



Endorsers of the Ethical Charter on Responsible Labor Practices

Frequently Asked Questions

What is the Ethical Charter on Responsible Labor Practices? 2

Will the Charter replace standards already in use in the industry? 2

Who is covered by the Charter? 2

How can others get involved with the Charter? 2

Why should my company or organization endorse the Charter?..... 3

Is endorsement legally binding? 3

Why was the Ethical Charter on Responsible Labor Practices developed? 4

How was the Ethical Charter on Responsible Labor Practices developed? 4

How will the associations support the Charter? 4

I already have a Code of Conduct for my business. What does it mean to endorse the Charter? 4

How are endorsers made public? 5

How are companies implementing the Charter? 5

Are third-party business partners of an endorser required to be an endorser as well? 5

What happens if there is an update to the Charter? 5

What happens if an endorser finds it difficult to comply? 6

Can the framework operate globally? 6

Is this just another exercise for companies to promote what they do? 6

What do we mean by harmonizing supply chain monitoring & verification mechanisms? 6



What is the Ethical Charter on Responsible Labor Practices?

The Produce Marketing Association (PMA) and United Fresh Produce Association (United Fresh) have established an Ethical Charter on Responsible Labor Practices to provide the produce and floral industry with a clear and well-defined framework which outlines standards, practices and the commitment to treat all workers with dignity and respect as they work to bring fresh produce and flowers to consumers. As an industry, we want to proactively address this issue and foster respectful relationships with employees.

The Charter is supported by two guides and one tool:

1. The Measurement Criteria document, which explains how to interpret the Charter in actual practice at a business/employer level;
2. The Guidelines for Responsible Purchasing Practices, which outlines how endorsing buyers should use the Charter;
3. The Employer Self-Assessment Tool, which enables a business to evaluate its own performance against the Charter principles.

Will the Charter replace standards already in use in the industry?

The Charter is not meant to replace the good work already being done. The associations will not undertake monitoring, nor accreditation or certification activities, as the Charter seeks to remain a neutral reference framework. We hope to provide tools that will enable harmonization of approaches as appropriate. We sought input from other organizations during our work to establish an industrywide framework and will continue to be open to conversations and potential collaboration.

Who is covered by the Charter?

The Charter seeks to establish a framework for responsible labor practices that is applicable to the whole supply chain.

The primary current focus for implementation is at the field level (i.e., production processes for fresh produce and flowers, leading up to non-processed product, such as cropping, growing, rearing, producing, packing). This focus is based on perceptions of risk; however, the reality may vary depending upon type of crop, relationships and trust among business partners, or other factors.

How can others get involved with the Charter?

Any company or industry organization in the floral or produce industry can endorse the Charter. PMA and United Fresh seek wide participation from every segment of the fresh produce and floral supply chain – including growers, shippers, fresh-cut processors, wholesalers, distributors, retailers, foodservice operators, industry suppliers and allied associations. Endorsing the Charter publicly demonstrates a commitment to workplace safety, respect for worker dignity, compliance with all applicable legal requirements and a commitment to building coordinated action across the industry on responsible labor practices.



To become an endorser, a member of the leadership team commits in writing to:

- Encourage use of the principles contained in the Charter to promote responsible labor practices.
- Use the Charter to inform supply chain management standards and practices.
- Promote industry-wide awareness and understanding of the importance of supporting responsible labor practices throughout the supply chain.
- Harmonize supply chain monitoring mechanisms through recognition and acceptance of audits using the principles contained in the Charter, to help minimize the number of audits that farms and suppliers must undergo to demonstrate compliance.
- Conduct ongoing dialogue with relevant stakeholders to support compliance with the standards throughout the industry.

A company should submit its commitment to these principles on company letterhead and [email the letter to Michelle Hill at mhill@pma.com](mailto:mhill@pma.com).

Why should my company or organization endorse the Charter?

Endorsing the Charter allows any company or organization to publicly demonstrate its commitment to responsible labor practices, and places it at the heart of a global community seeking to enhance confidence in produce and floral products and build responsible business conduct that is critical to the success of the industry.

Benefits of endorsement include:

1. Shows industry leadership in supporting collective efforts to communicate, reinforce and promote responsible labor principles across the floral and produce supply chains;
2. Signals to key business partners or stakeholders that the business supports responsible labor practices;
3. Helps drive solutions in reducing the burdens and costs associated with duplicative verification efforts.

Is endorsement legally binding?

No. Endorsing the Charter is voluntary and is an individual company or association decision. It is a declaration of intent. Endorsement is not intended or designed to be legally binding and/or to create legally enforceable representations and/or commitments.

Neither PMA nor United Fresh will police or enforce the behavior or actions of companies or industry organizations. The associations will not undertake accreditation or certification activities, as the Charter remains a neutral reference framework. The Charter is designed to stimulate support and to promote responsible labor practices and encourage collaboration and partnerships.

A company or association may voluntarily withdraw its endorsement at any time by providing a letter from a senior executive to the Boards of PMA or United Fresh.



Why was the Ethical Charter on Responsible Labor Practices developed?

The Charter was designed as a global framework for building shared understanding of baseline practices and for building coordinated action as an industry. The Charter helps the industry realize shared values and build a roadmap for moving forward together. The Charter recognizes the diversity of the sector; it sets out broad principles and invites individual organizations to consider how they should be applied to their business.

This is a major milestone for the industry, but also the beginning of real work. Our goal is to reach beyond large companies and provide information and education to many of the small- and medium-sized businesses who are typically left out of major initiatives. We will offer educational tools on an ongoing basis to help companies perform well.

We recognize the growing interest of stakeholders in transparency throughout the global supply chain – both consumers and companies that want ethical sourcing and confidence in what they are buying. We will seek to stimulate support and to promote responsible labor practices and encourage collaboration and partnerships.

How was the Ethical Charter on Responsible Labor Practices developed?

In late 2015, the Boards of PMA and United Fresh formed a Joint Committee on Responsible Labor Practices (Committee). The Committee was launched with 16 members, equally divided among produce suppliers and buyers. The Committee's charge was to evaluate appropriate labor practices across the produce and floral supply chain and explore an industry-wide, global approach to responsible labor practices. Throughout 2016-2017, the Committee developed a draft Ethical Charter on Responsible Labor Practices (Charter). After extensive work with industry members, expert consultants, and an open public consultation period in early 2017, the associations adopted the final Charter in January 2018 as a standard recommended for all industry members.

How will the associations support the Charter?

To support successful uptake and implementation of the Charter, the industry associations are undertaking the following activities: (1) Raising awareness and encouraging widespread commitments to the Charter's principles by members of the associations and their supply chain partners globally; and (2) Educating industry members and providing helpful tools to growers, companies, and individual managers to strengthen their capacity to drive and demonstrate responsible labor practices or ethical sourcing in their work.

I already have a Code of Conduct for my business. What does it mean to endorse the Charter?

The Charter is not a substitute for existing codes or systems; it gathers the standards that an industrywide body of companies has determined to be appropriate for demonstrating responsible labor standards. The Charter provides today's consensus on responsible labor practices fundamentals, together with measurement criteria that demonstrate compliance with these principles.

The Charter can be integrated into existing codes or systems or used by companies or initiatives as a reference against which to benchmark and otherwise review current tools. An endorser is free to decide which actions it deems appropriate to implement the Charter; this includes whether it would adopt the Charter as its own, or



simply incorporate any missing elements into its own program. We anticipate that some companies may need to customize measurement criteria to their own specific business and situation; our criteria offer consistency in measurement and thus may reduce duplication of audits across multiple buyers.

How are endorsers made public?

A joint website by PMA and United Fresh to promote the Charter will visibly list all organizations that endorse the Charter.

How are companies implementing the Charter?

Each endorser has a key role to play to promote industrywide awareness and understanding of the importance of responsible labor practices. Endorsers can decide how to best do so. An endorser can take any of the following actions:

- Incorporate the Charter's principles into contracts with business partners;
- Integrate Charter's principles within corporate strategy and decision-making processes;
- Ensure that employees understand what the Charter means for them and how they work;
- Implement effective risk management strategies and systems which are based on experience and account for stakeholder perceptions of labor or occupational health and safety risks and impacts on worker rights;
- Proactively engage key stakeholders on responsible labor practices challenges and opportunities in an open and transparent manner.

Are third-party business partners of an endorser required to be an endorser as well?

The Charter endorsement recognizes the diversity of the sector. Consequently, the framework sets out broad principles and invites individual organizations to consider how they should be applied to their business, and thus leaves it up to each company to determine how to involve its business partners.

What happens if there is an update to the Charter?

The Charter will be periodically reviewed through an open and public process to respond to emerging issues and ensure continuous improvement of responsible labor practices across the industry. The Boards of Directors of PMA and United Fresh will review and approve any proposed changes to the Ethical Charter to ensure their consistency with the original mission and values.

All companies or associations that have endorsed the Charter will be given a 90-day notice period of changes in the Charter prior to launch. There will be an opportunity for participants to reevaluate their commitment at that time and issue an updated endorsement.



What happens if an endorser finds it difficult to comply?

An endorser is free to decide an appropriate plan of action to implement the Charter. There may be a reputational risk associated with endorsing the Charter and then failing to live up to its principles. Implementing the principles is generally a continuous improvement process, rather than a prescriptive checklist with which to comply.

Can the framework operate globally?

The desire to ensure global participation drove the associations in the development of the Charter. We respect the huge diversity among growing regions and cultural practices in the produce and floral industry. Understanding that growers in the United States and elsewhere face different environments, we sought to ensure principles of good labor practices were developed in a way that addresses growers in areas of varying levels of economic development and legal frameworks. To reduce barriers to implementation, we sought to minimize overly burdensome requirements and to have industry expectations that are appropriate and targeted. To ensure accessibility, the associations will share information freely, provide tools in multiple languages, and accept feedback on whether we are reaching those most affected or in need of information.

The associations believe in a process to educate, exchange ideas and best practices, validate current conditions and inspire continual learning and progress for all workers across the produce and floral supply chains. To allow the spread of insights and shared learning, we intend to serve as a hub for education to help those who grow or who wish to learn about responsible production or ethical sourcing.

Is this just another exercise for companies to promote what they do?

While the majority of agricultural employers provide good jobs and conditions, foster respectful relationships with employees, and ensure appropriate working conditions, the industry is judged by the exceptions of poor practices. When growers, packers, distributors, marketers and retailers of fresh produce and flowers join forces to ensure good practices and address these issues, we create an opportunity for dialogue and alignment that is critical to our industry's success. Our goal is to provide information and education to many of the small- and medium-sized businesses who typically lack resources and time to participate in major initiatives. The Charter was designed as a global framework for building shared understanding of baseline practices, and for building coordinated action as an industry. The Charter helps the industry realize shared values and build a roadmap for moving forward together.

What do we mean by harmonizing supply chain monitoring & verification mechanisms?

Since the rise of social auditing in the supply chain more than twenty years ago, we have seen the number of social audit standards and methods increase dramatically. In addition to contributing to "audit fatigue," this duplication reduces the value of audits and consumes resources. Our goal is to create opportunities for harmonization and convergence of efforts across all facets of the floral and produce supply chain to support industry practices that are consistent with international legal standards as well as national and local laws. We hope that the industry will be able to reduce costs, administration, time, and effort across duplicative audits that farms and suppliers must undergo to demonstrate



compliance. Endorsers are asked to support efforts to harmonize supply chain monitoring mechanisms and can decide how to best do so.

An endorser can take any of the following actions:

- Recognize and accept audits that use the principles contained in the Charter;
- Replace proprietary verification tools used in their responsible sourcing programs with industrywide tools such as the Charter self-assessment;
- Benchmark existing standards against the Charter and target any additional verification on gaps or areas of difference.