



Thistle Seafoods Limited

Social Compliance and Ethical Policy

Our suppliers are integral to our value chain and we expect our supply partners to meet specific standards in relation to human rights, environmental impacts and ethical business practices. We therefore choose to only develop relationships with suppliers who are aligned with our expectations of ethical and socially responsible behaviour.

Detailed below are the areas that we believe are key for social compliance and the standards that we expect ourselves and our supply chain to meet.

Sustainability

Thistle Seafoods recognises the importance of meeting the needs of the present without compromising the ability of future generations to meet their own needs. Sustainable fishing is at the heart of our ethos and we believe it is vital for ensuring the long-term future of the fishing industry. Our manufacturing practices are approved by the Marine Stewardship Council (MSC) and we have held the MSC Chain of Custody Certificate since 2003.

The MSC Chain of Custody Standard is a traceability and segregation standard which applies to the entire supply chain i.e. from a certified fishery through to the final sale. Each company in the supply chain whether they are handling or selling an MSC certified product must have a valid MSC Chain of Custody certificate. This assures consumers and seafood-buyers that MSC eco-labelled seafood comes from an independently assessed and certified as environmentally sustainable fishery with full traceability.

In order to achieve certification every company must meet five key principles. They are as follows:

- Purchasing is from a certified supplier
- Certified products are identifiable
- Certified products are segregated
- Traceable and volumes are recorded
- The organisation has a management system

To ensure that our suppliers and trade partners understand and work towards greater sustainability we require them to have an EU-approved plant and full traceability on all raw materials. We regard this as being of the utmost importance and require categorical assurance that no raw materials supplied to us have been illegally caught or misreported. We have implemented a 'zero tolerance' policy, whereby any failure to comply will result in immediate de-listing. Our suppliers are fully aware of this policy and are also aware that we regularly conduct random tests to ensure full acceptance and adherence to this.

We foster strong working relationships with our suppliers and trade partners to develop their understanding of the need to work towards greater sustainability and to bring their thinking and work practices in line with ours.

Commitment to sustainable fishing practices is a core value of Thistle Seafoods and we endeavour to continue to evolve this policy in line with industry guidelines.

Responsible Manufacturing

Thistle Seafoods is aware that sound environmental management practices are essential in maintaining a successful, integrated seafood products enterprise. This awareness is accompanied by the recognition that:

- The environment (land, water, air) is shared by all the people and serves a multitude of uses, from a wildlife habitat, to a source of industrial raw materials.
- Resources must be used efficiently through the minimisation of waste and the production of high-quality products.
- We are the stewards of all resources and habitats that we utilise, including the surrounding forests, lands, wildlife, air, water, aquatic and human habitats. These resources must be managed responsibly to protect the interests of all users.
- We will maintain compliance with environmental regulations by implementation of the following:
 - i. Thistle Seafoods, the Directors, Officers and Employees, will carry out all operations of the Company in a manner that complies with all applicable laws and regulations relating to the environment. If or where non-compliance is detected, programmes and procedures will be instituted to bring the company within compliance.
 - ii. Thistle Seafoods will develop, maintain and implement policies, procedures and management systems to monitor its operations with a view to protecting the environment and ensuring future sustainable development. This policy will be reviewed annually and revised as required.
 - iii. Thistle Seafoods Operating Management shall review operating practices and procedures at least once a year to ensure compliance with this environmental policy.
 - iv. Thistle Seafoods, through its operations, will incorporate in its environmental practices the best available technology that is economically achievable.
 - v. All Senior Operating Management shall be responsible for ensuring compliance with the policy including the establishment of the programmes and reporting requirements throughout their organisation.
 - vi. All new capital projects must be reviewed and approved for policy compliance by Senior Operating Management of Thistle Seafoods prior to implementation.
- Thistle Seafoods recognises responsible stewardship of resources makes possible sustained economic growth and a healthy environment for the benefit of the community (our fellow citizens, our shareholders, employees and customers) in which we operate.

Ethics

Thistle Seafoods expects and demands that all of its Employees, and its Directors carry out their business and perform their duties to the highest ethical standards and in compliance with all relevant legal principles. This standard of behaviour and performance is maintained in the company's dealings with employees, customers, suppliers, and all other stakeholders.

Sedex

Sedex is an online platform that allows companies to share and manage supply chain information regarding labour standards, health and safety, the environment and business ethics. Thistle Seafoods Ltd is registered as an AB member on Sedex. This allows us to view and run reports on our suppliers' ethical data, manage information regarding our own facilities, and share information with our customers. The information is updated regularly (every six months) by the HR Director.

Sedex Details are as follows:

- Company Reference ZC1009983

Ethical Trading Initiative Base Code

We support the core principles put together by the U.K. Ethical Trading Initiative (ETI) that brings together companies, NGOs and Trade Unions, to ensure good working conditions wherever people are engaged in the supply of goods or services. The ETI is supported and part-funded by the U.K. government.

The ETI has developed a code of labour practice – the 'Base Code' – that reflect the most relevant international standards with respect to labour practices. All member companies must be committed to

implementing the ETI Base Code and working with their suppliers to identify problem areas and find practical and effective ways of making improvements.

The 'Base Code'

1. Employment is freely chosen

There is no forced, bonded or involuntary prison labour.

Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

2. Freedom of association and the right to collective bargaining

Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively. The employer adopts an open attitude towards the activities of trade unions and their organisational activities.

Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.

Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

3. Working conditions are safe and hygienic

A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of the work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Workers shall receive regular and recorded health and safety training, and such training shall be prepared for new or reassigned workers.

Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.

Accommodation, where provided, shall be clean, safe and meet the basic needs of the workers.

The company observing the code shall assign responsibility for health and safety to a senior management representative.

4. Child labour

There shall be no recruitment of child labour.

Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable him or her to attend and remain in quality education until no longer a child; "child" and "child labour" being defined below.

Children and young persons under 18 shall not be employed at night or in hazardous conditions.

Definitions:

Child: A child is any person less than 15 years of age unless local minimum age law stipulates a higher age for work or mandatory schooling, in which case the higher age shall apply. If,

however local minimum age law is set at 14 years of age in accordance with developing country exceptions under ILO Convention No 138, the lower will apply.

Young person: Any worker over the age of a child as defined above or under the age of 18.

Child labour: any work by a child or young person younger than the age(s) specified in the above definitions, which does not comply with the provisions of the relevant ILO standards, and any work that is likely to be hazardous or to interfere with the child's or young person's health or physical, mental, spiritual, moral or social development.

5. Living wages are paid

Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet the basic needs and to provide some discretionary income.

All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

6. Working hours are not excessive

Working hours comply with national laws and benchmark industry standards, whichever affords greater protection.

In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every 7 day period on average. Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate.

7. No discrimination is practised

There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

8. Regular employment is provided

To every extent possible, work performed must be on the basis of a recognised employment relationship established through national law and practice.

Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

9. No harsh or inhumane treatment

Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

Employment Agencies

Employment agencies contracted to supply temporary labour shall demonstrate commitment to, and application of, the requirements of the ETI base code. These agencies are subject to an annual labour provider audit, which ensures the following:

- They hold the required Gangmaster and Labour Abuse Authority Licence.
- There is a Service Level Agreement and Contract in place between both parties.
- They hold the relevant documents on the personnel they employ i.e. right to work in the UK, contract of employment, training records, literacy information, food handler's agreement, etc.
- They adhere to working regulations, pay and modern slavery legislation.

Thistle Seafoods has recently become a member of the Responsible Recruitment Toolkit (RRT). The RRT is a tool that supports businesses embed responsible recruitment practices in their supply chains. It maps relevant global social compliance codes, which define 27 responsible recruitment labour standards, which cover all stages and elements of labour sourcing and supply. Although in its infancy this toolkit will help tackle modern slavery, eliminate illegal and unfair recruitment fees and ensure the ETI base code is adhered to throughout global supply chains. It is Thistle Seafoods aim to make significant progress submitting relevant information to the toolkit regarding responsible recruitment standards and social compliance standards throughout 2019.

Legislation

Thistle Seafoods is kept up to date with current legislation with regards to Ethical matters via Government Agencies, Legal Firms, CIPD, ACAS and other initiatives such as Stronger Together and the Responsible Recruitment Toolkit.

The minimum and national living wage are reviewed annually by the Human Resource Director.

An insurance broker acts on behalf of the company with regards to insurances and these are renewed annually and are the responsibility of the Board of Directors.

Health and Safety and Environmental updates are communicated via the HSE, Health & Safety publications and general on line guidance. It is the responsibility of the Health and Safety Committee and the Environmental Committee to keep relevant personnel up to date with any changes.

Our Performance Indicators

We will know the effectiveness of our Social Compliance and Ethical Policy if:

- No internal, third party or labour agency audits identify breaches of the ETI Base Code.
- We continue to hold a valid MSC Chain of Custody certificate.
- Environmental management practices are continued to be implemented and improved upon, as evidenced in our Environmental Policy.

Social Compliance and Ethical Policy Review

This policy is reviewed on an annual basis by the HR Director.

Approval for this Statement

This statement was approved by the Board of Directors on 16th April 2019.



Pamela Macdougall

16th April 2019