



Sustainable sourcing guideline for raw material and products involving tuna finfish

1. Principle

Siam Makro Public Company Limited (hereafter “the company”) strives for being ethical business, delivering high quality, safety, and reasonable price products and services as well as supporting sustainability at whole supply chain. The company has announced “sustainable sourcing policy for supplier”, “supplier code of conduct”, and “human rights and labor practices policy” for framing the company’s direction and operation in order to reduce impact and manage risk that incorporate with environmental social and governance issues. It is also for enhancing sustainable supply chain management.

According to aforementioned guidelines and policies, the company has published this specific sustainable sourcing guideline designed for group of risk products. The specific guideline will be integrated in products selection/sourcing process in order to consider for appropriated products that reduce ESG impacts.

2. Scope

This sustainable sourcing guideline has been designed for raw materials and products involving tuna finfish. The guideline can be applied for sourcing process in both the company and its subsidiaries.

3. Traceability

In order to ensure our raw materials and products involving with tuna are traceable and sustainable procurement, the company has operational guidelines as follows.

3.1 Collecting relevant information from suppliers, services or products providers

Traceability information of raw materials and products including manufacturing processes and chain of custodian will be requested from the suppliers and/or providers.

Fishing vessel information

- Name, type, fisheries methods of fishing vessels that catch and supply tuna to the company both directly or in-directly by passing processors, OEMs, and providers that at last the products source to the company;
- Fishing vessel registered document with authority agencies, fisheries permit, others relevant fishing licenses;

- Fisheries log book for each fishing trip that contained sufficient information for traceability i.e. fishing areas, date of catching, species of tuna and other by catch species (for examples sharks, whales, dolphins and turtles).
- Information of the Vessel Monitoring System (VMS), a satellite-based system for monitoring and managing fisheries.
- Information for performing Human Rights Due Diligence and/or slave labor

3.2 Data verification

The company will support and collaborate with 3rd party and government agencies in order to validate the data. Additionally, the verification plan for assessing the capability of suppliers to meet the company's expectations will be performed by using risk-based assessment, and on site assessment approach within the company sustainability framework and other relevant standards.

3.3 Communication the information to customers

With understanding and agreed between the company and the suppliers in the requirement for communicating the information to customers and relevant agencies, the company is willing to improve product labelling and disclose the traceability information on the public domain. The accessible information will include source of tuna, species, and fishing method which will be ensuring that customers and relevant agencies can obtain the sufficient information for considering the products. If request, the company will consider to deliver a communication channel which provide additional information for relevant parties, with understanding and agreed between the company and the suppliers. Please contact us via www.siammakro.co.th, The company will store the information at least 5 years long, since obtained.

4. Our preference fishing methods and tuna specification

The company preferred sustainable and conservative sourcing, avoiding devastative fishery both directly and indirectly. Here are our guidelines:

4.1 Fishing techniques

Prioritizing and considering to source product and raw material from suppliers who follow Fish Aggregating Device-Free (FAD-Free)

4.2 Specification of tuna

The company supports sustainable tuna fishing by prioritizing and considering to source tuna product and raw material that does not contain endanger species or red list species referring to the IUCN and/or catch from natural resource depletion or extinction-risk areas as well as defining appropriate fork length that the company is preferred to source by species such as *Katsuwonus pelamis*, common name Skipjack tuna should have fork length over than 42-45 centimeters.

5. Implementation of the guideline

The company reserved all rights to cancel, withdraw and return the products if it is found that the suppliers or providers submitting false information or document about the sustainable scourging policy and guidelines. This includes the suppliers or providers that are not able to improve their processes efficiency in order to comply with the laws and the company's policies and guidelines which the company has clarified the requirements and support the suppliers to improve the performance within the agreed timeframe.

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