

June 25, 2020

Ms. Beatriz Balbin
Chief, Special Procedures Branch
Office of the High Commissioner for Human Rights
Palais des Nations
1211 Geneva 10
Switzerland

Re: Reference AL OTH 36/2020

Dear Ms. Balbin:


Thank you for the opportunity to address living conditions among workers in the strawberry industry in Huelva, Spain (Ref. AL OTH 36/2020). Driscoll's feels empathic to the living conditions outlined in the report and supports the efforts to make a positive impact on the lives of those who play a vital role in feeding the world. As a privately held family business, we are committed to the workers and communities that grow our berries; we dedicate significant resources to support our growers' successful businesses. At the same time, we understand our responsibility to decent working and living conditions for workers throughout our supply chain, not only because it is expected of us but also because our business heavily depends on their labor and effective engagement.

This document addresses the process Driscoll's uses to identify and remediate human rights impacts that might occur in our supply chain. Because your letter addressed Spain in particular, we think it is important for us to clarify that our share in the Spanish strawberry industry is less than 1 percent (3 percent if you include raspberries). While this is not a justification for inaction – and in fact you will see in our answer that our company has been very active -- it puts Driscoll's role and capacity to influence industry standards and government policies into a realistic perspective.

Driscoll's

Driscoll's is a private, family-owned company that markets fresh strawberries, blueberries, raspberries and blackberries. With more than 100 years of farming heritage, we have a unique business model that enriches local communities through a network of independent growers to grow our proprietary berries and receive, in return, most of the revenue. In many of our growing regions, our independent growers have been with us for more than one generation and are committed to enriching the communities where they live and work. We currently serve consumers in North America, Australia, Europe, and China.

We continually strive to raise the labor, environmental, and food safety standards across the industry to promote solutions to systemic agricultural issues that ultimately impact the most vulnerable such as the ones mentioned in the report and to ensure growers can remain competitive in the long run while adhering to the highest standards. We have influenced the advancement of industry labor, environmental, and food safety practice across the world.



Annually, Driscoll's allocates a percentage of profits to its Charitable Giving Program for community support where Driscoll's independent growers work and grow berries. With the goal of connecting and fostering a thriving community in each unique place where Driscoll's berries are grown, three ways of giving have been established: grants, employee giving, and sponsorships. When needed, funds are expanded, such as with the COVID-19 Pandemic. Whereas Driscoll's will deploy more than \$4 million in global charitable funds across health clinics, food banks, fresh berry donations and other community resources in response to the COVID-19 Pandemic.

Driscoll's Labor Standards

With regard to labor standards, our independent growers are accountable to comply with all laws and regulations. However, we realized there was a need for additional standards where laws do not exist, are not consistently enforced, or provide lower protection to workers. Our first step in establishing Driscoll's labor standards was a review of existing standards from governmental and non-governmental organizations like the International Labor Organization Conventions, Global Social Compliance Program Standards, and Business Social Compliance Initiative Standards.

After applying these existing frameworks to the realities unique to our crops and growing regions, we developed a set of standards so that farmworkers are treated with respect, their workplaces are clean and healthy, and employment within the Driscoll's enterprise provides sufficient income to live with dignity. Driscoll's only works with growers who adhere to applicable laws but also show a commitment to our Labor Standards. All independent growers need to comply with our global standards regardless of size or location.

When we identify issues in conflict with our standards, we develop with the grower an action plan to correct the issue. Further, through technical expertise and training, we support growers across the world in their effort to ensuring decent working and living conditions, recognizing that some of our smaller growers might lack the capacity to implement requirements.

Among our tenets, there is zero tolerance for engaging in the following practices:

- Child labor
- Forced labor
- Human trafficking
- Coercion, abuse, and harassment
- Health and safety conditions posing immediate risk to life and limb

All identified issues in conflict with the above standards are unacceptable and must be corrected immediately or will result in termination of the relationship with Driscoll's. We have a no tolerance policy for coercion, abuse, and harassment. When we uncover such an issue, our policy requires growers to correct them immediately or terminate the relationship with us.



Comprehensive Compliance Approach

Standards, by themselves, are simply aspirations. Driscoll's recognizes our obligation to turn these words to action. We have specialized teams focusing on social and labor topics throughout the enterprise. Within this structure we have regional teams on the ground whereas for Spain we have a dedicated and specialized position in place, supported by technical staff and external experts.

In addition to frequent farm visits, we formally assess labor conditions through third party audits. During this process the growers are visited and evaluated when they join Driscoll's, and every two years thereafter. If needed the frequency and scope of the checks is tightened. Additionally, our technical teams are trained on our standards and can flag inconsistencies if they occur. Our checklist includes access to safe drinking water and sanitation in the houses, with mandatory ratios for bathrooms and showers.

Other activities, such as trainings and communication on best practices, are geared toward raising awareness and providing growers with the necessary tools to improve conditions where necessary, including the topics of accommodation, water and sanitation. Given our relatively small footprint in the Huelva region, we know and work closely with our growers and local nonprofits that assist help migrant workers. The Dignity Project is an example of this collaboration. The project aims to enable different organizations to join forces to promote the social and employment integration of immigrants living in settlements, at the same time as covering the need for qualified manpower in the sector in the best way possible.

In 2019, Driscoll's was awarded the best Health and Safety Labor Program globally at the annual Sedex Awards in recognition of the company's comprehensive approach to labor compliance to go beyond farm audits and address systemic worker welfare issues. What is more, we are leading a work group of the Ethical Trade Forum Spain that seeks to standardize the approach in the local industry and improve the housing conditions of temporary workers. Together with the sector, we have developed a guide on accommodation best practices. This guide has been shared with our customers and other stakeholders to get their feedback. The final version is expected in mid-June 2020. More information in the following webpage:
<https://www.foroscomercioetico.com/noticias/>.

Labor and Living Conditions in Spain

Specifically addressing the issues mentioned in the UN report, we acknowledge that lack of access to quality accommodation and sanitation as well as excessive working hours and poor wages affect vulnerable workers in agriculture across the world, not only Spain. That is the reason why we have put considerable effort into setting our global standards, monitoring adherence by our growers, and collaborating with others to address issues when our growers alone do not hold the key to the solution.

The situation of migrant settlements in Spain is one of the most challenging issues we have come across. Our efforts focus on ensuring workers employed by our grower base have access to decent accommodation and sanitation and receive terms and conditions according to legal requirements and collective agreements. As far as accommodation is concerned for example, we do regularly check the quality of grower-controlled housing. Much more challenging -- for Driscoll's and for our growers -- is improving workers accommodation standards when these standards depend on the policies and actions of third parties.



While we have a role in addressing this important issue and we accept suggestions to improve what we are doing, we are working individually and with other organizations to significantly innovate in this area (see our answer below) the solutions cannot rely only on our effort.

To date, we have not identified any case of legal or illegal workers of the settlements being hired by our growers (except in the case of the Dignity Project, where this was the explicit goal). The Dignity Project, carried in collaboration with local non-profits and growers, seeks to offer a permanent solution out of the settlement to legal migrants, through hiring and accommodation in participating farms, as well as close support and training by the non-profits for re-insertion in a normal job market. The project started with a pilot in 2018 with 26 workers and 1 farm. During 2019, the project expanded to 33 workers (including 6 from the previous year), and more farms. During 2020, new farmers not working for Driscoll's have joined the project and increased the capacity.

Although we have achieved many positive outcomes in the journey to ensure decent working and living conditions for the most vulnerable workers in our supply chain, we are aware that the complexity of fresh produce supply chains requires continuous improvement. We are also aware that, in some cases, our efforts depend not only on the intensity of our commitment but also on external factors, beyond our local or global operations control. Although we strive to achieve the highest standards in our supply chain, much more needs to be done and the industry as a whole continues to face challenges. We recognize that we have a role to play in addressing these challenges and we welcome suggestions on how to improve in doing so.

With that background and key points regarding Driscoll's commitment to the welfare of workers, I will turn to key issues raised in the communication to Driscoll's.

Housing

When a Driscoll's grower provides housing to his or her workers, the housing must be both safe and adequate. It is specifically called out in our labor standards, with a dedicated annex describing the standards, and a detailed checklist with specific control points to make sure that our policy is translated into actions for growers and monitoring elements for auditors. This checklist includes access to safe drinking water and sanitation in the houses, with mandatory ratios for bathrooms and showers. Our compliance approach as described above structurally assesses the quality of these grower-controlled housing both through formal assessment as through field visits by our agronomy teams.

Water and Sanitation

The topic of water and sanitation is covered by both our labor and food safety rules. Workers have access to water and sanitation both in the fields where they work, and in the houses that are offered as accommodation. Access to clean water is essential for the safety and health of the workers as well as the safety of the fruit and is considered a zero-tolerance topic for our Food Safety standards. In the fields, workers should have hand-washing stations at maximum of 10 meters from fruit handling points, and there should be at least one bathroom per 20 workers.



Based on GlobalGap, our food safety standard is applicable for growers, facilities, and related service providers. The growers must comply to the GlobalGap standard with annual third party audits, which are complemented with annual or biannual food safety visits by our technical teams before the fruit is delivered. If there are deviations (for example, in terms of water and sanitation), the fruit delivery is stopped.

The Labor Standards also include water and sanitation, albeit with a focus on worker welfare and labor rights. Regarding accommodation, the checklist mentioned in the previous question includes access to safe drinking water and sanitation in the houses, with mandatory ratios for bathrooms and showers. During audits, the labor welfare team also checks water and sanitation, with additional emphasis on topics such as privacy. These visits are not as frequent as the Food Safety assessments, however, all strawberry growers who offer accommodation to their workers, were visited in 2019 to audit housing conditions, including water and sanitation aspects.

Wages

Driscoll's labor standards include the expectation that wages and benefits provided meet or exceed legal minimums and industry standards, as well as any applicable collective agreements. This includes the payment of overtime according to law.

Under the structural assessment process, we check that growers adhere to such standards during third party audits. We also monitor other indicators such as timely payments of social security. If inconsistencies are identified, we require the growers to promptly make corrective actions. If he or she fails to remedy the situation, the business relationship is stopped. This year we have found one irregularity with one specific grower, which we immediately corrected in order to ensure the workers received their full and legally established salary.

In the specific case of Moroccan workers hired in origin to work in Huelva, we provide producers advice about the legal framework of contracting in origin, as well as inform them of the legal consequences of their non-compliance. In 2019, all growers were paying Moroccan workers hired in origin, above the minimum required in the collective agreement. In addition to this, we have increased the communication channels with workers. The collaboration with the local non-profit organization M-Solidaria as well as with Driscoll's Moroccan employees, allowed us to train the workers in their local language and provide them with relevant information on their rights, their contracts, and contact numbers in case conflicts occur. Local work inspectors also perform extra visits to the farms to check on various aspects, including salary paid, registration in the social security system, and working hours.

Workers in 2020 are receiving at least the minimum pay legal for Spain. In our experience, most growers exceed this minimum pay.

Working Hours

Working hours are also part of our labor standards, and the compliance of the growers is evaluated in the same way as the above-mentioned topics – through assessments using a checklist based on the standards, and through annual third party audits. Some examples of the aspects evaluated, include (1) the presence of a management system to record working hours, (2), the payment of extra hours worked according to the law, and (3) the provision of mandatory breaks.



Working hours are one of the systemic challenges we regularly encounter in Spain, especially during peak season. In these cases, the growers are urged to implement better management systems and to respect the legislation regarding extra hours and payment. If necessary, further measures are taken to ensure compliancy.

Complaint Mechanisms

Our policy requires all our growers a formal documented procedure for workers to raise suggestions, complaints, and grievances in a confidential and safe manner. This point is evaluated in the same way as the ones mentioned above related to housing, water, sanitation, contracts, wages, and working hours. This point is also evaluated by the annual third party audit GRASP.

Moreover, the social coordinator in Spain receives complaints directly from workers. Such complaints are duly followed up on by our staff with the growers. In the case of Moroccan workers hired in origin, we have also translated the contracts and other supporting communication materials (posters, pictograms, etc.) in order to inform the workers of their rights and where to look for support. This is important to ensure that workers, regardless of the language they speak, feel safe to speak up and can raise concerns if needed.

Preventing Abuse of Workers

For Spanish growers, Driscoll's has developed a program on selecting and hiring Moroccan immigrants, including action protocols for the growers on how to receive the workers and how to ensure gender equality. The programs include supporting growers in delivering communication materials offered in the migrant workers' language - to inform the workers of their rights. The day-to-day interaction between growers, Moroccan workers and other workers in the farms is supported through trainings delivered by local NGO's and Driscoll's labor welfare specialists from our offices in Morocco. We have also designed action protocols that explain how to prevent sexual harassment and discrimination cases, and how to act if such cases occur.

In parallel, the local berry industry designed a voluntary plan called PRELSI, aimed at Moroccan workers hired through the cooperation between Spain and Moroccan authorities. The goals of this plan are to ensure good working conditions, health and safety protection, and the preservation of women workers dignity and right to equal treatment. Several Driscoll's growers are participating in this voluntary plan.

As referenced above, our labor standards hold a zero tolerance for abusive conduct. We have, and will, end any relationship with a grower who tolerate such behavior.

Due Diligence

As mentioned above under "Comprehensive Compliance Approach", our formal due diligence process is made up of third party audits as well as our own farm visits, which provide us with significant information directly from workers on their working and living conditions. Given our small footprint in Spain, the due diligence process happens mostly informally, except for our formal labor standard monitoring system.



Driscoll's has invested in developing local competencies and relationships to support local growers. We have operations entirely composed of local staff and our district managers are highly knowledgeable of the areas where they operate. This puts us in a unique position in terms of understanding issues affecting the agriculture sector including environmental and social ones. We also regularly participate in and sponsor the Spanish Ethical Trade Forum promoted by the UK retailers and importers, and connect with NGOs and unions either through the forum or by other means.

COVID-19

COVID-19 has been unprecedented for all of us. We have committed to protect the health and safety of all their employees and those in their broader enterprise; uphold food safety commitments; and deliver fresh, nutritious fruit to consumers. We are working closely together with our independent growers to ensure all the appropriate hygienic measures are taken, including social distancing.

In order to support the growing regions around the world, this month we announced that Driscoll's will deploy more than \$4 million for health clinics, food banks, fresh berry donations, and other community resources in response to the COVID-19 Pandemic. Our growing regions in Europe and Morocco received a dedicated portion of those funds and we are working with the local community organizations to provide support. In the Huelva region, Driscoll's made a donation of 21.000 € to Cáritas Huelva for emergency food, water, and hygiene articles, including face masks, for the migrants living in settlements. Two more collaborations with local non-profit organizations are ongoing to support to unemployed local and migrant families.

In addition, we have taken preventive measures against COVID-19. Some of the activities carried out by the growers are:

- Daily communication and awareness with farm workers
- Mandatory hand sanitation
- Personal distancing facilitated by: Limitation of number of workers in each tunnel and line, limitation of number of workers per transport vehicle, shifts to use rest areas, enter and leave the farm
- Disinfection of tools, work areas, and transport vehicles
- Restrictions to external visitors to the farms and coolers

Regarding immigrant workers, we can inform you that the Covid-19 crisis has resulted in less migrant workers traveling to Spain to work in the fields. For example, in the case of Driscoll's growers only 12 percent of the approved Moroccan workers hired in origin arrived before the borders between Spain and Morocco were closed. The missing migrant workforce is being partly substituted by local unemployed workers from tourism and other sectors strongly affected by the lockdown measures implemented by the Spanish government.



In closing, I welcome the opportunity to explain the actions Driscoll's has taken to protect those who harvest Driscoll's berries. It is my hope that this letter may serve as a starting point for a continuing dialogue about working and living conditions among farmworkers. While our production in Spain is relatively small, we work on these issues in all the communities where our berries grow. We would welcome a follow up and stand ready to answer any further questions you may have.

Very truly yours,

Tom O'Brien
Senior Vice President and General Counsel