



Dear Potential Endorser:

Due to your important role in the produce or floral industry, we invite your company to publicly demonstrate a commitment to responsible labor practices across the industry by endorsing the Ethical Charter on Responsible Labor Practices.

The Joint Committee on Responsible Labor Practices was founded in 2015 as a mutual effort by the Produce Marketing Association and the United Fresh Produce Association to establish a common baseline for an industrywide, global approach to responsible labor practices across the produce and floral supply chains, as well as consistent expectations among trading partners, workers and consumers.

The Committee worked extensively with industry members, key stakeholders, expert consultants and the public to inform the development of the Charter, which was approved by the Board of Directors of both associations in January 2018.

The Charter provides industrywide core values and principles for responsible labor practices and purchasing practices in the global fresh produce and floral supply chains.

The Charter launches in July 2018 with the hope of reaching and educating a broad industry audience. To support successful uptake and implementation of the Charter, the two industry associations are undertaking the following activities:

- Raising awareness and encouraging widespread commitments to the Charters' principles by members of the associations and their supply chain partners globally.
- Encouraging mutual recognition of endorsers' efforts to assure compliance.
- 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.

Please review the attached Charter and an FAQ document about becoming an endorser. Also attached is an Endorsement Template that you may use. We appreciate your attention. We hope you will join the industry effort to demonstrate our core values.

Sincerely,

PMA and United Fresh

Ethical Charter on Responsible Labor Practices

We believe that everyone deserves to be treated with dignity and respect. We are committed to respecting workers' rights and protecting their safety and health, while recognizing the cultural and legal differences found throughout the industry and the world. As an industry, we care about the wellness, respect and safety of the workers who help us offer the wide variety of fresh fruit, vegetables and flowers consumers enjoy.

The guiding values and principles set out in this Ethical Charter provide a framework for coordinated, focused action across the industry. When growers, labor agencies, packers, distributors, foodservice operators, marketers and retailers of fresh produce and flowers work together to assure ethical working standards, everyone in the supply chain benefits and consumer confidence in our products is enhanced. Responsible labor practices are the right thing to do and our success as an industry depends on it.

Our Values

- We believe that work in the fresh produce and floral industries should provide economic opportunity for all involved. Employers, workers, their families and communities should benefit financially as a result.
- We respect, value and encourage mutually beneficial efforts and a positive relationship between the employer and the employee, and intend to support efforts that strengthen that relationship.
- We operate in a spirit of cooperation, learning and transparency with our workers, trading partners and other stakeholders.
- We support transparency in our supply chains about labor conditions, policies and practices, as permitted by law, with the aim of improving the work environment and giving workers opportunities for success.
- We seek to inspire continual learning and progress across the produce and floral supply chain, through education and an exchange of ideas and best practices in implementation of these principles.
- We believe in accountability throughout the supply chain and among all stakeholders to deliver our shared vision of responsible labor practices. These values can only flourish because of our day-to-day behavior and actions, with each of us working within our individual area of responsibility and strengths.

Our Guiding Principles

Respect for Laws at Work

Legal Compliance

Employers shall adhere to the law and regulations as established by the applicable jurisdiction.

Occupational Safety & Health

Workers shall be provided a safe, hygienic and sanitary environment at both work-related sites, and at any housing mandated or provided by the employer. Employers shall adopt reasonable measures to identify hazards and control occupational risk of injury and illness. Examples of such safeguards may include, but are not limited to, the following: industrial hygiene and sanitation programs; injury and illness prevention; emergency preparedness and response; chemical safety; equipment and machine safety; ergonomics; ventilation and lighting.

Wages & Benefits

Workers shall be paid for all work performed. Employers must comply with all applicable legal requirements regarding legal eligibility to work, benefits and wages (including wages for overtime premiums and/or minimum compensation for any payment arrangement based on productivity). Employers must provide leave and benefits as required by law. Payments will be made in accordance with any applicable contract terms and pay calculation shall be transparent to workers.

Working Hours

Employers manage working hours in accordance with applicable laws, recognizing that agricultural labor needs vary by season, crop and task, and workers are sometimes needed for shorter or longer time periods than a standard workweek. Employers provide rest periods if needed to support a safe and healthy workplace. Employers inform workers about their expectations regarding hours of work and gain their agreement at time of hiring.

Respect for Professional Conduct

Communication and Worker Protections

Direct communication between management and their employees is the most effective way of resolving workplace issues and concerns. All workers should have both the right and responsibility to voice questions, report in good faith any improper or wrongful activity, or discuss opportunities and/or grievances. To do so, there should be a fair, transparent and accessible channel of communication to provide input to management and to resolve workplace issues. Employers should encourage timely disclosure of concerns and shall prohibit retaliation against anyone who, in good faith, reports concerns.

Ethical Recruitment

Employers shall recruit workers ethically. Abusive, deceptive, fraudulent or corrupt practices are unacceptable at any stage of the recruitment and selection process. No worker should pay for a job; employers shall bear the costs of recruitment and placement. If third-party labor contractors are utilized, appropriate due diligence is performed to ensure their commitment to uphold the Ethical Charter.

Management Systems and Continuous Improvement

Employers commit to integrating sound management systems (such as policies, processes, education and training, documentation, communication and feedback channels) that sustain and demonstrate compliance with applicable labor, employment, occupational health and safety laws governing the employer. Employers should look to these systems to continuously improve performance against compliance objectives.

Responsible Purchasing Practices

Companies purchasing commercial quantities of produce and floral products understand and seek to mitigate the impact of their planning and purchasing practices on the commitments in this Ethical Charter.

Respect for Human Rights

Employment is Freely Chosen

Employers must not tolerate modern day slavery – such as forced or compulsory labor, debt bondage, involuntary prison labor or the trafficking of persons. Employers commit to a work environment where employment is freely chosen and not performed under threat, coercion, force or menace of penalty.

Freedom of Association

Employers follow applicable law regarding freedom of association and collective bargaining and workers' equal right to refrain from such activity.

Humane Treatment and Non-Harassment

Every worker deserves to be treated with dignity and respect and should not be subject to physical, sexual, psychological, or verbal harassment or abuse, coercion, or the threat of such conduct. Employers address the need to prevent sexual harassment with education, communication and disciplinary procedures that demonstrate that such behavior will not be tolerated.

Non-Discrimination

Equal employment opportunities are respected, including respect for all individuals. Workers deserve a workplace free from unlawful discrimination in any form, where employment decisions are based only on the requirements of the job.

Protection of Children and Young Workers

Respecting and supporting children's well-being requires employers to actively safeguard children's interests, preventing harm at the workplace. Young people who can legally work also desire and deserve economic opportunities but need age-appropriate work and appropriate supervision. Employers commit to prevent children and/or young workers from performing work that is mentally, psychologically, physically or socially dangerous or harmful, or that hinders compulsory education. Employers do not hire anyone below the legal age of employment or younger than 15 where no minimum employment age exists.

Endorsing the Ethical Charter on Responsible Labor Practices

Frequently Asked Questions

How was the Ethical Charter on Responsible Labor Practices developed?

In late 2015, the Boards of Directors of the Produce Marketing Association (PMA) and United Fresh Produce Association (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 and consistent expectations among trading partners and the public.

Throughout 2016-2017, the Committee developed a draft Ethical Charter on Responsible Labor Practices (Charter), listing core values and principles for responsible labor practices in the global fresh produce and floral supply chains that promote and reinforce occupational health and safety and worker respect and dignity. After extensive work with industry members, expert consultants, and public consultation, the associations adopted the final Charter in January 2018 as a standard recommended for all industry members.

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 that a company undertakes actions to support responsible labor practices;
3. Publicly addresses stakeholders' expectations for visible leadership in responsible labor practices;
4. Gains access to PMA's and United Fresh's expertise, tools and materials;
5. Helps drive solutions in reducing the burdens and costs associated with duplicative verification efforts.

Who can become an endorser and how?

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 – to endorse the Charter to publicly demonstrate a commitment to workplace safety, respect for worker dignity, and 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 leadership team commits in writing to undertake to support the following:

- 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.

The Endorsement Template on company letterhead may be used for this purpose. The company or organization will submit its intention to become an endorser by emailing a membership contact at either PMA or United Fresh with such information.

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.

Moreover, this is a purely voluntary initiative. Neither PMA nor United Fresh will police nor enforce the behavior or actions of companies or industry organizations or associations. Rather, it is designed to stimulate support and to promote responsible labor practices and encourage collaboration and partnerships.

A company or association can also voluntarily withdraw its endorsement at any time by providing a letter from a senior executive to the Boards of PMA and/or United Fresh, stating its reasons.

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. Upon request, the website may also provide, on a voluntary basis, a link to the endorser's website for further information on its responsible labor practices.

What if 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 existing systems but gathers the standards that an industrywide body of companies has determined to be appropriate for demonstrating responsible labor standards in the produce and floral sectors. What the Charter provides is 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 their existing tools. An endorser is free to decide which actions it deems appropriate to implement the Commitments; this includes whether a company would adopt the Charter as its own, or simply incorporate it into any missing elements into its own program. While we anticipate that some companies may

need to customize measurement criteria to their own specific business and situation, we hope to bring consistency to audits/measurement of these standards and thus reduce duplication of verification methods across the buyers.

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. The Committee’s 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. Among its objectives, the Committee seeks 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;
- Use the Charter’s equivalency recognition (when available) to identify those standards found to be equivalent with the Charter and encourage the use of those recognized standards.

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.

However, 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).

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 Board 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.

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 an endorser finds it difficult to comply?

An endorser is free to decide an appropriate plan of action to implement the Charter. Neither PMA nor United Fresh will police nor enforce the behavior or actions of companies or industry associations.

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.



Ethical Charter on Responsible Labor Practices Endorsement Document

[On Letterhead of Organization]

To the Boards of Directors:
Produce Marketing Association
United Fresh Produce Association

The undersigned Organization endorses the Ethical Charter on Responsible Labor Practices to promote its principles on responsible labor standards in the fresh produce and floral industries.

As part of our endorsement, we undertake to support the following:

- 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.

Sincerely yours,

[Signature]
[Name, Title]
[Full name of Organization]