

The Best Seafood  
**Chicken**  
of the **Sea**



2011

Sustainability  
Report

# Table of Contents

1

Message from the President

2

About Chicken of the Sea®

8

Environmental Responsibility

16

Social Responsibility

21

Product Responsibility

24

About this Report



Our Mermaid Throughout the Years

# Message from the President

At Chicken of the Sea, we have a long history of commitment to operating in a socially and environmentally responsible manner, while maintaining a high level of quality in a safe environment. We work with our industry peers, environmental advocates and scientists to ensure that our suppliers' fishing practices protect ocean stocks for decades to come. We provide much-needed employment in a recession affected area of Southern Georgia. At the core of it all, we place the highest priority on delivering delicious, nutritious, and safe food to our consumers and retail partners.

When it came time to tell our sustainability story; however, we realized that we had a number of things to talk about—but sometimes lacked a systematic approach to managing and communicating our impacts. That's why in 2011 we embarked on a year-long project to more clearly articulate our sustainability strategy.

Through that process, we identified four key areas for improvement. First, we sought to improve our sustainability data collection systems for carbon, waste and water. That project is now complete and readers will find detailed information about our environmental data throughout this report.

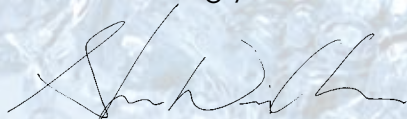
Second, we took a hard look at our supply chain, formalizing a new Supplier Code of Conduct that was rolled out to all vendors in early 2012. We're also developing a plan to expand environmental and human rights issues into our supply chain audit process, which will be introduced over the next two years.

Third, we will more closely integrate sustainability expectations into our employee engagement activities. These projects will be completed in 2012, and we will report on the results in next year's sustainability report.

Finally, we committed to openly sharing our sustainability challenges and opportunities with our retail partners, our suppliers and our valued consumers. Part of that commitment is fulfilled through this sustainability report and it is accompanied by additional information on Chicken of the Sea's website and social media platforms.

This sustainability report is the first step in what will be an ongoing and long-term effort to better communicate with our stakeholders on issues of social and environmental responsibility. We know that our sustainability obligations don't end when the seafood is caught, but extend all the way through the processing, packaging, supply chain and delivery and ends with the final customer experience.

We hope you find this report informative and engaging. Our sustainability journey over the last twelve months has been immensely rewarding and we look forward to continuing the conversation in the coming year.



Shue Wing Chan  
June 2012

# About Chicken of the Sea®

## Environmental and Social Responsibility

Chicken of the Sea's history dates back nearly a century, when fishermen referred to the white albacore tuna as "Chicken of the Sea" because the white color and very mild flavor reminded them of chicken. Since 1952, the Chicken of the Sea brand and iconic Mermaid logo have become a household name.

Consumers have come to know Chicken of the Sea as synonymous with health, nutrition and convenience through the variety of seafood products the company offers including: tuna, salmon and specialty seafood. The hallmarks and standards by which Chicken of the Sea ensures confidence among consumers is by consistently providing products that are healthy, nutritious and convenient.

### Our Approach to Sustainability

In 2011, we realized that, while we were "doing the right things", we needed a more formal approach to sustainability. We began working with a sustainability consultant to develop a clearly articulated roadmap for sustainability that comprehensively addresses our social and environmental impacts. This new sustainability strategy did not radically alter the way that we operate but brings into focus our most important issues and activities:

- In our facilities, we're committed to measuring and **reducing energy, waste, and water**—as well as promoting a healthy and safe workplace.
- In engaging our employees, we're making sure that sustainability expectations are clear and that individual **workers are empowered** to support and contribute to our corporate efforts.
- Our products are healthy, nutritious and an important part of a balanced diet—and we are increasingly looking at larger issues, such as environmental impacts across the **product life cycle**. From supporting responsible fishing practices all the way through the whole process to recycled-content packaging materials, we are constantly seeking ways to improve the products we deliver.
- Our suppliers are an essential part of our business. Even though we don't own and operate fishing boats, transport vehicles or packaging manufacturing, we promote environmental and social responsibility through our **supply chain efforts**.

### Our Mission

Create Sustainable Growth  
Providing the Best Quality  
Seafood Products

### Our Vision

1<sup>st</sup> Choice in Seafood

### Our Shared Values

#### Golden Rule

Respect for Ourselves  
and Each Other

#### Accountability

Owning our Commitments  
and Responsibilities

#### Team Orientated

Our Preferred Method  
of Working Together

#### Results Focused

Achieving our Individual  
and Team Accountabilities

## Organization & Leadership

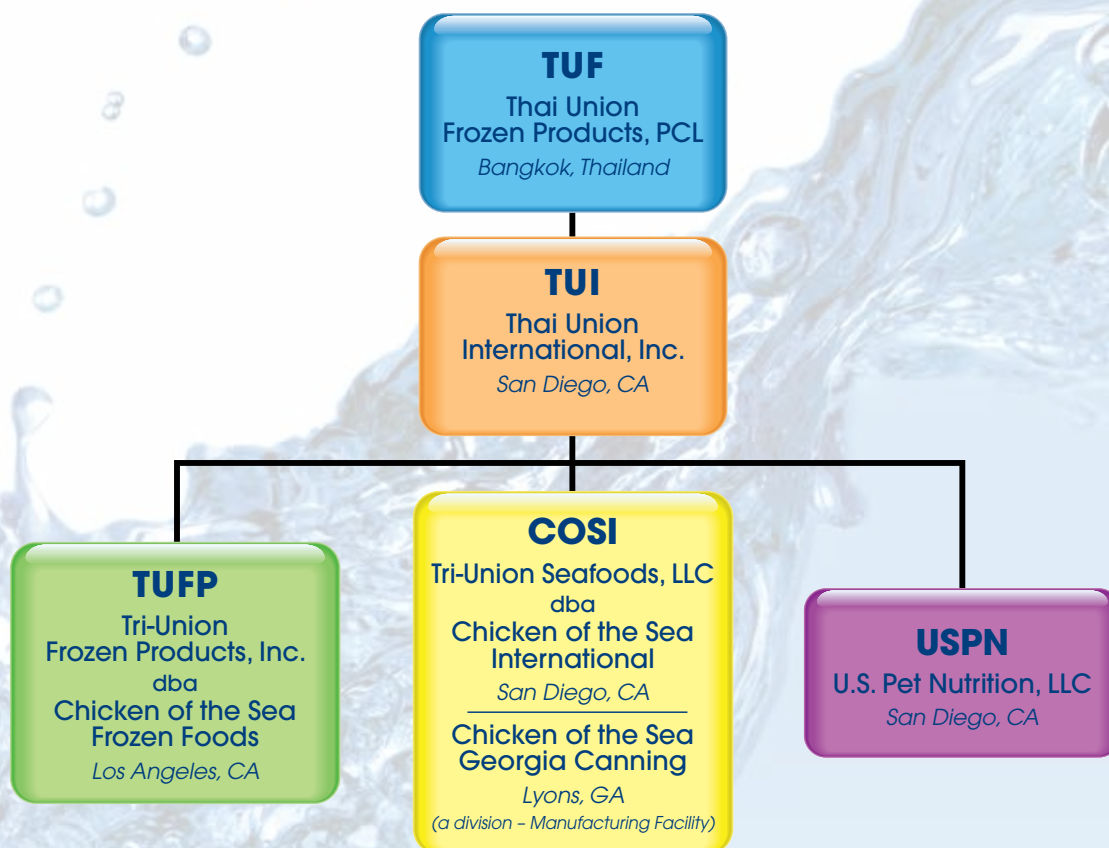
Headquartered in San Diego, CA, we source seafood products from around the globe. We package them in our 200,000 square foot canning facility in Lyons, GA, as well as through third-party packing facilities. We are led by a team of industry veterans with more than 300 years of collective experience in the packaged seafood industry.

At Chicken of the Sea, our commitment to sustainability starts at the top. Our President, Shue Wing Chan, is intimately and actively involved in developing and executing our sustainability strategy, and our executive leadership team continues to drive environmental and social responsibility efforts throughout all areas of the company.

Chicken of the Sea is a subsidiary of Thai Union Frozen Products Co, Ltd., Thailand’s largest canned-and frozen-seafood producer and the world’s largest canned-tuna producer. We provide quarterly reports to Thai Union, but operate autonomously for day-to-day decisions and strategy planning.

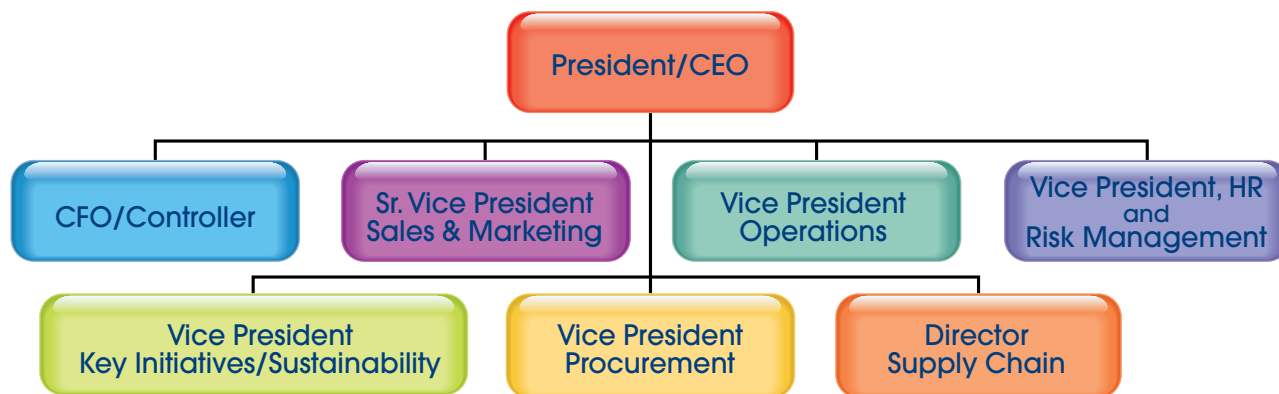
As a largely independent subsidiary, we have the best of both worlds. We have our parent company and a host of sister companies with expertise and reach across the globe, while at the same time we are small enough to be nimble in responding to industry trends and consumer preferences.

## Thai Union International, Inc. Organizational Chart, United States



For more information about Thai Union’s sustainability efforts, visit:  
[www.thaiuniongroup.com/home/home.php?pro=today&t=sustainability&lang=en](http://www.thaiuniongroup.com/home/home.php?pro=today&t=sustainability&lang=en)

## Executive Office



## Our Stakeholders

**Employees:** Our staff in San Diego handles the corporate sales, marketing and administrative side of the business and we have a manufacturing facility in Lyons, GA. Our focus is on developing and maintaining a team of skilled workers that understand our values, processes and systems.

**Retail Partners:** Our products are sold through every channel of food distribution from grocery supermarkets, club, drug, dollar and mass merchandisers to hospitals, restaurants and schools.

**Consumers:** We are highly engaged with our consumers through our website, Facebook page and Twitter feed where we are able to provide information on our company and our products. Members of our online newsletter, The Mermaid Club, receive updates on recipes, nutrition, articles and tips for living a healthy life. Through our website, consumers are able to share inquiries and suggestions 24/7.

### Consumer Connections in 2011

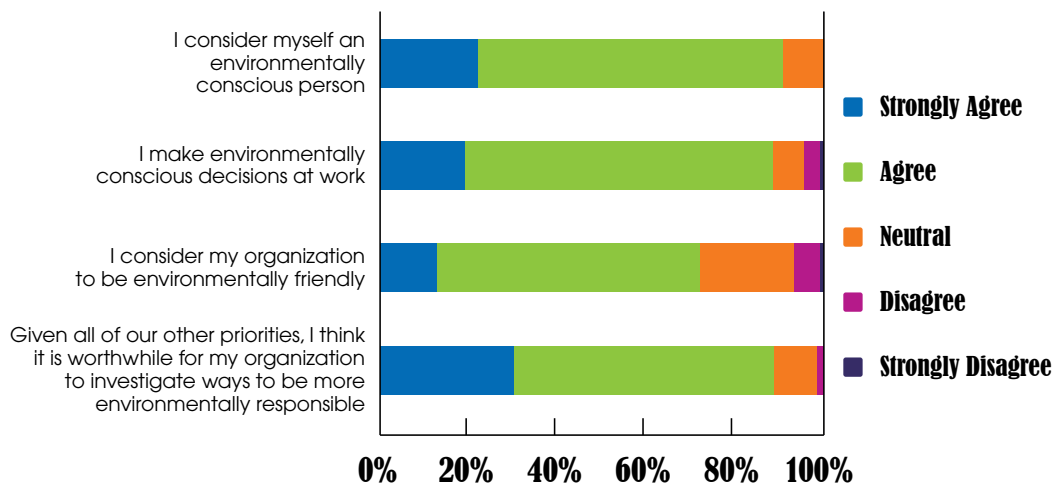
Website Visits	600,000
Mermaid Club Members	185,000
Facebook Fans	110,000
Twitter Followers	16,000
Customer Connections	11,500

**Communities:** We are actively involved in our local communities—providing a source of much needed employment in Southern Georgia and supporting a wide variety of charitable initiatives. See page 16 for more details about our work in local communities.

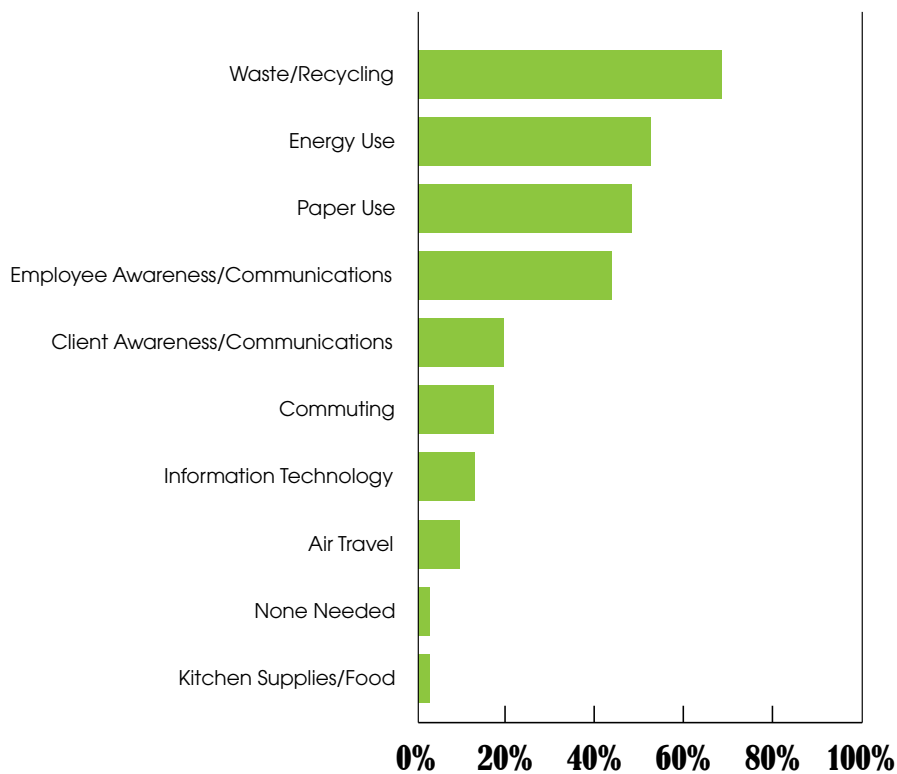
# Green Workplace Survey

In early 2012, we surveyed our employees about their attitude and awareness of sustainability issues. Here are a few of the results:

## Employee Attitudes and Awareness



## I Think That My Organization Should Focus its Environmental Improvements On:



We will be using the results from the survey to improve our workplace sustainability efforts in 2012.

# From Sea to Shelf:

## Fish Receiving

Fish are delivered to canneries/ factories frozen or refrigerated. **Quality evaluations are performed** during unloading.



# 1

Fish temperatures are maintained **at or below 0°** until processing.



# 2

## Cold Storage

Prior to being scheduled for processing, **product samples are tested and evaluated** before and after canning to assess quality.



# 3

## Pre-Processing Evaluation

## Thawing

Fish are brought out of cold storage and **thawed to backbone temperatures** sufficient to facilitate evisceration and sensory evaluation.

# 4



## Pre-Cooking

Acceptable fish are placed on racks and transferred to large ovens, where they are cooked sufficiently to facilitate cleaning of the fish.

Cleaned tuna loins are placed into filling machines where prescribed amounts of fish are placed into cans.

## Can Filling

Each fish is manually cleaned and **inspected for quality attributes.**

## Cleaning



# 6





# Tuna Processing



## Can Sealing

Filled cans are conveyed to sealing machines where lids are put in place and the cans are hermetically sealed.



## Finished Product Evaluation

Samples of each finished production code receive qualitative (e.g., color, odor, flavor, texture and cleaning) and quantitative evaluations.

## Labeling & Casing

Products are delivered to labeling lines where they are labeled and placed in cases. Cased products are marked with information necessary for product tracing.



## 8 Ingredient Addition

Cans leaving the filling machine are conveyed past points where prescribed amounts of spring water or oil are added.

## 11 Thermal Processing

Sealed cans are retorted (cooked under pressure) utilizing process time and temperature schedules to ensure the product is commercially sterile.



Cased products are shipped or are staged in warehouse for later shipment.

## 13 Warehousing & Shipping



# Environmental Responsibility

At Chicken of the Sea, we are committed to environmental responsibility at all stages of our products' life cycle. Where we have direct control over our operations, we are tracking energy, waste and water—and taking steps to optimize and reduce our impacts where possible. In our supply chain, where we do not have direct control, we have established clear expectations for environmental responsibility through our Supplier Code of Conduct. We are working with key suppliers to identify areas of opportunity for improving the environmental impacts of the goods and services that we procure.

In 2011, our main focus was on collecting robust data to create a baseline against which to measure our future environmental progress. Starting in 2012, we will use that information to identify opportunities to reduce our impacts, streamline our sustainability efforts, implement new environmental management systems and set goals and targets for the future.

## Sustainable Fishing Practices

Our commitment to environmental responsibility starts at the beginning of our product life cycle when the fish is caught. Below we highlight three programs focused on improving and protecting the creatures that call the ocean their home.

### ISSF Membership

We are co-founding members of the International Seafood Sustainability Foundation (ISSF), a global coalition of scientists, industry leaders, and environmental advocates dedicated to the long-term conservation and sustainable use of tuna stocks, reducing bycatch and promoting ecosystem health. Along with other industry leaders and the World Wildlife Fund® (WWF), we use ISSF research, policy positions and guidance to determine standards for tuna harvesting practices.



### Dolphin-Safe Tuna



We implemented "The Mermaid Cares" dolphin-safe policy in April 1990, and this program placed us among the industry's leaders in preventing accidental dolphin mortality. All tuna purchased, processed and sold by Chicken of the Sea is dolphin-safe. There is no flexibility in our policy. All the suppliers of our raw tuna and all suppliers of finished goods must be 100% dolphin-safe. None of the tuna we purchase is caught in association with dolphins.

## Prohibition on Shark Finning

Chicken of the Sea has recently adopted a policy that officially prohibits the practice of shark finning on board vessels that supply our catch. As a responsible member of the maritime community, we will not transact business with any vessel that has been identified by a Regional Fisheries Management Organization (RFMO) or national authority to have practiced shark finning or fails to publicly disclose its policy banning shark finning or fails to enforce such a policy. Shark finning is an abhorrent practice whereby the fins are retained and the remaining carcass is discarded at sea. This practice violates various international rules and regulations.

To allow time for companies to formally adopt finning policies and put appropriate systems in place for enforcement, we are allowing a temporary grace period during which time companies may consult on the necessary steps. We expect all policies and enforcement systems to be in place by September 1, 2012. To see our full finning policy, visit <http://chickenofthesea.com/shark-finning-policy.aspx>.

### Spotlight On: International Seafood Sustainability Foundation

*ISSF uses scientific fact-finding to identify best practices and ecologically sustainable solutions, using direct action to compel governments and industry leaders to support that scientific reasoning while advocating for continued improvement in all tuna fisheries. We believe that it is imperative to take an evidence-based approach that puts the focus on the fishery pushing governments and industry to favor more responsible, sustainable practices on the water.*

—ISSF website

In 2009, we were proud to join Starkist® and BumbleBee® as founding industry representatives in ISSF. Membership in ISSF has given us a platform to share ideas and innovations with our peers. It has also given us an opportunity to explore the challenges of sustaining the long-term health of tuna stocks within a collaborative, science-based group of stakeholders including the World Wildlife Fund.®

Members of ISSF are committed to addressing the following issues together:

- Controlling and Reducing Fishing Capacity
- Mitigating Bycatch
- Eliminating Illegal, Unreported and Unregulated (IUU) Fishing
- Expanding Data Support
- Advancing Performance in Monitoring, Control and Surveillance (MCS)
- Improving Overall Tuna Stock Health

ISSF is governed by a Board of Directors, counseled by an independent Scientific Advisory Committee, an Environmental Stakeholder Committee, a Bycatch Project Scientific Steering Committee, a Vessel Committee and staff. For more information, visit <http://iss-foundation.org>.

## Energy & Emissions

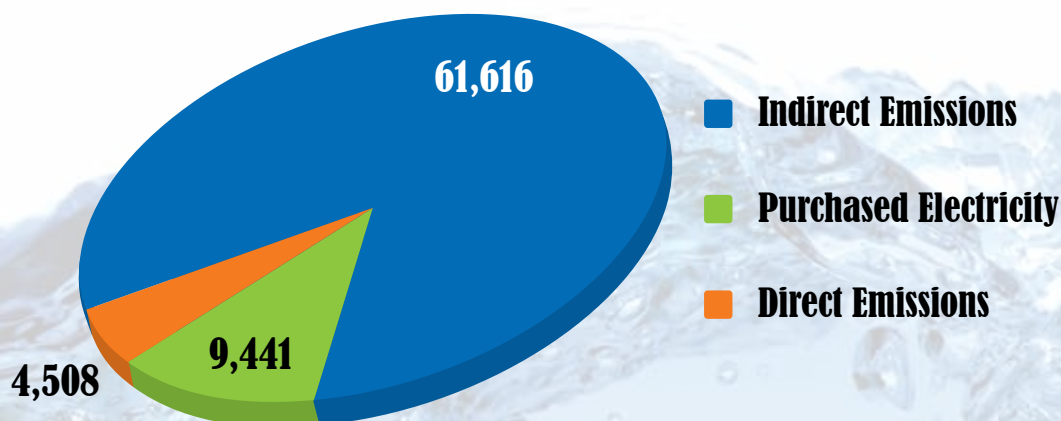
In 2011, we undertook a comprehensive carbon footprint assessment. Working with a sustainability consultant with expertise in corporate carbon accounting methodology, we gathered data on our own operations as well as a substantial amount of information from our suppliers. The result was a snapshot of our current impacts that will form a baseline against which we will measure our progress in the coming years.

### Included in the Carbon Footprint Calculations

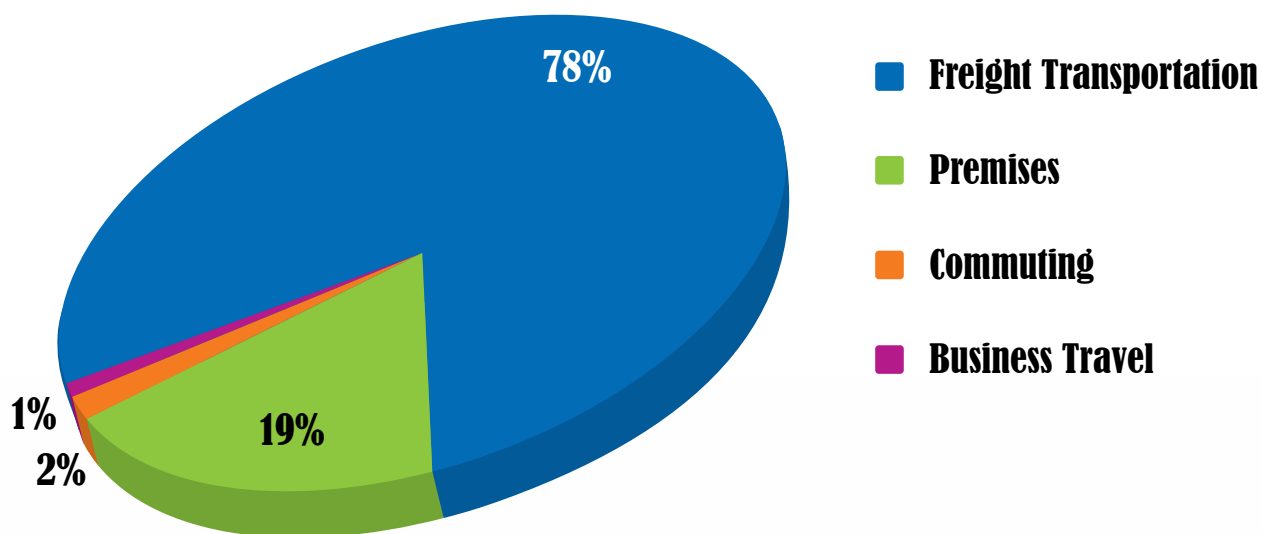
- Electricity
- Natural gas
- LPG/Propane
- Refrigerant gas
- Landfilled waste
- Recycled waste
- Composted waste
- Freight transport (sea, rail, truck)
- Employee commuting
- Business travel (air travel, ground travel, hotel stays)

The results of our carbon footprint analysis show that we were responsible for approximately 75,600 metric tons of greenhouse gas emissions. Looking at the results, the first thing we realized was just how big our indirect impacts are—in fact, more than 4 out of every 5 pounds of carbon comes from our third party supply chain.

### 2011 Carbon Footprint Results (tCO<sub>2</sub>-e)



## Carbon Emissions by Activity



Taking a closer look at our carbon footprint results, we discovered that the majority of our emissions are attributable to transportation activities. In particular, freight transportation is responsible for 78% of our total carbon footprint.

**We've Identified Lighting as an Additional Opportunity to Reduce Energy**

canning facility. While the cost of a complete retrofit is prohibitive, we are replacing existing facility lighting with LED models. This change will prolong the life of the lighting and will save significant energy over the coming years.

While these results point to an opportunity to continue to work with third party logistic providers on their CO<sub>2</sub> emissions reduction programs, we are also implementing efficiency improvements at our own facilities. We've installed high-efficiency motors in our machines—which help conserve energy and prolong the life of our equipment. For the large freezers that store our pre-packed tuna, we've opted for high-efficiency and non-ammonia models.

Looking to the future, we've identified lighting as an additional opportunity to reduce energy use at our

Type of Waste	Amount	Treatment
General Trash	1,291.0 tons	Sent to Landfill
Semi-Solid Waste	880 tons	Sent for Processing and Composting
Edible Solid Waste	868.8 tons	Sold and Rendered for Animal Feed
Plastic	184.7 tons	Sent to Recycler
Cardboard	177.8 tons	Sent to Recycler
Scrap Iron	58.3 tons	Sold for Salvage
Scrap Batteries	6.3 tons	Sold for Salvage
Scrap Metal	1.3 tons	Sold for Salvage
Scrap Electric Motors	0.2 tons	Sold for Salvage

## Waste

Like many other food companies, we realized long ago that waste is not just bad for the environment—it’s bad for our bottom line. That’s why we’ve made it a priority to divert as much waste from landfill and wastewater treatment as possible. The chart above provides insight into how we manage our waste stream for maximum efficiency at our Georgia canning facility.

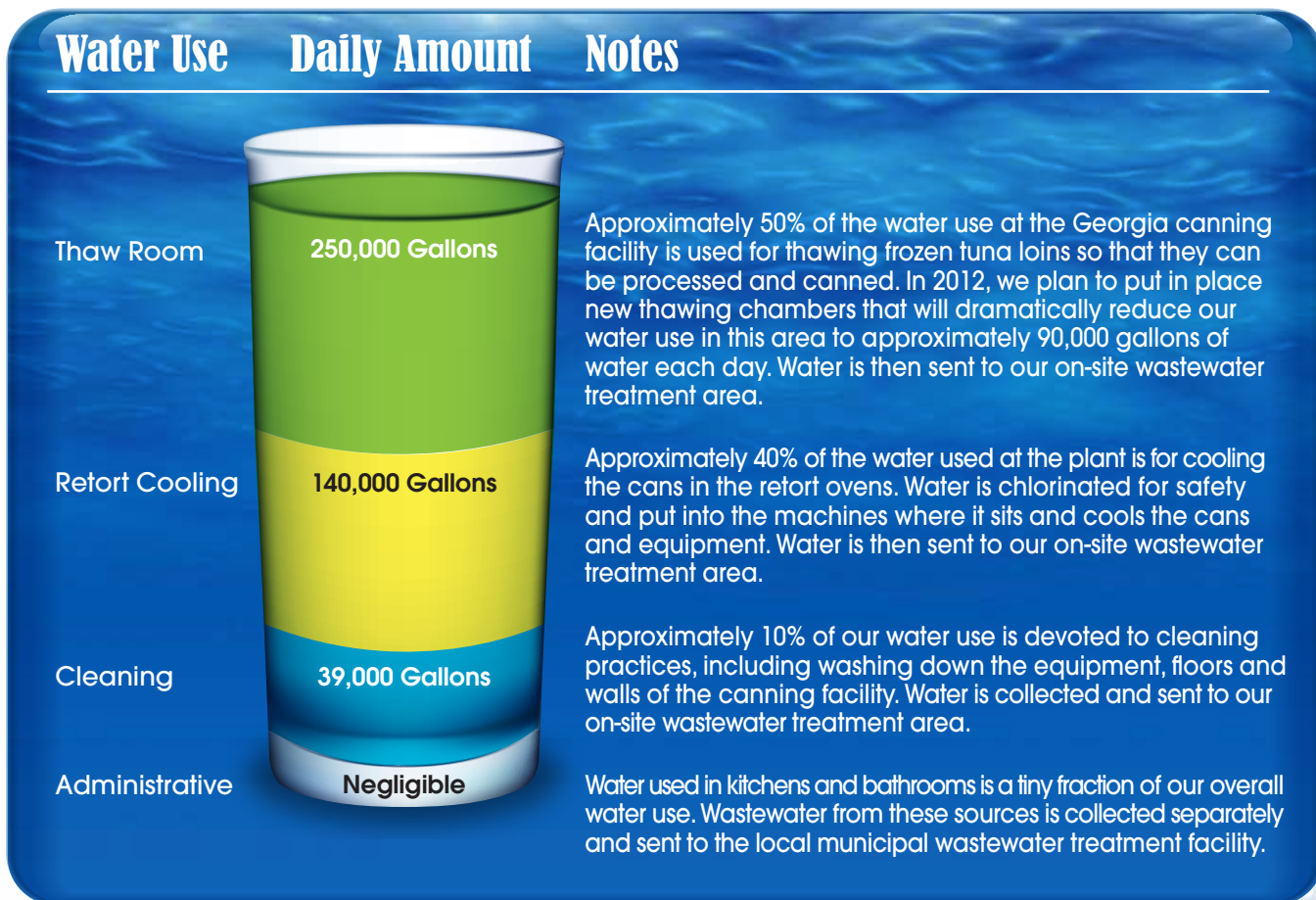
Overall, in 2011 we were able to divert 64% of our waste. We think that’s pretty good but are always on the lookout for additional opportunities. In the coming year, our waste priorities include:

1. Reducing edible waste by optimizing our packing process and investigating a system to recycle the waste vegetable oil.
2. Reducing scrap metal waste (mostly cans) by implementing additional mechanical guards on our packing machines.
3. Adding the recycle symbol to all of our applicable packaging to help our consumers recycle the packaging post consumption.

## Water

A food processing and packaging facility uses water in a number of ways, and we are constantly looking for ways to reduce the amount of fresh water that we draw from the local municipal system.

Because the water supply is plentiful at our Lyons, GA canning facility, our primary concern is with water quality and wastewater treatment. We have an on-site water treatment facility, which separates solids and purifies the water, which is then returned to an adjacent pond where it supports the local aquifer.



## Packaging

Product packaging is a complicated topic and one with which we continue to wrestle. Balancing consumer preference with cost concerns, transportation impacts, recyclability and overall environmental impacts is a constant task.

In 2012, we plan to delve deeper into the impacts of our product packaging—looking specifically at the relative impacts of tin-coated steel cans and plastic pouches. We know already that there will be trade-offs between recyclability and weight, and we're eager to understand which packaging options are best under which circumstances. We will report on our findings in next years' sustainability report.

## Major Packing Types

Tin-coated steel



85% **Pros:** 100% Recyclable

**Cons:** Heavier than plastic, rigid shape leaves empty space in transport

Plastic pouches



11%

**Pros:** Lighter than tin-coated steel and leaves minimal empty space in transport

**Cons:** Relies on petrochemical polymers

Plastic cups



4%

**Pros:** Convenient, single-serving size (e.g. less food waste)

**Cons:** Relies on petrochemical polymers, rigid shape leaves empty space in transport

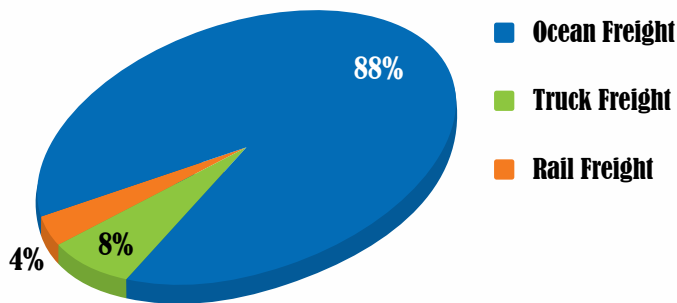
## Transportation

In 2011, we conducted our first comprehensive carbon footprint assessment and found that 78% of our emissions are released during the transportation of incoming and outgoing freight.

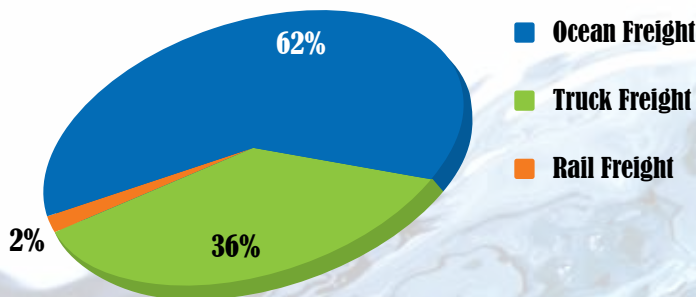
Because we do not own or operate the fleet that transports our products around the world, we rely on third party providers for transportation, coordination and logistics.

Looking to the future, we see an opportunity to more actively engage our freight vendors on the issue of sustainability.

### How Incoming and Outgoing Materials are Transported (ton.mile)



### Carbon Emissions Associated with Our Freight Transportation (CO2-e)



## Data tracking for freight included:

- Incoming product ingredients (e.g. tuna, olive oil) and packaging (cardboard, cans, labels) from pick-up point to our Georgia Canning facility.
- Outgoing finished product (e.g. canned tuna) from our Georgia facility to the customer drop-off point.
- Finished product delivered from contracted facilities to customer drop-off points.

## It did not include:

- Transportation related to seafood harvesting (e.g. ocean - storage).
- Transportation after the customer (e.g. Walmart, Safeway, Kroger) receives the delivery.
- Transportation of ingredients to contracted facilities for processing and packaging.





## Ocean Freight

Of all the tons of product materials that we transport, ocean freight accounts for 88% of the miles and 62% of our freight-related emissions. That's a significant impact and one we take seriously.

While there are significant negative environmental concerns associated with ocean freight, the industry's major players are already taking steps to minimize and mitigate those issues.

For example, one of the vendors that transports freight for Chicken of the Sea is NYK Group, one of the largest ocean freight transport providers in the world.

NYK has an extensive sustainability program that includes:

- Vessel operation
- Port facilities
- Combating global warming
- Efforts to prevent air pollution
- Efforts to prevent marine pollution
- Environmental technologies
- Environmental education for employees
- Environmental accounting, targets and reporting



NYK has been recognized by a variety of sustainability indexes and awards and continues to be recognized for its innovative approach to sustainability. For more information, visit [nyk.com/english/](http://nyk.com/english/).

## Ground Transportation

We use Transplace for ground transportation, which makes up 12% of our total product miles, but 38% of our freight-related emissions. Transplace has a long-standing commitment to optimizing transportation efficiency and has already implemented a number of environmental initiatives such as:

1. Using intermodal transportation models whenever possible, this maximizes rail routes and minimizes trucking miles so the emissions-per-pound of product stays lower than by trucking alone.
2. Implementing proprietary technology to achieve efficient shipment routing, including the elimination of empty and wasted miles in the supply chain.
3. Scheduling routes to eliminate idle time and lost production hours, which reduces the waste of available labor and fossil fuels.
4. Becoming an EPA SmartWay Transport Partner.

The SmartWay Transport Partnership is a collaborative program developed by the EPA and the United States freight industry to reduce greenhouse gases and air pollution, and to promote cleaner, more efficient surface freight transportation systems. SmartWay brings together freight shippers, motor and rail carriers, logistics services companies and industry associations committed to improving their environmental performance. Transplace was one of only 27 companies and organizations selected from SmartWay's more than 1,000 partners to receive the EPA's Excellence Award. Further, Transplace was one of only three selected Third Party Logistics Providers to receive this designation.



# Social Responsibility

**Our commitment to social responsibility** is rooted in our belief that our success as a business is dependent on the goodwill and support of our employees, our vendors and our communities. To fulfill our responsibilities, we undertake a variety of initiatives:

- **Our employees** receive competitive pay and benefits, workforce training appropriate to their jobs, and opportunities for advancement.
- **Our vendors** are expected to uphold our social and environmental expectations and we increasingly look to partner with suppliers that are aligned with our sustainability values.
- **Our communities** receive support through cash contributions and in-kind donations of food products. We continuously strive to hire our Georgia workforce from nearby communities.



In 2011, our major focus was on formalizing our sustainable supply chain initiatives, including the development of a new Supplier Code of Conduct and reviewing our human rights practices related to the California Transparency in Supply Chains Act of 2010 – S.B. 657. Our goals for 2012 include expansion and improvement of our supply chain auditing and formal integration of sustainability concerns into our human resource policies and practices. Learn more about our supply chain traceability at our website: <http://chickenofthesea.com/supply-chain-traceability.aspx>.

## Our Employees

Chicken of the Sea is fortunate to have an **incredibly loyal and diverse base of employees**. With a range of highly knowledgeable and seasoned industry representatives to new talent from other industries, we are able to develop proven and exciting go-to-market strategies. Our employees are a critical asset and we have numerous programs in place to ensure that their ideas are being heard including periodic employee surveys, an anonymous 'idea box', quarterly corporate meetings and an open dialogue structure from employee to senior management.

One thing that is really important to us is hiring locally. When we relocated our canning facility from America Samoa to Lyons, GA in October of 2009, we had to start hiring from scratch. We worked with the local municipality to recruit new employees not just county-wide, but in other areas. Skilled worker jobs are hard to find and the over 300 jobs that we offered were (and still are) highly coveted.

Location	Total Employees	% Female	% Racial Minority
San Diego, CA	105	47%	39%
Lyons, GA	210	39%	72%

## Spotlight On: Workforce Training

Chicken of the Sea has partnered with other local manufacturers, Southeastern Early College and Career Academy (SECCA) and Southeastern Technical College (STC) to offer a new dual enrollment certification program for high school students interested in general and advanced manufacturing careers.

The Certified Manufacturing Specialist (CMS) certificate program will start in August of 2012 and end in May of 2013. The goal of this one year program is to help students develop the skills necessary to gain employment and advance in today's highly technical manufacturing environment.

Students who complete this program will be awarded a technical college certificate from STC, earn high school credit for their coursework and earn the right to participate in a competitive interview process for several paid internships with local manufacturers in the surrounding Toombs County area that could lead to long-term employment opportunities.

Using a hands-on approach to learning, the content of this program covers several areas including: manufacturing processes, general plant safety, teamwork, communication, problem solving, statistical process control, Lean Manufacturing techniques, tools, hydraulic systems, pneumatic systems, electrical fundamentals, industrial controls, automation, applied mathematical applications, blueprint reading, powered truck operations, work ethics and various manufacturing simulations.

Chicken of the Sea is proud to support this work/study initiative, which will fill a gap in the current workforce training opportunities available to high school students and provide a stronger caliber of skilled employees for future recruitment at our canning facility.

### Safety

Training a large number of workers with little or no previous experience in our industry (and many with little to no recent work experience at all) also meant a higher-than-normal rate of workers compensation and safety incidents. As production has ramped up over the past year, we've instituted new processes and systems that have radically decreased our health and safety incidents.

#### 2011

#### San Diego, CA

#### Lyons, GA

Fatalities	0	0
Lost Days	0	420
Lost Time Injury Frequency Rates	0	3

Our safety policy guides employee and visitor behavior at our Georgia canning facility. Each visitor receives a safety briefing before touring the facility, and every employee is responsible for behavior that supports accident- and injury-prevention. To promote a culture of safety, we conduct daily "stand down meetings" at the beginning of each shift. These short meetings provide an opportunity to reinforce awareness of safety hazards and discuss ways to prevent accidents and injuries.

The canning facility is full of machinery that can be dangerous, if not operated and maintained properly. We have a comprehensive "lockdown and tagout" program, which ensures that machines are properly shut off and not started up again before the relevant maintenance or servicing work is completed.

It also means that hazardous power sources are turned off before maintenance can be started. Each machine is tagged, so that employees are aware of the safety precautions necessary.

As a result of mechanical safeguards, employee awareness, and protective gear, few serious injuries occur in the plant. Rather, the greatest day-to-day safety challenge is cuts associated with the handling of cans.

The key focus for 2012 is bringing on a new Environmental Health and Safety Officer, who will be responsible for overseeing the plant's accident-prevention program, providing daily feedback on unsafe behavior, identifying opportunities to improve safety practices and health and safety data tracking.

While our administrative headquarters in San Diego, CA is not a high-risk safety concern, we do have policies and programs in place to promote a safe and healthy work environment. We have safety stations located throughout the building with appointed people who have undergone CPR certification in each area to oversee any type of emergency from earthquakes to power outages to medical crises. Employee safety is our number one concern.

## Benefits

We believe that our commitment to our employees goes beyond just a paycheck, and we are proud to provide the following benefits:

- Medical
- Dental
- Vision
- Life insurance
- AD&D
- Long term disability
- Personal accident insurance
- Universal life insurance
- Business travel accident insurance
- 401(k)
- Tuition assistance
- Employee Assistance Program (available to full- and part-time employees)

Our Commitment  
to our Employees  
Goes Beyond Just  
a Paycheck

## Managing Our Supply Chain

We don't own or operate any of the fishing vessels that catch the seafood we sell, nor do we manufacture our product packaging or non-seafood ingredients. We contract with third-party transportation providers to bring incoming raw materials into our facilities and to get outgoing finished product to our customers.

We are committed to pushing our commitment to environmental and social responsibility back through the supply chain. To do that, we are focusing first on setting clear expectations with suppliers and backing that up with systems to identify and remediate concerns. The following pages outline our current practices and future initiatives.

## Supplier Code of Conduct

All of our primary vendors are expected to comply with our Supplier Code of Conduct, which outlines expectations on the following issues:

- Ethics and Privacy
- Business Integrity and Fair Competition
- Labor and Human Rights
- Freely Chosen Employment
- Child Labor and Young Workers
- Non-Discrimination and Fair Treatment
- Wages, Benefits and Working Hours
- Freedom of Association
- Health and Safety
- Worker Protection
- Worker Training
- Sanitation and Hygiene
- Emergency Preparedness and Response
- Environmental Responsibility
- Environmental Authorizations and Compliance
- Waste and Emissions
- Spills and Releases
- Management Systems
- Commitment and Accountability
- Legal and Customer Requirements

Our Supplier Code of Conduct includes specific reference to each worker's right to freely chosen employment. We strictly prohibit forced, bonded, indentured or involuntary prison labor. Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice. We prohibit any use of slavery or human trafficking in our supply chain and are required to take reasonable precautions to ensure that its own suppliers do not engage in these practices. Read our Supplier Code of Conduct on our website at <http://chickenofthesea.com/supplier-code-of-conduct.aspx>.

### Vendor Evaluation

We have a robust vendor evaluation process that applies to all suppliers that provide input to our product and its packaging. The evaluation looks at issues of quality, capacity, compliance and good business practices. In 2012, we will be expanding this evaluation to specifically include aspects of labor and human rights.

### Audits and Verification

Chicken of the Sea currently works with independent auditors who make announced and unannounced visits at supplier facilities that provide material inputs to our products. To date, these audits have focused mainly on quality, compliance, health and safety and good business practices. In 2012, we will expand the audit process to also include specific criteria on environmental responsibility, labor practices and human rights.

### Non-Compliance and Remediation

Chicken of the Sea will not tolerate any supplier or employee that does not comply with the law as well as our standards regarding slavery or human trafficking. Failure to comply with our policy and standards will require that supplier to be removed as an approved supplier and they will be reported to the appropriate authorities. The company will not source from them until they are in complete compliance with those policies.

## Spotlight On: “Near-Sourcing”

In 2009, we moved our primary canning facility from American Samoa to Lyons, GA. While many other companies are outsourcing their production and manufacturing, for us it just made good business sense to “near-source” our tuna canning operations.

The decision to relocate was driven by cost pressures and a need for more flexibility and efficiency in operations. The move to Georgia reduced production lead time from 2–3 months to 2–3 weeks. Because lead times for distribution center replenishment were dramatically reduced, we were able to reduce our finished goods inventory. This, in turn, allows us to respond more quickly to sales trends and customer needs.

The facility in Lyons, GA is a newer, more modern and efficient plant that features more technologically advanced packaging equipment—leading to increased efficiencies in the entire production line. That’s good for business, but also good for the environment.

Near-sourcing has also had a social benefit. Since the Lyons plant opened nearly three years ago, Chicken of the Sea has become the second largest private employer in Toombs County and is actively looking to increase its workforce in the area. We helped to create over 300 jobs and have future growth potential with multiple strategic initiatives.

## Supporting Our Local Communities

We are committed to the communities in which we operate. In 2011, we donated almost 17,000 pounds of our products and made more than \$21,000 in charitable contributions. A few of the organizations that we supported include:

### Local Community Support

- Community Sports Teams (Softball, Little League, Kickball and Basketball)
- Charitable Walks and Races
- YMCA
- Local Festivals

### Education and Training

- Elementary Schools
- Educational Foundations and Scholarships
- San Diego History Museum Tuna Exhibit
- Student Associations
- Reading and Mentorship Programs

### Health and Relief Work

- Flood Relief
- Cancer Treatment Facilities
- Breast Cancer Awareness
- Hospice Care
- Domestic Violence Relief



# Product Responsibility

Seafood is rich in protein, vitamins and minerals—and is a key part of a healthy, balanced diet. We are committed to helping consumers make smart choices about the food they eat and we make a variety of information available through our website, product packaging, email newsletter and other social media sites.

## Food Safety

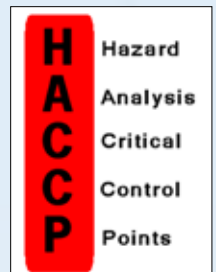
At Chicken of the Sea, we always put food safety first. We were the first seafood brand to incorporate the Hazard Analysis Critical Control Point procedures, referred to as “HACCP,” a safety system designed to protect customers from food-borne illness and ensure food safety. Our program ensures that our products meet the highest standards of safety. In recent years this type of program has become the backbone of the U.S. Food and Drug Administration’s food safety requirements.

Upon opening our plant in Lyons, GA in the winter of 2009, our goal was to achieve the highest level of international food safety certifications, referred to as the “Global Food Safety Initiative.” Since spring of 2010, we have received and maintained this certification, which is reviewed and approved by an independent third party expert, specializing in shelf stable seafood. The Global Food Safety Initiative

We’ve Always put Food Safety First



program has an extensive set of requirements for every procedure in our plant, from employee food safety practices to documentation and record keeping. This system is used throughout the world to recognize companies that maintain the highest levels of food safety. The requirements for certification include a thorough multi-day inspection of the manufacturing facility and extensive review of all of our documentation.



Good Manufacturing Procedures (GMP) refers to employee programs designed to ensure that our manufacturing processes are safe and sanitary. This includes following good personal hygiene such as hand washing and wearing clean clothing. Employees also receive training in how to properly handle food and how to clean equipment. Inspections of employees and equipment are performed throughout the day to make sure that all GMP’s are being followed.

## Spotlight On: BPA-Free Cans

Chicken of the Sea's efforts to minimize the use of Bisphenol-A (BPA) in product packaging grew out of consumer feedback and scientific research. The management team of Chicken of the Sea realized the importance of the issue with our consumers and began working with our suppliers to better understand and to reduce the use of BPA in our products.

The first step was to understand how BPA is used in product packaging, so we went directly to our suppliers. In 2009, Chicken of the Sea surveyed all of our import suppliers and domestic can makers as to the BPA content of the containers they use. We found that all of our can suppliers are BPA Free. Although all of our alternate packaging suppliers are within the stringent and safe levels established by both the United States and European Union health officials and organizations, we will continue to encourage their efforts to provide completely BPA Free packaging.

  
**BPA  
FREE**





## Nutrition & Labeling

We follow strict FDA regulations for food and nutrition labeling. These regulations are designed so important nutrition information is easily available for consumers. The nutrition information listed on our labels is based on laboratory analysis of our products. That way we make sure what is on our label is accurate. **Selecting healthy food is important**, so our labels also highlight the benefits in our foods, such as the Heart Healthy Logo identifying rich sources of Omega-3 fatty acids on many of our tuna and salmon products. We also offer low sodium and very low sodium options for consumers worried about their salt intake. Most of our products are naturally high in protein and low in fats, and many products only contain all natural ingredients. These benefits are also highlighted on our labels.

Because mercury in seafood is a concern, we have devoted an entire page on our website to information about mercury, including information on how it gets into fish, health effects of mercury consumption and FDA guidelines on fish consumption. For more information on mercury, visit our website at [http://chickenofthesea.com/health\\_mercury.aspx](http://chickenofthesea.com/health_mercury.aspx).

Nutrition Facts		Amount/Serving	%DV*	Amount/Serving	%DV*	Amount/Serving	%DV*
Serving Size: 2 oz drained (56g / about 1/4 cup)		Total Fat	0.5g	1%	Monounsatur. Fat	0g	0%
Servings 2		Sat. Fat	0g	0%	Cholest.	10mg	3%
Calories 50		Trans Fat	0g	0%	Sodium	180mg	8%
Fat Cal. 5		Polyunsatur. Fat	0g	0%	Potassium	75mg	2%
					Protein	11g	20%

INGREDIENTS: CHUNK LIGHT TUNA, WATER, VEGETABLE BROTH (CONTAINS SOY, SALT).  
\*Percent Daily Values (DV) are based on a 2,000 calorie diet.

In addition, a few years ago **we made a concerted effort to reduce our sodium levels** in all of our albacore tuna products by 50%. On top of that, we offer our traditional, highly nutritious tuna products along with a very low sodium tuna product that has no vegetable broth added and is only 90mg of sodium per serving. The majority of our products are gluten free and Kosher approved. We carry our desire to offer consumers healthy meal options by providing hundreds of recipes on our site that are healthy, nutritious and convenient.

## Effects of Omega-3 Throughout the Body

Fish is good for you in many ways because it contains Omega-3,\* protein and vitamins. Health Authorities recommend eating fish twice a week.\*\*

**\*Natural Source of Omega-3 EPA and DHA.** Contains 190mg of EPA and DHA combined per serving, which is 118% of the 160mg Daily Value for a combination of EPA and DHA.

**\*\*American Heart Association, American Medical Association, American Diabetes Association.**

**Brain**  
• May improve memory retention

**Heart**  
• Promotes cardiovascular health\*

**Muscles**  
• Helps build muscles and tissues

**Eyes**  
• Supports healthy vision

**Lungs**  
• Promotes healthy respiratory function

**Skin**  
• Promotes healthy skin

**Joints**  
• Supports healthy joint function

# About this Report

This is Chicken of the Sea's first sustainability report and it covers our performance from January through December 2011. It is available online at <http://chickenofthesea.com/sustainability/> where you can find additional information about our sustainability initiatives at Chicken of the Sea and a complete Global Reporting Initiative Content Index.

We have engaged Strategic Sustainability Consulting (SSC), an independent party, to support our sustainability reporting efforts. We believe that this report contains information that is accurate, timely and balanced. While the report and the data within have not been formally assured, we have completed an internal assessment process in conjunction with SSC to review the contents for clarity and materiality.

If you have any questions about this report or about sustainability at Chicken of the Sea, please contact John DeBeer at 858-597-4211.



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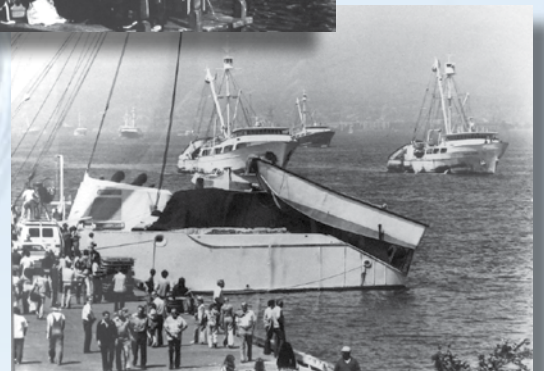


Chicken of the Sea  
Georgia Canning  
129 North Commerce Drive  
Lyons, GA 30436  
**912/526-5108**

Ask any Mermaid you happen to see...  
**What's the Best Tuna?**



**Through the Years...**



The Best Seafood

# Chicken of the Sea

A cartoon mermaid with long blonde hair, wearing a blue top and a green and yellow tail, holding a wooden staff with a small crown on top. She is positioned behind the word 'Chicken' in the logo.

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