



Lunar Freezing & Cold Storage Company Limited

Ethical Trading Policy

We act openly in relation to all of its dealings with customers, colleagues, suppliers and all third-party contacts.

Lunar Freezing & Cold Storage Company Limited recognises the responsibility that we share with our suppliers to source products in an ethical manner. We want our customers to be confident that people are treated fairly, are not exploited and are not exposed to unsafe working conditions.

Our Ethical Trading Policy (ETP) has been developed in line with the Ethical Trading Initiative (ETI)¹Base Code, the Fundamental Conventions of the International Labour Organisation (ILO)², UN Universal of Declaration Human Rights³and UN Guiding Principles on Business and Human Rights⁴.

This policy sets out the standards that we expect to be in place throughout our supply chain. We seek to develop long term relationships with our suppliers who share our ethical standards.

Suppliers shall at all times comply with this policy and with the applicable national and international laws, regulations, codes and standards, both in the country in which the supplier works and in the country in which the product and/or services are sourced/provided.

We encourage and support continuous improvement in supplier standards, and we regularly measure supplier improvement. We recognise our suppliers may need time and support to ensure compliance, however, all our suppliers must demonstrate that any breach of our ETP is addressed in appropriate timescales. Where we are alerted to breaches of our ETP we will take action considered appropriate. We will work with suppliers to resolve ethical trading issues. If suppliers are unable or unwilling to address critical issues associated with any breach of our ETP within the required timescales, we reserve the right to terminate the relationship in accordance with our contractual rights.

Suppliers shall ensure, as far as is reasonably practicable, that their suppliers, agent(s), subcontractors, and consultants, who are directly or indirectly involved in the provision of goods and/or services to Lunar Freezing & Cold Storage Company Limited comply with this policy.

This policy does not form part of any employee's contract of employment, or any other contract to provide services, and we may unilaterally amend it at any time.

Transparency

We will strive to be open and honest when we work with others and ensure reporting is fair and transparent.

We have introduced a mechanism where suppliers, workers and other stakeholders can confidentially raise any concerns about breaches of our ETP or wrongdoing in the supply base, as well as to receive feedback about our own standards.

1) <https://www.ethicaltrade.org/>

2) https://www.ilo.org/declaration/info/publications/WCMS_095895/lang-en/index.htm

https://www.ilo.org/dyn/normlex/en/f?p=1000:62:0::NO:62:P62_LIST_ENTRIE_ID:2453911:NO

https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/normativeinstrument/wcms_716594.pdf

3) <https://www.un.org/en/about-us/universal-declaration-of-human-rights>

4) https://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf

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Bribery and corruption:

Lunar Freezing & Cold Storage Company Limited is committed to conducting all of its business in an honest and ethical manner. In accordance with the Bribery Act 2010 we operate governance by implementing and enforcing robust policies and procedures to guard against any illegal behaviour.

Standards

1. Employment is freely chosen

- 1.1 There is no forced, bonded or involuntary prison labour.
- 1.2 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 are respected

- 2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- 2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.
- 2.3 Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- 2.4 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

- 3.1 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 work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- 3.2 Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.
- 3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- 3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
- 3.5 The company observing the code shall assign responsibility for health and safety to a senior management representative.

4. Child labour shall not be used

- 4.1 There shall be no new recruitment of child labour.
- 4.2 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 her or him to attend and remain in quality education until no longer a child; "child" and "child labour" being defined below:

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*Child: Every boy and girl under the age of 18. The UN Convention on the Rights of the Child (1989) says: "For the purpose of this present Convention, a child means every human being below the age of 18 years unless, under the law applicable to the child, majority is attained earlier" (article 1).

*Young Person: Any worker over the age of a child as defined above and under the age of 18.

*Adolescent: A child between the age of 10 and 17. In addition, 17–19-year-olds are also referred to as 'young adults'.

*Child labour: Work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.

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

4.4 These policies and procedures shall conform to the provisions of the relevant ILO standards.

5. Living wages are paid

5.1 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 basic needs and to provide some discretionary income.

5.2 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.

5.3 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

6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.

6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.*

* International standards recommend the progressive reduction of normal hours of work, when appropriate, to 40 hours per week, without any reduction in workers' wages as hours are reduced.

6.3 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.

6.4 The total hours worked in any seven day period shall not exceed 60 hours, except where covered by clause 6.5 below.

6.5 Working hours may exceed 60 hours in any seven day period only in exceptional circumstances where all of the following are met:

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- this is allowed by national law;
- this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
- appropriate safeguards are taken to protect the workers' health and safety; and
- the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.

6.6 Workers shall be provided with at least one day off in every seven day period or, where allowed by national law, two days off in every 14 day period.

7. No discrimination is practised

7.1 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

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

8.2 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 is allowed

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



Sinclair Banks, General Manager

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