

Modern Slavery Statement

2017/18



Our Business & Supply Chains

The company has an annual turnover of nearly £55 Million, employing up to 350 people based at its Head Office and manufacturing sites at Whitby, England, and Kilkeel, Northern Ireland.

Whitby Seafoods is a manufacturer and supplier of frozen and chilled seafood products to retail and foodservice businesses in the UK.

Over 80% of the fish we source comes from waters around the British Isles and supported by a partner in Vietnam for a proportion of our processing.

Other raw materials are sourced in smaller quantities from suppliers in China, Vietnam, Malaysia and Iceland.

Whitby Seafoods Ltd. is publishing this statement under the provision of the UK Modern Slavery Act 2015.

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This statement refers to the financial year ended 31st December 2017.

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£55 MILLION
TURNOVER

350 PEOPLE
DIRECTLY EMPLOYED

2 SITES

Sustainability Values

Sustainability

Care for the seas and oceans from which we source and support the people and communities who rely upon them.

Our values around our sustainability values are particularly focussed on;

- Sourcing responsibility
- Promoting and supporting ethical behaviours for the people in our supply chain
- Working legally and safely
- Operating with the minimal environmental impact

Our raw material supply chains operate across a number of different countries. We have approximately 240 direct suppliers across all our raw material and other operational procurement. We recognise that many of our suppliers have suppliers, both material and labour. Our work has focused on our direct suppliers over the last 12 months.

Modern slavery is an umbrella term used to describe offences of human trafficking, slavery, forced labour and domestic servitude. It also covers

slavery-like practices such as debt bondage, sale or exploitation of children and forced or servile marriage.

All these examples involve one person depriving another person of their liberty, in order to exploit them for personal or commercial gain.

Our commitment to Human Rights is outlined in our policies which are available upon request. This is further reinforced through our membership of:

Sedex
www.sedexglobal.com

Stronger Together
www.stronger2gether.org

Business in the Community
www.bitc.org.uk

Organisational Policies

The company has the following policies in place to offer guidance to stakeholders and to mitigate the risk of modern slavery;

- Forced, Bonded and Involuntary Labour
- Freedom of Association
- Young Workers
- Recruitment Policy
- Grievance Policy
- Anti-Bribery Policy
- Whistleblowing Policy
- Equal Opportunities Policy
- Employer Pays Principle Policy



We take any allegations that human rights might have not been upheld properly with the utmost importance. We have introduced a new whistleblowing policy to give our employees in Whitby and Kilkeel the tools to report anything they feel is not right within our business. We have incorporated the whistleblowing requirements of our customers into our sites where applicable.

We believe that fair and ethical treatment of employees and workers is fundamental to our success. As such

the company is committed to following the principles of the Ethical Trade Initiative (ETI) base code and communicating this to our employees. In 2017 we have started to roll this out to our fish processors outside the UK.

Over the last year we have implemented a whistleblowing policy aimed at our workers in Whitby and Kilkeel.

We have incorporated the whistleblowing requirements of our customers into our sites where applicable.

We will be working with our direct suppliers of highest risk to include compliance with human rights standards. We have taken steps to eliminate recruitment fees from our supply chain by devising and issuing a policy statement on the matter to our fish supply chain. We see this as a step towards improving the process of recruitment to remove the chance of abuse at this early stage.



Our Partners;

Sedex Member



stronger together
 tackling hidden labour exploitation

Risk Assessment

Whitby Seafoods employs risk assessment methodology to identify where priorities for further consideration should be taken.

The risk assessment takes into consideration the jurisdiction country for the catch area as well as the country the fish preparation takes place. References are made against Seafish Country Profiles¹ as well as the US trafficking persons report 2017². The company has prioritised the sourcing of seafood as its main focus due to the nature and reported challenges in seafood sourcing.



<http://www.seafish.org/responsible-sourcing/ethics-in-seafood/assessment-of-ethical-issues>
<https://www.state.gov/j/tip/rls/tiprpt/>

Risk mitigation is accounted for in the risk assessment. Risk mitigation includes;

- Direct feedback from the supplier (e.g. Sedex self-assessment)
- Involvement in multi-stakeholder efforts
- Working towards, or achieved credible certification (e.g. ASC, Fairtrade, SMETA)
- Ability to demonstrate compliance with international law

The most challenging aspect of seafood supply is that the primary source of supply comes from fishing boats which spend a large proportion of time out of sight. Policing these boats and evidencing ethical traceability is an industry wide challenge.

The company promotes the application of the Sedex self-assessment tool as its primary vehicle for managing ethical trading within its land based supply chain. Whitby Seafoods will use the information provided to identify high risk suppliers and take appropriate action to drive improvement in labour standards. This includes the option of cease of supply.

Throughout 2017, Whitby Seafoods have been working in partnership with the UK fishing industry on a model to enable fishing vessel owners to demonstrate compliance to International Labour Organisation convention 188 (ILO c188) when it is ratified into UK law in 2018. The company will be supporting the UK industry throughout this process.

We are developing remediation tools internally and will collaborate with partners such as NGO's (non-government organisations), charities and law enforcement in creating effective protective measures should victims of modern slavery be identified.

The most prevalent accreditations for Whitby Seafoods' business model that include ethical approaches to labour outside UK fishing are;

- A Sedex audit undertaken by a 3rd party
- Aquaculture Stewardship Council (ASC) accreditation
- An audit conducted by Whitby Seafoods
- A human rights impact assessment by an independent, competent 3rd party

Sedex

The Sedex tool allows Whitby Seafoods to view supplier self-audit questionnaire answers against set ethical criteria. This allows the business to determine if any remedial action is required with the supplier. This tool is being used widely in the UK to drive ethical standards and mitigate risk in the supply chain. Whitby Seafoods have committed to upgrading our Sedex membership to allow us to use the wide

range of tools available within the system to improve visibility and target action.

Whitby Seafoods Ltd. is a member of Sedex (www.sedexglobal.com). Sedex is home to one of the world's largest collaborative platform for buyers, suppliers and auditors to store, share and report on information quickly and easily. The platform is used by more than 43,000 members in over 150 countries to manage performance around labour rights, health and safety, the environment and business ethics.

By way of example, the Whitby Seafoods site underwent an independent 3rd party Ethical Audit in May 2016 and is now approved against the SMETA (Sedex Members Ethical Trade Audit) standard. We have committed to repeating this exercise in 2018.



ASC Accreditation

ASC applies a third-party certification system to its accreditation. This ensures the program is robust, credible and meets best practice guidelines for standard-setting organisations as set out by ISEAL and the FAO (Food and agricultural organisation for the United Nations). ISEAL's mission is to strengthen sustainability standards systems for the benefit of people and the environment.

The ASC standard has a section specifically to develop and operate farms in a socially responsible manner that contributes effectively to community development and poverty alleviation.

Within this there are clauses that drive minimum standards in the areas of;

- Forced and compulsory labour
- Child labour and young workers
- Health and safety
- Freedom of association and collective bargaining
- Discrimination
- Working hours
- Fair and decent wages
- Labour contracts

Risk Assessment

Audits and inspections play an important part of the due diligence system of supplier management.

Standards are used to compile evidence of compliance and identify any actions required to address any shortfalls against these. They are then prioritised into short, medium and long term action plans to show demonstrable development and continual improvement.

Audits are written to an internal standard and incorporate any customer requirements. They are an in depth look at the policies and procedures a company has and how they are applied.

Assessments are based on visual inspection and, by their nature, are based on what is seen at the time. These are utilised by Whitby Seafoods staff as part of wider supplier visits. These often look for physical signs of violations as indicated by training given.

Labour provider audits have been conducted by the Whitby

HR team against internal standards without any significant deviations.

Our primary fish suppliers are required to sign up to the ETI base code and we have started to roll out the Employers Pays Policy as part of our supplier approval system.

In January 2017 a number of overseas suppliers were inspected as part of our supplier relationship programme. Our New Business Development Director inspected two of our Vietnamese direct suppliers

factories and no evidence of Modern Slavery was observed during the visits to their operations. Our primary Vietnamese processing partner was inspected by our Managing Director, Supply Chain Director and Kilkeel Site Operations Director. This is a long standing relationship spanning a number of years during which a number of audits have been conducted.

No evidence of human rights violations were observed and we continue to support the workforce and community of this key operational partner.



Training and Awareness

Our employees and suppliers play a pivotal role in helping us to ensure that modern slavery violations do not take place in our business or supply chains.

Over the last year employees from within the business have taken part in a number of training or awareness improving activities.

These include;

- Awareness training delivered by Stronger Together
- Attending regional modern slavery events arranged by law enforcement
- Awareness training using the stronger together toolkit
- Developing a system to assist boat owners to meet human rights issues for pending UK legislation



Moving Forward

As outlined in this statement, we are building a robust system to assist us in tackle the challenges associated with modern slavery in our supply chain. We have identified our key first tier suppliers and we plan to work with these partners, using risk assessment, to take targeted action where we see most risk.

We plan to continue to build on our internal policies where we see gaps against best practice and put support mechanisms in place to encourage potential victims to make themselves known. Our plans include the enhancement of remediation protocols should we find evidence or risk of abuse.

We will continue to educate the business internally and within our supply chain. As we cast our net wider we will train more managers with the stronger together toolkit and attendance at workshops. As ILO convention 188 is passed into UK law, we will be working with the agents we buy from to support the boat owners to adopt best practice. This will give us visibility of where residual risks lie from which we can initiate action. One of our Directors has planned a visit to our Malaysia supply base to verify the information we hold and strengthen the relationship with the supplier and build a common understanding on the issues around human rights.

Measuring Success

In order to assess the effectiveness of the measures taken we will apply the following KPI's over the next financial year;

- Number of "Red rated" suppliers on the Sedex platform
- Number of UK boats mapped as compliant against ILO c188
- Number of proactive interventions made with respect to modern slavery
- Number of re-active interventions made with respect to modern slavery

This statement has been approved by the board of directors of Whitby Seafoods Ltd. and will be updated and reviewed annually.



Daniel Whittle

Managing Director, Whitby Seafoods Ltd. January 2018



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