Thai Union or its relevant subsidiary is considered to pay under the following definitions for new workers, or recruitment of existing workers based on the renewed employment process.

Thai Union or its relevant subsidiary will communicate to jobseekers, workers, recruitment agents, and related parties about the types and amount of recruitment-related fees and costs covered by the company. Jobseekers will be informed in the early stages of recruitment.

Recruitment fees and related costs

- All recruitment fees which are payments for recruitment services offered by labor recruiters, in matching offers of, and applications for, employment, including the following:
 - Contract development or contract signing ceremony costs;
 - Recommendation or approval documents

Accommodation and Travelling Costs

Overseas Recruitment

- Travelling costs from the place of current residence to interview site.
- Travelling and food costs for travelling to and from interview site, hospital (for medical check-up), passport processing facility, pre-departure training venue, contract signing ceremony venue, and to agreed departure point to Thailand.
- Accommodation costs during pre-interview, interview, passport processing and contract signing.
- Accommodation and food during assigned training dates.
- Travelling and food costs to and from origin country appointed departure point (e.g. Myawaddy); to Thailand border and Thai Union or its subsidiary's factories.

Local Recruitment

 Travelling costs from the place of current residence to the interview site and contact signing venue.

<u>Personal Documents for legalizing workers' employment contracts</u>

- Passport application fees including passport, photo and forms
- Labor card or origin country required documents
- Visa costs and visa renewal

- Work permit documents and the renewal fees for every employment extension of 2 years after the initial 2 years recruitment period, including:
 - Work permit fee
 - Other expenses related to the employment extension
- Background checks

Costs for personal documents will be borne by workers in the following circumstances or situations:

- the documents being lost or misplaced
- the documents are not initially required by Thai Union
- the worker already possessing valid aforementioned documents prior to applying for a job at Thai Union

For the above mentioned, Thai Union will not reimburse any costs related to document issuance.

Other Related Costs

- Medical check-up, Health insurance and Vaccine as per required by law
- Uniform, health and safety equipment
- Pre-departure training costs

For any recruitment fees and related costs which are not initially paid in full by Thai Union or subsidiaries (e.g. travelling costs from the place of current residence to the interview site), jobseekers and employees will be reimbursed within 30 days of the costs being incurred. However, Thai Union and its relevant subsidiary(s) will reimburse those costs based on employee protection and fee minimization in mind.

Monitoring Compliance & Access to Remedy

Recruitment agencies shall authorize Thai Union and its designated agents to engage in monitoring activities to confirm compliance with this Policy, including through announced or unannounced audits and grievance mechanisms. These mechanisms include internal processes such as human resources support, a confidential helpline and the Worker Welfare Committees. In addition, third party external and independent processes including helplines and investigation of complaints by local NGOs such as the Migrant Workers Rights Network (MWRN) and Issara Institute are also in place and accessible for all employees of Thai Union and its subsidiaries.

Thai Union and its subsidiaries will seek to work with the partner recruitment agencies to resolve non-compliance as the first response to non-compliance, except in the case of significant Policy violation. If remediation is required, the agencies are expected to inform Thai Union and its subsidiaries and implement a corrective, time-bound action plan.

Where workers are negatively impacted from noncompliance to this Policy, they shall be entitled to effective remedies provided or facilitated by Thai Union and/or recruitment agents. Agencies found charging workers illegal and/or irregular fees, either directly or through subagents, beyond those agreed in advance between Thai Union or its subsidiary and the recruitment agency, will be terminated following procedures in place to ensure no negative impact to recruited workers. The recruitment agency shall then also be required to repay all irregular fees to the jobseekers and employees.