



Fyffes Operations in Honduras



What operations does Fyffes have in Honduras?

Fyffes completed its purchase of Sol in 2013. This gave Fyffes ownership of Suragroh and Melon Export farms in the Choluteca area which employ between 500 employees, during the off-season and 6500 employees, during the season which runs from end-November to end-May each year.

Fyffes Honduran melons and watermelons are imported into North America during the winter months. Last season, this was nine million boxes.

What certifications has Fyffes melon farms Melon Export and Suragroh received?

Suragroh and Melon Export have received PrimusGFS for food safety and C-TPAT for security risk assessment. It has also undergone Sedex Members Ethical Trade Audits (SMETA) on health and safety, employment, social and environmental standards, with regular internal and independent external audits. The most recent internal audit was in early April 2019 and the most recent annual independent APSCA-accredited audit was also conducted in April 2019. Additionally, Suragroh complies with a variety of customer-mandated standards.

WAGES AND BENEFITS

Does Fyffes pay workers sufficiently?

Most of our workers in Honduras are paid above the minimum wage. Workers at the lowest salary level are paid at least the minimum wage. Workers earn more depending on the skill-level required, responsibility of the role and productivity and performance is also factored in.

Does Fyffes pay social security for temporary workers?

Honduran law has recently been amended to require companies to deduct social security from its temporary workers, however the government of Honduras has yet to establish a mechanism to implement those reforms. Once the government of Honduras defines this mechanism, Fyffes will ensure it makes the necessary deductions. In the meantime, Fyffes does not

want to short-change its workers, so during 2019 bargaining with the unions Fyffes agreed to pay temporary workers a seasonal bonus at the end of the season.

During the off-season, how does Fyffes continue to ensure the wellbeing of its temporary workers?

Fyffes provides medical clinics at the farms for all workers, permanent and temporary all year around. We provide free medical check-ups, vaccinations, and medicine to all elementary school students, as well as children not attending the school in the communities around the farms, regardless of whether they are employees' children or not.

The melon growing and production season begins in November and ends in May. The off-season runs from June to October and during this time Fyffes provides its land to workers and other people in the local community to plant other crops, including corn. Fyffes also lends its husking equipment, irrigation sources, fuel and on-site technical expertise to ensure the yield is good. Local growers donate a percentage of the corn to the ill, elderly and single-parent families.

Fyffes operators also lend tractors and modern ploughing equipment to farmers at no cost, enabling them to till hundreds of acres of farmland and increase their yield. This helps speed up the farmers' response time to summer rains to produce corn, chayote, sorghum, cassava and beans.

FREEDOM OF ASSOCIATION

Fyffes respects the right of all workers to freedom of association and we will not attempt to influence decisions that workers (temporary and permanent) make about their rights to freedom of association.

What is freedom of association?

Fyffes understands that freedom of association means our workers are free to join a union of their choosing. The workers are also entitled to organize as part of workers committees and they are also free not to join a union.

What is Fyffes doing to improve workers' understanding of 'freedom of association'?

All workers are trained on the ETI Base Code, which has nine core elements, one of which is freedom of association. However, in a recent audit, workers were not routinely able to explain what 'freedom of association' is.

Since August 2019 Fyffes has been working with FUNDAHRSE, an NGO

with expertise in this field, to train all our workers, starting with permanent workers in the off-season, extending to 'caporales' (or labor recruiters) during the early season and then training all workers on the concept of 'freedom of association'.

Are there unions at Fyffes Honduran operations?

There are two unions on our farms in Honduras; SITRASURAGROH and SITRAMELEXA at the Suragroh and Melon Export farms respectively. These unions were granted legal authority in 2018 to represent workers on our farms. Both unions have signed collective bargaining agreements on behalf of their workers. Both unions emerged out of workers committees that have been representing workers on our farms for many years.

SITRASURAGROH and SITRAMELEXA each have over 3,000 members comprised of temporary and permanent workers. These unions are affiliated with FESITRANH, a federal union organisation.

PROTECTING WORKERS FROM CHEMICAL EXPOSURE

Note: There are two types of workers within Fyffes Melon Farms; the majority of our workers who have little or no exposure to chemicals and the smaller number of workers who have a role in applying pesticides.

How does Fyffes select appropriate workers to apply pesticides?

Fyffes selects workers who are over 18 and have passed their general medical examination, have had necessary blood tests done for cholinesterase. Blood tests are taken regularly to monitor cholinesterase levels.

What protective equipment is provided for workers and how are these maintained?

Fyffes provides and ensures the use of appropriate protective equipment (gloves, overalls, boots, masks with appropriate filters, goggles) during storage, handling and application, as per product labels. Applicators must shower on site before leaving work, and their overalls are washed and dried by trained personnel on site.

How are workers educated on the correct application method?

To prioritise personal safety, workers are trained in wind speed, direction, temperature and closeness to field borders, roads and field margins.

How are workers in the pack-house protected from chemical exposure?

In the pack-house, workers close to the melon reception water tanks (which contain chlorine) are provided with respirator masks and are rotated often to reduce the possibility of eye and nose irritation. Washing staff also have their cholinesterase levels monitored.

Why do workers wear scarves over their faces while working in the fields?

This is for sun protection and in some cases it also protects against the natural powder which the cantaloupe skin gives off, which can be itchy but is not toxic.

What practices does Fyffes follow to prevent and limit the exposure of other workers to chemicals?

- Pesticides are normally applied at night or late afternoon when no one is around or in nearby fields. When workers are eating outside and not in the canteen provided, we ensure this is not at the same time or close by pesticide application.
- Detailed incident reports are kept on the rare and unfortunate occasion when a worker is exposed to chemicals by mistake.
- Bus drop-off points are designated and known, normally near shelters, and bus drivers are told the night before where to drop off workers in the mornings.
- Pesticide application and management adheres to good agricultural practice standards (Primus GFS) and audited both internally and externally.

COMMUNITY CONTRIBUTION

What contribution does Fyffes make to education of children in Honduras in the local community close to Fyffes melon farms in Choluteca?

In 2016, Fyffes launched a financial assistance and school supplies program: improving student performance, funding school shoes, backpacks and uniforms at Ramon Villeda Morales primary school in La Permuta, as well as a primary school in Pueblo Nuevo Honduras. Fyffes works with international NGO Plan International, which has been in Honduras for four decades and has helped 35,000 families, including by paying teachers' wages and

contributing to the local Children's Day and Mother's Day celebrations.

What contribution does Fyffes make to improve the living conditions in the nearby community?

In the villages of El Naranjal and Pueblo Nuevo, Fyffes has replaced latrines with proper toilets to reduce exposure to gastrointestinal illnesses common in the region, which in turn improves classroom attendance. Fyffes also has built perimeter fences to improve security around schools and has upgraded electrical power systems.

What plans does Fyffes have for community investment in Honduras?

Fyffes has recently connected with a range of NGOs and other important agents in Honduras to discuss community investment projects in the region of Choluteca that support our community investment strategy.

In the summer of 2019 Fyffes has begun to work on its next phase community investments, including in education, nutrition, water conservation and biodiversity as well as gender empowerment.