

Monday 16th June 2014

Dear The Guardian.

 $Charoen\ Pokphand\ Foods\ PCL\ -\ Supply\ Chain\ -\ Slavery\ allegations\ -\ The\ Guardian\ special\ investigation\ -\ June\ 2014$

As Chairman of Charoen Pokphand Foods PCL (CPF), I am writing to confirm our position with regards to Thai fishing boats supplying fish for the production of fishmeal to the feed mill industry including CPF.

Through our research and development of alternative protein sources, CPF could completely walk away from fishmeal. However, doing so would simply shift the problem to the fishing industry, the majority of which are fishermen earning their respective living in legal ways. The products of the fishing boats involving human trafficking and slavery will continue to be purchased by other factories, and the issues around slavery will remain unchanged.

I firmly believe it is better to work within the system, using our buying power to drive eradication of slavery in the region and make fishing practices fully sustainable. While others talk about it, we are doing it.

I confirm as follows:

- 1. We, in strongest possible terms, condemn all aspects of human trafficking and slavery.
- 2. Under my instruction, CPF forthwith ceases buying fishmeal from suppliers suspicious of obtaining bycatch from fishing boats involving human trafficking or slavery – whether the victims are of Thai or foreign nationality. In this connection, CPF will involve independent NGOs to routinely audit the legality of the sources of our suppliers.
- 3. As The Guardian had stated that a number of our fishmeal suppliers were involved with human trafficking or slavery, we request the evidence and the list of such fishmeal suppliers. We will immediately conduct an audit on such suppliers to determine if they have been involved with such illegal actions. We will stop purchasing fish meal from suppliers acquiring raw materials from fishing boats involving human trafficking or slavery, until they can rectify the illicit actions. Senior executives will directly obtain the information from your team. The information obtained from The Guardian will be treated as confidential information and will not be disclosed to the suppliers or the public.
- 4. Even though our only link to the fishing industry is our purchase of fishmeal from independent fishmeal suppliers, which we use as a minor ingredient in our production of shrimp feed, CPF will actively assist the relevant authorities in Thailand to strengthen the law enforcement against human trafficking and slavery involving the supply chain of fishmeal.

Under my leadership, CPF is committed to do the right things and behave responsibly.

Yours sincerely,

11.2

Dhanin Chearavanont

Chairman