



# **SUSTAINABILITY AWARDS 2018**



**Seafresh Industry Public Company Limited**

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# Overview



# Mission: "The Best Shrimp Company"



**Quality Focus**



**Trust in Food Safety**



**Delivery on Time**



**Fully Comply with Law**



**More Attentive to Employees**



**Continuously Develop**



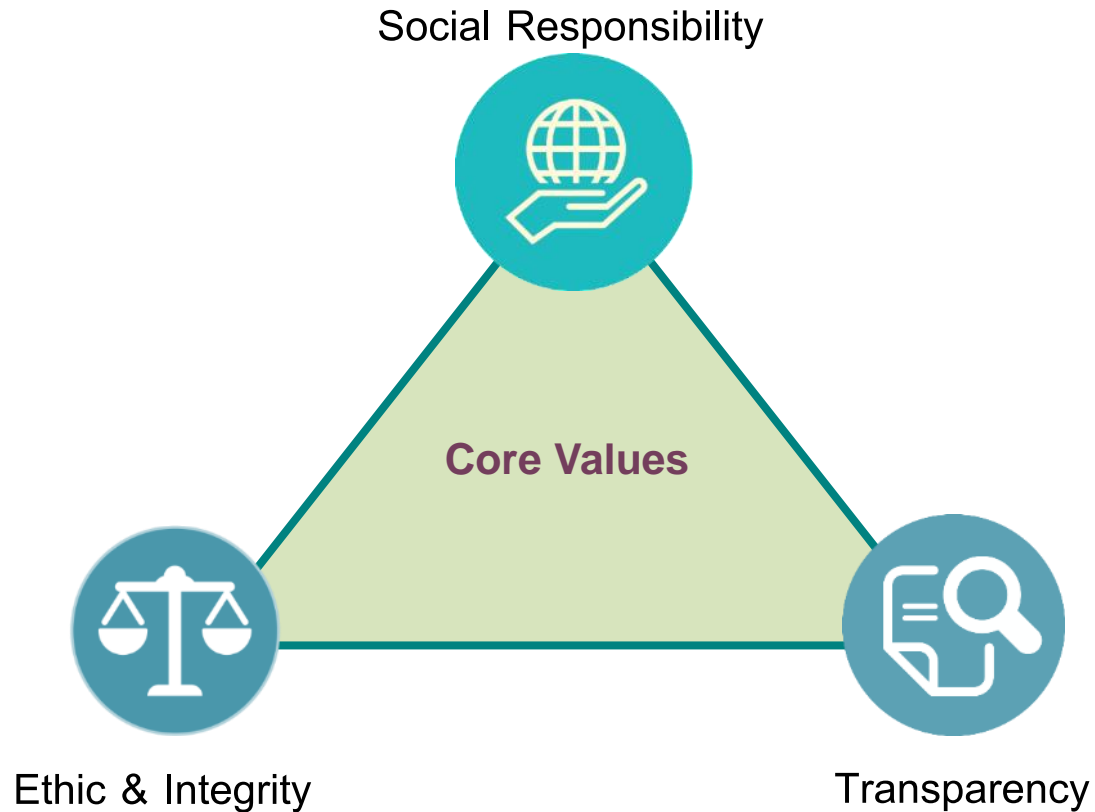
**Non-stop Environment  
Conservation**



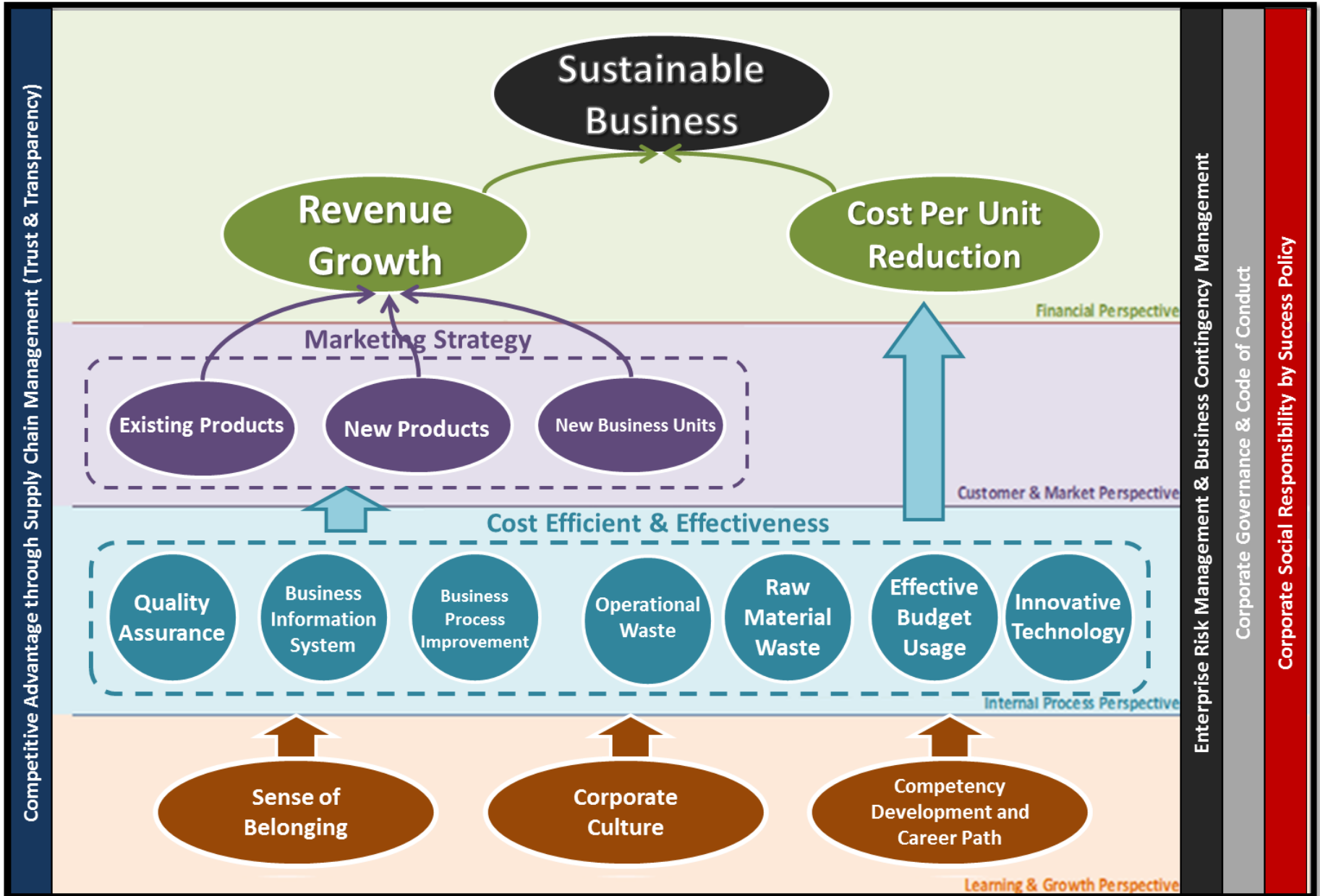
# Vision & Core Values



**Vision:** Sustainable Business Growth Through Core Value Practices



# Strategy Map



# Materiality & Sustainability Strategy



# UN Sustainable Development Goals

Our activities and actions support 7 UN Sustainable Development Goals.

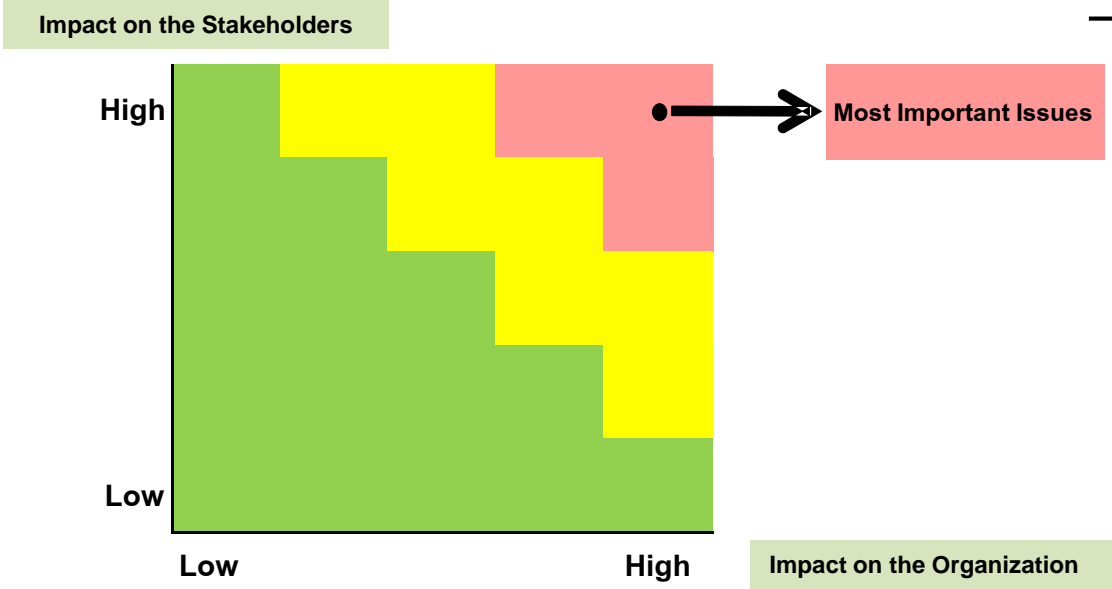






# Material Issues And Strategies

## Most Important Issues Specification



Most Important Issues



Important Issues



Less Important Issues

## Economics

- Product Responsibilities
- Innovation
- Risk Management
- Corporate Governance
- Anti-Corruption

## Environment

- Sustainable Sources
- Energy & Environment Management

## Social

- Human Resource Management
- Social and Community Responsibility

# **Role of Management to Drive Sustainability**



# Roles of Management to Sustainability

Management level	Responsibility
Board of Director	<ul style="list-style-type: none"><li>• Determine the Company's policies and objectives.</li><li>• Appoint sub-committees i.e. Audit Committee, Risk Management Committee, CG Committee, etc. and monitor their performances.</li></ul>
CG Committee	<ul style="list-style-type: none"><li>• Define policy guidelines that are relevant and consistent with the Company's business practices and principles of good corporate governance.</li><li>• Scrutinize, review, and approve the Company's policies by adhering to the principles of good corporate governance.</li><li>• Propose the Company's policies to the Board of Directors for approval.</li><li>• Review the Company's policies at least once a year.</li><li>• Report the Audit Committee on the implementation of good corporate governance policy.</li></ul>
Risk Management Committee	<ul style="list-style-type: none"><li>• Define risk management policies and plans.</li><li>• Supervise, monitor, and follow up the risk management in accordance with the risk management policy and plan.</li><li>• Evaluate and approve risk assessment and response plan.</li><li>• Follow-up risk management implementation, improvement, and development.</li><li>• Report risk management status to the management</li><li>• Communicate with the audit committee on key corporate risks</li></ul>



# Roles of Management to Sustainability

Management level	Responsibility
Top Management	<ul style="list-style-type: none"> <li>• To determine general company's policy in order to coordinate with the board of directors.</li> <li>• To manage company's internal operations and to determine the general Company's management system.</li> <li>• To determine the structure of the company's administration to coordinate with the board of directors.</li> <li>• Plan and set up general company's projects.</li> <li>• To direct, coordinate, monitor, and assign; affiliated unit, position, responsibilities, and delegate authority, in consideration of appropriate and efficiency.</li> </ul>
Director of Sustainability Seafresh Group (Holdings)	<ul style="list-style-type: none"> <li>• Responsible for assuring that aquaculture and fisheries supply chains are in compliance with sustainability and ethical standards.</li> <li>• Involves leading collaborations and activities with partner organizations</li> </ul>
Supply Chain Development Department	<ul style="list-style-type: none"> <li>• Set up Supplier Code of Conduct (COC).</li> <li>• Monitor supplier to comply with supplier COC.</li> <li>• Educate and develop suppliers to achieve international standards for sustainability</li> </ul>



# Roles of Management to Sustainability

Management level	Responsibility
Risk Management Division	<ul style="list-style-type: none"><li>• Develop corporate risk management guidelines and keep them up to date.</li><li>• Ensure that all departments carry out risk assessments, response plans, and corrective actions.</li><li>• Analyze and summarize organizational risk management results in accordance with guidelines established by the Risk Management Committee.</li></ul>
CSR Working Group	<ul style="list-style-type: none"><li>• Communicate to all stakeholders to acknowledge, understanding and realize in social responsibility</li><li>• Visit relevant department in the company to aware the issue afterward give advice and solve issues to comply with CSR standards</li><li>• Encourage to sharing knowledge, successful and experience in CSR between internal and external department</li></ul>

# CG & Anti-Corruption

- The company has continuously organized corporate training courses for employees on “Corporate Culture and Codes of Conduct” by CEOs and executives since 2007.
- Established the CG Committee in 2012.
- Certified as a member of Collective Action Coalition Against Corruption (CAC) on January 22nd, 2016
- Encourage key suppliers to join CAC to promote and expand a transparent business network without monopoly and bribery.



# Training Course by CEO

- How to run a sustainable business
- How to become a super leader and super boss
- Corporate Culture & Code of Conduct





# CG Scoring







สมาคมส่งเสริมการลงทุน  
THAI INVESTORS ASSOCIATION

# AGM 2018

Full Score of corporate governance for annual general  
shareholder meeting

100%

# Internal Process to Sustainability



# Innovation

## Business Process Improvement

### Processes that promote innovation / development

- Emphasize on innovation and commits on enhancing staff capabilities.  
(For example, the company organized training for all managers in the Innovative Thinking Program)
- Encourage employees to continually improve the business processes.  
(In 2017, the company successfully promotes and drives more than 20 new projects.)
- Coordinate with External Institutions to apply innovations into the processes.  
(Ex. Micro-Nano Bubble, Shrimp Disease Test Development )
- Provide sufficient budget for research and development.  
(In 2017, the total R&D cost was 33.33 MB)



# Innovation

**Training : “Creative Thinking & Innovation”** for business in 21<sup>st</sup> century  
by Professor of Science Faculty, Mahidol University





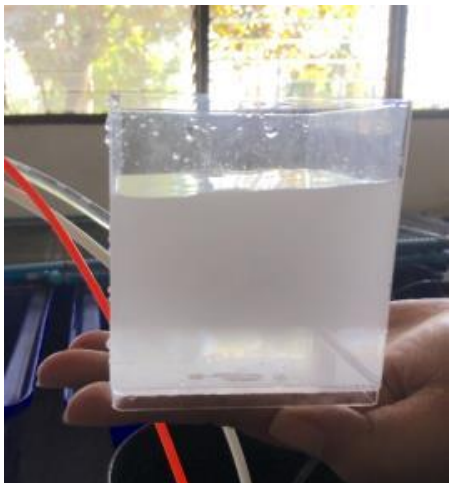
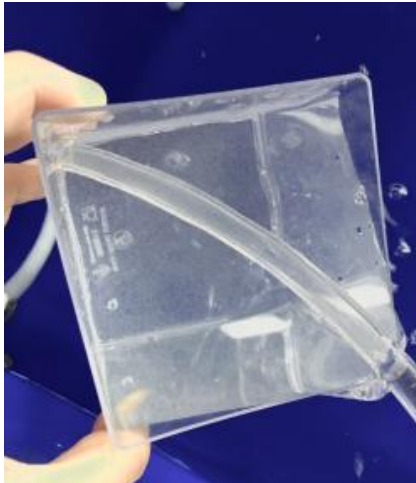
# Innovative Project

## Coordinated with External Institution

**Project** : **Micro-Nano Bubble**  
**Technology** : **Nano tech**

Micro-Nano Bubble Technology is the process to build tiny bubbles in the liquid, which these bubbles have special characteristic that is negative charged and can persist in water for long periods.

The benefit is to removing impurities from well water in preparation. The Micro-Nano Bubble water has more effective results than normal water for washing product and keeping freshness.



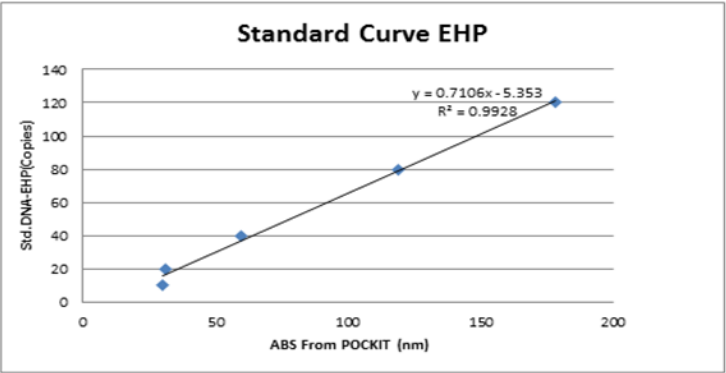


# Innovative Project

## Coordinated with External Institution

**Project** : Shrimp Disease Test Development  
**Technology** : Calibration

### Standard Curve Abs From POCKIT & Standard DNA



Translate the lab test to be quantitative result





# Innovative Project

In 2017, Blue Earth Foods invested in automated machine line to increase capacity and labour saving



# **Risk Management to ESG**



# Training Course

## Training : “Risk Management for Value Creation of Organization”

for manager level by external expert





# Risk Management to ESG

- **Climate Change**

- Sustainable Source via Supply Chain Management
- Environment Conservation

- **Human Right**

- Responsible Recruitment and Employment



# Supply Chain Management



Competitive Advantage Through Supply Chain Management (Trust & Transparency)



## ❖ Sustainability and Ethical Sourcing policies



## ❖ Risk assessments:

- Decision trees for environmental and social risks linked to land-based and fisheries operations in global supply chains.
- The assessments are based on country-specific information (such as ratification of ILO conventions), and suppliers specific information from third-party assessments (such as certifications and SEDEX) and supply chain internal knowledge including information from NGOs.



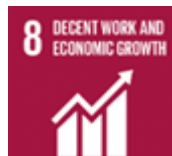


# Thai Shrimp Supply Chain



## SEAFRESH is a member of the Seafood Task Force

- **Membership:** 32 commercial companies, including Thai producers, and buyers and retailers located in Europe and North America. The Board includes 10 representatives of member companies. 17 Environmental and Social NGOs participate to the Task Force activities and provide guidance to the Board.
- “Seafood Task Force” as a recognition of its deliberate strategy to expand its work to other seafood supply chains
- Seafresh participates to activities of Groups “Farm to Plant” and “Responsible Recruitment”
- **Seafresh Group Representatives:**
  - **Boonlert Foongvannaluck**, Chief Commercial Officer
  - **Dominique Gautier**, Director of Sustainability
  - **Manusnun Promkittichot**, Labour Relations Manager



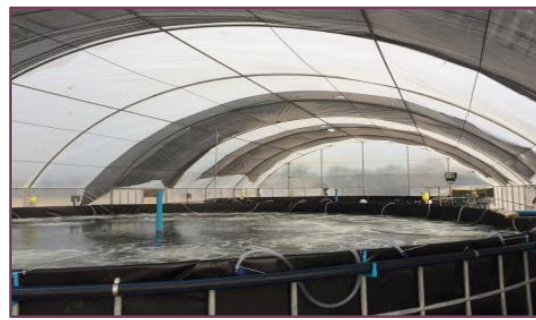




# Thai Shrimp Supply Chain Development

The company has a team responsible for Supply Chain Development. We provide advice to the suppliers in production process development for the quality material, environmentally friendly practices and to treat workers fairly. They also monitor the operation continuously. To ensure that the company has a social responsibility throughout the supply chain. The main topics are following:

- Shrimp farms must be located on land with title deed and no forest encroachment.
- To have treatment ponds before discharging water to the environment.
- To treat workers fairly.
- To use environmentally friendly methods and efficient waste management.
- To control impacts on the surrounding ecosystem.
- To have an efficient document management system for traceability.





# Supplier Development

We continuously develop our suppliers which are shrimp farm including packaging and ingredient manufacturer to achieve the standard certification such as ISO9001, BRC, HACCP and GMP. Moreover we have the team monitored the operation of suppliers that treat workers fairly, and protect the environment or not. If any suppliers do not comply the condition, the company will not buy the products from them.

## Supplier Audit Criteria


- **Quality**
  - ISO9001
- **Food Safety**
  - BRC, HACCP, GMP, FSSC 22000, Halal
- **Environment**
  - ISO14001, Waste Water System, Chemical waste disposal system, Garbage Disposal, ISO 50001
- **Labour**
  - Employment and Welfare, TLS 8001, OHSAS 18001

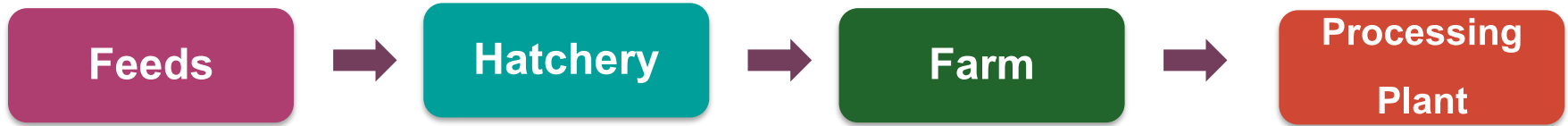
## Supplier Development

- Year 2013**
  - GMP 2 Suppliers
  - BRC 2 Suppliers
  - HACCP 2 Suppliers
  - ISO 9001:2008 1 Supplier
- Year 2014**
  - BRC 2 Suppliers
- Year 2015**
  - BRC 2 Suppliers
- Year 2016**
  - BRC 2 Suppliers
  - FSSC:22000 1 Supplier
- Year 2017**
  - BRC 1 Supplier
  - FSSC:22000 1 Supplier
- First Half 2018**
  - FSSC:22000 1 Supplier



# Best Aquaculture Practices Certified

Seafresh is a member of the  and collaborates with supply chain partners to achieve BAP four stars (the highest level) from Global Aquaculture Alliance.







# Environment





# Water Management

Tap Water

70%



Plant

Wasted Water



**Biogas system**

- Generate electricity
- No air pollution

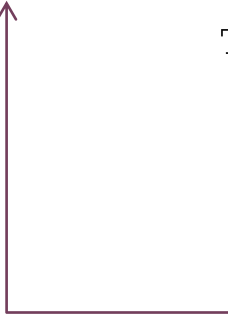
Treated Water



**Reverse Osmosis System**

Reverse Osmosis Water

30%



Rain Reservoir



Treated Water



- BOD less than 20 mg/l
- Release less than 500 m<sup>3</sup>/day





# Certified Environmental and Energy management



**ISO 14001**



**ISO 50001**





# Human Right



**Objective:** Introduce and embed responsible recruitment and employment practices throughout the seafood supply chain in Thailand.



**Progress:** Seafresh and ISSARA work together in Myanmar to ensure a fair recruitment process and raise awareness about labour rights. Moreover, The Issara Institute surveys our supply chain and provide workers with an independent grievance mechanism. We help raising awareness and compliance with the Seafood Task Force's Code of Conduct in collaboration with the Federation of Thai Shrimp Farmers.



***Towards a world where ethical recruitment is the norm and not an option***



# Responsible Recruitment

## Requirement to Recruitment Agencies

- Seafresh Working Terms & Condition (in Burmese language)
- Justified Cost breakdown (in Burmese language)

## In Sending Country (Myanmar)

- Company presentation & Workers Selection
- NGO Issara Institute presentation, Thailand Labour Law & Rights
- Employment Contract signing with Myanmar Department of Labour

## In Thailand

- Welcome & Orientation
- Onboarding Program (15 days, 30, 60, 90, 120 days)
- Grievance Mechanism, Worker Voice, recreational activities



# Grievance Mechanism

## Internal Communication Channels

- Workers Welfare Committee: 3 months/time -> monthly
- Suggestion Box: 10 boxes, open twice a month or as needed
- HR Internal Helpline: Dial 777 from any company phone
- Direct to HR Manager (e-mail, personal mobile phone)
- HR Employee Relations team, HR On Site-Coordinator
- Dormitory Committee, Farm Committee

## External Communication Channels

- Issara worker voice
- Issara outreach activities with Employee Relations team



## Quality of Working Life

- Provident Fund
- Employee Stock Ownership Plan (ESOP)
- Blue Flag Low Price Products Fair
- Clean Food Good Taste Canteen
- Good Environment Dormitories
- Health Checks
- Sport and Activities





## Food park



Activities for employees to grow their own organic vegetables near the dormitory to reduce their expenditure and to utilize vacant spaces.

## Fitness



We provide a fitness room for our employees to promote health and well-being under “Work-Life Balance”.



# Human Resource Development

In 2017, the company has organized 83 training courses such as;

- Risk Management and Corporate Culture
- Innovation thinking
- Carbon Footprint for Organization Assessment,
- CSR for Corporate Sustainability
- ASC (Aquaculture Stewardship Council) Shrimp COC Awareness





# The Supplier Ethical Data Exchange (SEDEX)

Passed audit from “The Supplier Ethical Data Exchange (SEDEX)” which is a global certified auditor for 9 years





# Recognition : Fair Labour Practice



**TLS8001**

Maintaining Thai Labour Standard for 12 consecutive years  
(Only 5 company can maintain the standard over 10 years)



**The National Occupational Safety and Health Awards**

The Best Establishment for Safety, Sanitary, and Working  
Environment in National Level for 8 consecutive years





# Recognition : Fair Labour Practice



## Healthy Safety Happy Workplace

1 of the best establishments in  
Disease-free and Body Safety  
Workplace in National Level



## Labour Relations and Welfare Award

Outstanding corporate award in labour  
relations and welfare: National Level for 2  
consecutive years



## Skill Development Promotion Awards

Outstanding Establishment in Skill Development  
Promotion Awards which only 59 establishments  
in Thailand won this award.



In last June, amfori, the leading global business association for open and sustainable trade, and Ministry of Commerce of Thailand held the Awarding Ceremony of project "Enhancing capacities of Thai exporters and supply chains on social performance for European market" in "Unleash Opportunity" conference, Europe's largest event for sustainable trade, on 12-13 June in Amsterdam, Netherlands.

Seafresh was selected as the best performer in the project for its engagement and demonstrated willingness to increase expertise on sustainable business practices and implement changes to align recruitment processes with Responsible Recruitment principles.

In awarding ceremony, Elena Piana, Aquaculture and fisheries technologist of Sea Farms Limited, received an awards as the representative of Seafresh Group.

Last Updated Sustainability Outcome in 2018





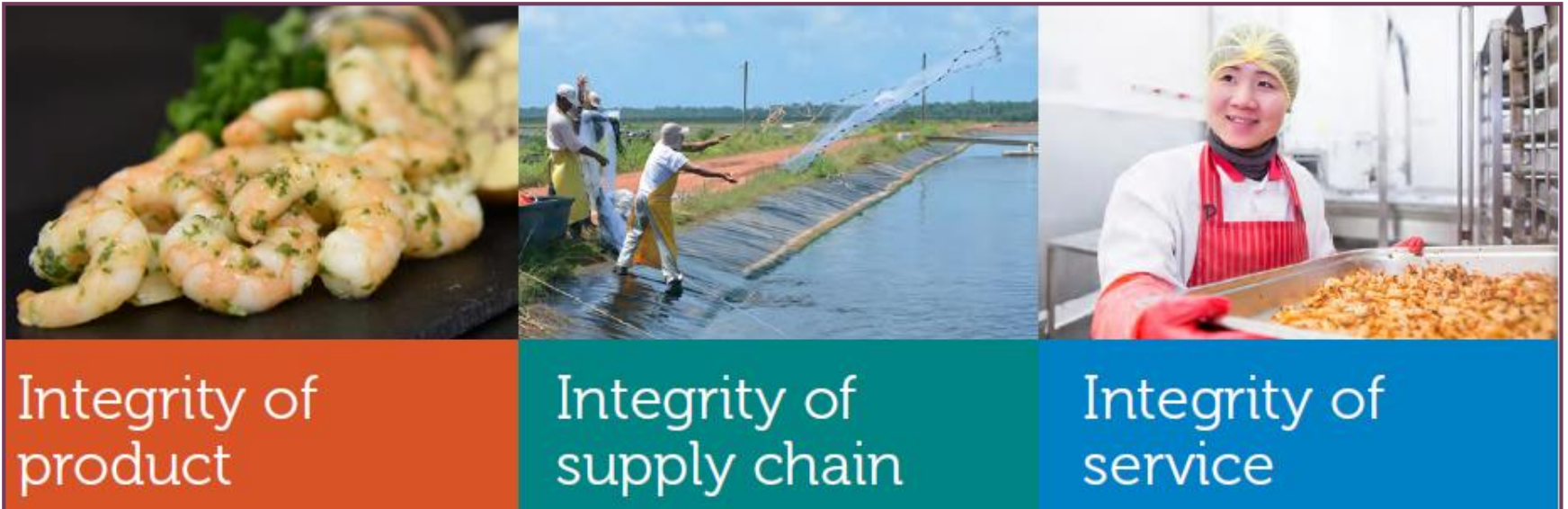
## Show Case: Sustainability Outcome

- Up level of food safety standard
- Develop own farm to achieve the global standard (focused on environment aspect)
- Increase % of certified farms by supply chain development (ex. knowledge sharing)



# Production Practice

Our philosophy can be summed up in one word: **“ Integrity ”**



Integrity of  
product

Integrity of  
supply chain

Integrity of  
service



# Recognition: Quality & Food Safety



ISO9001



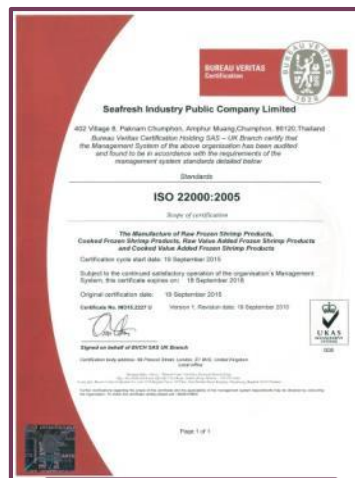
BRC Grade A+



IFS Higher Grade



HALAL



FSSC:22000






ISO17025 (LAB)





# Food Safety Quality throughout Supply Chain

company	BRC	
	2017	2018
	A	A+
	A	AA
	A	AA+



BRC Global Standards is a market leading global brand that helps build confidence in the supply chain and our Standards for Food, Packaging, Storage & Distribution, Retail and Consumer Products set the benchmark for good manufacturing practice, and help provide assurance to customers that your products are safe, legal and of high quality.

# Aquaculture Stewardship Council (ASC)

ASC was founded by the WWF and the Dutch Sustainable Trade Initiative to address environmental and social aspects of aquaculture.



The logo sends a strong message to consumers about the environmental and social integrity of the product they are purchasing.

Seafresh Group has actively participated to the development of the Shrimp Standard and the Technical Advisory Group.

Seafresh farm has been certified by ASC in March 2018.





# Knowledge Sharing

Share our know-how and expertise to shrimp farmers for improving the quality of shrimp to international standards and environmentally friendly, while the company can receive good raw materials that meet the requirements of customers





## **% of Total Certified Farms in Sea Farms UK and US Supply Chain**

<b>Type</b>	<b>% of Total Sites</b>		
	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>No third party certification</b>	<b>11%</b>	<b>1%</b>	<b>0%</b>
<b>Certified farms</b>	<b>53%</b>	<b>55%</b>	<b>58%</b>
<b>Certified processing plants</b>	<b>9%</b>	<b>8%</b>	<b>8%</b>
<b>Certified hatcheries and nurseries</b>	<b>13%</b>	<b>20%</b>	<b>22%</b>
<b>Certified feed mills</b>	<b>14%</b>	<b>16%</b>	<b>12%</b>
<b>Total sites</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total certified</b>	<b>89%</b>	<b>99%</b>	<b>100%</b>





# CSR

- Scholarship Ceremony
- Public Charity
- Blood Donation





# Creating Shared Value (CSV)

## Stakeholders

**Farmer :**

- Higher value and quality of crops
- Good Health and Well-being

**Social :**

- Responsible Recruitment and Employment

**Environment:**

- Prevent mangrove forest intrusion for shrimp farming
- Treat wasted water before disposal

**Employee:**

- Grinding skill and potential
- Good Health and Well-being

**Community:**

- Zero environment impact from company operation
- Sufficient living resources
- Create job and income for community

**Environment :**

- Responsible utilize environmental resource.

### Customer:

- Safety and Environment-friendly product
- Made to order quality of product
- Product with global standards

## Raw Material

Sustainable Supply Chain

- Gain good quality raw material
- Gain raw material matched with order from customers
- Sufficient raw material

## Process

- Human Right
- Fair Labour Practice
- Resource Management

- Sufficient Production Resource
- Reduce cost of production

## Product

Quality & Food Safety

- Higher value of products
- Gain competitive advantage
- Gain price competitiveness

## Company



**THANK YOU**

