



**Child Labour
Due Diligence
in the
Supply Chain
2023**

This report relates to the due diligence and reporting obligations covering child labour required by Art. 964j-k of the Swiss Code of Obligations and the Swiss Ordinance on Due Diligence and Transparency in Relation to Minerals and Metals from Conflict-Affected Areas and Child Labour. It covers the period from January 1, 2023, to December 31, 2023.

Fyffes Business and Supply Chains

Most of our business centres on three core products: bananas, pineapples, and melons. We source our products from more than 15 countries in Latin America, the Caribbean, and Africa, including 20 of our owned farms in Costa Rica, Belize, Honduras, Guatemala, and Ecuador.

Our shipping and distribution routes include 19 ports of loading, 24 ports of discharge, and 19 distribution and ripening centres in the US and Europe. Our fresh products are sold to over 500 customers in 22 countries across Europe and North America. We have partnerships with over 2,000 fruit suppliers.

With over 4,346 permanent employees and 6,000 to over 10,000 temporary workers each year, we aim to build a world-leading company that cares deeply about how our produce is grown, harvested, and transported from farm to table, ensuring a positive commercial, social, and sustainable future. In general, Fyffes directly hires employees and contractors. The UK ripening centres are the only sites where Fyffes requires labour providers for a significant portion of its workforce.

Fyffes has spent over 100 years developing our farms while building strong relationships with partner growers. This enables our growers to benefit from longer-term agreements and pre-agreed prices and Fyffes to invest in quality and support. It's about confidence and sustainable supply. We work with our partners to internationally recognised codes of practice that focus on worker welfare and environmental sustainability.

Commitment to Human Rights

Respect for human rights within our operations and supply chain is at the core of how we do business. People should be treated with dignity, honesty, and fairness, which is why social performance within the supply chain forms an integral part of our brand, culture, and strategy. We want a working environment that promotes diversity, inclusion, and equal opportunity and where there is mutual trust and respect for human rights.

Our commitment to human rights is described in our [Global Human Rights Policy](#). This Policy sets out our approach to protecting the human rights of all stakeholders, including our employees (all our people, whether contractors, seasonal or permanent workers). The Policy ensures that wherever local regulations may be less stringent than international human rights standards we will apply international standards in how we conduct business and engage with our people and other stakeholders. Our Global Human Rights Policy is supplemented by other important [policies](#) that provide more detail on our approach to human rights and other risks.

Our approach to human rights is grounded in international standards, including the United Nations Guiding Principles on Business and Human Rights (the UN Guiding Principles) and the Organisation for Economic Cooperation and Development's Guidelines for Multinational Enterprises (the OECD Guidelines), and enshrined in our Principles of Responsible Business Conduct (the Fyffes Principles).

Our commitment to respect human rights covers all internationally recognised human rights, including those contained in the International Bill of Human Rights and the International Labour Organization's (ILO) core

labour rights conventions, including the ILO Minimum Age Convention (no.138) and the Worst Forms of Child Labour Convention (no. 182). Fyffes is also committed to respecting the rights enshrined in the United Nations Convention on the Rights of the Child (UNCRC).

Policies on Child Labour

Fyffes acknowledges the risk of child labour in global agricultural value chains and takes responsibility for respecting human rights in our operations and business relationships. This means acting with due diligence to avoid infringing on the rights of others and address any adverse impacts.

Fyffes is against all forms of exploitation of children, and we are firmly committed to actions to eradicate child labour from our agricultural supply chains, in line with the [Fyffes Principles](#) (our Code of Conduct), our [Global Human Rights Policy](#) and Statement and our [Modern Slavery Statement](#). Millions of children around the world are trapped in child labour, depriving them of their childhood, and education, risking their health, and safety and condemning them to a life of poverty. The Fyffes Principles prohibit child labour, and our direct suppliers are required to sign the Fyffes Principles.

We constantly monitor human and labour rights compliance through frequent site visits and internal and external audits, and many of our certifications require vigilant monitoring of potential child labour throughout our operations and supply chain.

At Fyffes, we identify and assess actual or potential adverse human rights impacts with which we may be involved — either through our activities or because of our business relationships — by taking a rightsholder-centred approach.

The Convention on the Rights of the Child (CRC) recognises every child's right "to be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child's education," or that is likely to harm the child's health or, "physical, mental, spiritual, moral or social development."

The International Labor Organization defines child labour as "work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development."

Not all work done by children should be classified as child labour. According to the ILO, it refers to work that:

- is mentally, physically, socially or morally dangerous and harmful to children; and/or
- interferes with their schooling by depriving them of the opportunity to attend school; obliging them to leave school prematurely; or requiring them to attempt to combine school attendance with excessively long and heavy work¹

Fyffes also recognises Children's Rights as a broader concept defined in the UN Convention on the Rights of the Child (CRC), recognising the diversity of ways business affects children.

Fyffes is committed to keeping our business free of modern slavery, including child labour, debt bondage, and human trafficking. Fyffes minimum age of employment is 16 years of age or over the age for completion of compulsory education or the country's legal working age, whichever is higher. In addition, employees under 18 are not employed in hazardous work conditions, as defined by law. Fyffes ensures this policy is applied by communicating the policy to all employees and suppliers.

¹ International Labor Organization (ILO), "What is child labour", available at <https://www.ilo.org/topics/child-labour/what-child-labour>

Our [Global Child Labour Policy and Remediation Protocol](#) ensures we can act swiftly and sensitively in the 'best interest of the child' in any potential case. The remediation protocol defines a set of operational principles and procedures on how to respond if child labour is ever encountered and applies to all children in all work situations in our operations and in potential cases that we are linked to by our business relationships and along our supply chain. This includes permanent, temporary, or casual labour, whether directly or indirectly (i.e. via agencies) employed by the management of the workplace, as well as children who have been trafficked or sold into work.

Any remedial actions should follow ILO standards and the latest best practice guidance. The protocol indicates that the site's Human Resources representative or senior manager should try to identify and understand the causes of a child's presence in the workplace and how the management system failed to prevent child labour. If the reason relates to the additional income needs of the child's family, management can explore other options, such as substituting another family member who is fit to work.

Fyffes expects suppliers and business partners to adopt similar standards for their supply chains, including child labour. The Fyffes Principles and the Global Child Labour Policy and Remediation Protocol are included in our contracts with our direct suppliers, allowing us the contractual right to conduct an audit to monitor compliance and to suspend or terminate an agreement for non-compliance. It is important to note that termination is always a last resort decision after due assessment of the situation and operational context and the potential adverse consequences of the decision to end the relationship, as we align our processes with a continuous improvement approach when we work with our direct suppliers, looking first to find ways to remediate and improve their management systems.

Risk Assessment

Fyffes conducts various due diligence and risk assessments, outlined in our [Global Human Rights Policy](#) and [Global Environmental Due Diligence Statement and Policy](#). In addition to identifying risks via Human Rights Impact Assessments (HRIAs), we used UNICEF's Children's Rights and Business Principles to assess risks to child rights within our supply chain.

Human Rights Impact Assessments

We have developed our approach to human rights due diligence in line with the UN Guiding Principles and the OECD Guidelines — with stakeholder engagement at its core. Our human rights due diligence is a continuous process that aims to identify and manage the human rights risks and adverse impacts associated with our operations and business relationships along our value chain.

External Corporate-wide HRIA

Every three years, Fyffes conducts an independent, company-wide HRIA with an external expert, including interviews with internal and external stakeholders, a review of external reports and articles, and a review of our policies and procedures. The Assessment:

- Evaluates our progress in comparison to previous external Corporate-wide HRIA and mitigation/prevention actions
- Re-examines our salient human rights risks and the potential and actual adverse impacts our business activities might have on rightsholders
- Assesses the potential severity and likelihood of those impacts across our value chain in line with the criteria outlined in the UN Guiding Principles

- Prioritises risks in terms of urgency
- Assesses the Company's management of potential risks and impacts

More details on the methodology and results of this assessment can be found in our latest [Human Rights Report](#).

External On-site, In-depth HRIA

Fyffes also conducts on-site, in-depth HRIA using a risk-based approach and working with experienced external business and human rights specialists. Such assessments are also performed independently and include pre- and post-field visit preparation and reconciliation and validation of information as well as site and operations review, interviews, and focus groups with farm employees inside and outside the farm and affected communities' members with a focus on vulnerable groups.

Fyffes prioritises these in-depth assessments based on the following criteria:

- Fully owned and operated operations
- Dedicated suppliers where Fyffes is the sole buyer
- Supplier in Conflicted Affected and High-Risk Areas (CAHRAs) where possible
- Suppliers subject to a reasonable suspicion of human rights abuses, specific and substantiated allegations based on internal or external information or a third-party complaint
- Risks identified as part of Corporate-wide HRIA that trigger an on-site review, due to the severe potential risks identified

In 2023, Fyffes conducted in-depth, on-site HRIAs in its owned operations in Honduras and Guatemala and at two of its key strategic suppliers in Colombia, which are considered a CAHRA, and one supplier in Costa Rica following a third-party complaint regarding labour rights issues unrelated to child rights. In 2024, we prioritised our owned operations in Belize and another supplier subject to specific allegations also unrelated to child rights.

Internal Site-level HRIA Self-assessment

We have developed a self-assessment tool for site-level human rights and environmental due diligence. From the end of 2024, we expect all suppliers to conduct this self-assessment within 24 months. The self-assessment tool evaluates local management of human rights and environmental risks against the potential scope, scale, remediability and/or irreversibility, and the likelihood of the risk.

We have been using this tool in our operations since 2020, and we are currently improving it to ensure it follows new due diligence regulations.

We will also invest in developing a broader network of human rights practitioners at Fyffes and capacity-building within our operations. Capacity-building develops and strengthens the skills, instincts, abilities, processes, and resources that organisations and communities need to survive, adapt, and thrive in a fast-changing world. We want to ensure that accountable points of contact are trained in Fyffes-owned farm operations, procurement, shipping, transportation, and distribution. We will provide capacity-building training to our local teams in 2023 and 2024.

Internal and External Compliance Audits

We audit our farms and direct suppliers in the following compliance areas: legislation; food safety; health and safety; social; ethical; labour; environmental; and security. 97.6% of our supply chain complies with

one form or another of ethical standards or certification. In many cases, a single supplier must comply with multiple certifications. We maintain the key list of all suppliers and keep track of their certifications. We have a mature and dedicated Certification Compliance department, consisting of in-house professional auditors and compliance experts who are either permanently based in the country (Costa Rica, Ecuador, and Belize) or visit regularly as required. The department also relies on other farm-based compliance, human resources, and quality inspection staff to visit suppliers regularly.

One of our basic criteria is that every source should receive at least one ethical audit per crop per year, regardless of the product's destination and the ethical requirements of the customer.

We also carry out announced and unannounced formal farm visits on a rotating spot-check basis, where we use a shortened checklist of indicators that flag potential problem areas. Non-conformance reports from these visits are issued to the farm and followed up for resolution within 28 days. We work with the farm to resolve the non-conformances, but if any serious non-conformance persists this is escalated and procurement from that farm can be (and in some rare instances has been) suspended. We work closely with our supplier partners to avoid this drastic measure by quickly resolving non-conformances.

On-boarding of New Suppliers

During 2024 Fyffes is implementing improvements to its supplier onboarding, including a Due Diligence Policy and a Supplier Code of Conduct, in line with the EU Corporate Sustainability Due Diligence Directive.

In addition, as previously mentioned, we will roll out our internal site-level HRIA self-assessment tool to direct suppliers in 2024 and use this tool as part of new direct suppliers' due diligence and onboarding process. The self-assessment results will help us evaluate the type of risks and current management system in place to inform potential additional more in-depth assessment.

Risk Management

Our HRIAs concluded that child labour is a salient risk in our business of medium priority where opportunities to strengthen our current management of this risk have been identified.

Although we have yet to identify any incidence of child labour in our operations, there is a higher risk with suppliers, particularly smallholder farms. Most specifically, we have identified the highest risk in the uncertified plantains smallholder farmers we source from in the Dominican Republic, where children of undocumented migrant parents, many of Haitian descent, are vulnerable to labour exploitation due to a lack of birth certificate or residency documentation.

To address the above, we have taken the following actions:

- We are engaging and supporting suppliers to raise awareness about the risk of child labour in the countries of operations and supply chains that are most exposed, especially those relying on smallholdings. We are working with our plantain suppliers to develop a multi-faceted program to improve the livelihood of the plantain smallholders, including capacity-building to improve productivity and yields, mitigate climate change risk, and awareness of prevention and mitigation of child labour. This program is being developed with an expert NGO and will be rolled out in early 2025
- We signed an agreement in 2021 with Fairtrade International, the Latin American and Caribbean Network of Fairtrade Small Producers and Workers, and other partners to

develop the Migrant Roadmap towards equal rights, benefits, and decent working conditions for Haitian migrant workers in the Dominican Republic. The goals of this project are:

- » Workers employed in hired labour set-ups and smallholdings have access to social benefits or similar coverage provided by the social security system
- » Workers employed in hired labour set-ups and smallholders are protected from deportation
- » Dominican Republic and Haitian authorities are informed about the importance of the banana sector and migrant labour

We hope this programme will not only formalise the employment of migrant workers and reduce the risk of child labour but also improve the livelihoods of migrant workers, so they do not need to involve their children in work.

- We are enhancing the scope of our audit and assessment processes to ensure we effectively capture child labour risks throughout our supply chain – mostly where risks have been identified, in our case in our plantains business

Risks identified via the risk assessment methods are included in our Human Rights and Environmental Prevention and Mitigation Plan. This plan is overseen by Fyffes Human Rights and Environmental Due Diligence Committee, which meets quarterly, and the progress of this plan is reported to our Executive Leadership team and Board of Directors. In addition to identifying risks via our HRIAs, we used UNICEF's Children's Rights and Business Principles to assess risks to child rights within our supply chain.

Our initial assessment identifies the following gaps which we will address through our Human Rights and Environmental Prevention and Mitigation Plan:

Gap	Mitigation Action
Working with governments, social partners and others to promote education and sustainable solutions to the root causes of child labour.	<ul style="list-style-type: none"> • Working with a plantain supplier on an independent expert multi-faceted programme to prevent and/or mitigate child labour, including working with schools, to be rolled out during 2025. • Signed an agreement with Fairtrade International, the Latin American and Caribbean Network of Fairtrade Small Producers and Workers, and other partners the "Migrant Roadmap towards equal rights, benefits, and decent working conditions for Haitian migrant workers in the Dominican Republic" in 2021. Roadmap actions address child labour root cause. • Member of the Network against Child Labour of Costa Rica.
Participate in programmes to promote youth employment, skills development and job training opportunities for young workers above the minimum age for employment.	Fyffes is currently working with the National Institute of Learning (Instituto Nacional de Aprendizaje (INA) of Costa Rica in a technical training programme for young workers between 17 and 25 years old to train potential future skilled agricultural workers and provide employment to young workers. The programme will be rolled out in 2025 and offered to 15 participants.
Provide decent working conditions that support workers, both women and men, in their roles as parents or caregivers.	<ul style="list-style-type: none"> • Evaluate how to offer flexible shift patterns so mothers can return home to care for children. • Evaluate providing parental leave for fathers to facilitate childcare. • Improve breastfeeding storage rooms and provide rooms where not available. • Survey our farm workers and ripening centre workers on their child-caring responsibilities. • Fyffes is beginning a project in Costa Rica to survey workers and communities on some of these factors during 2024.

Gap	Mitigation Action
Ensure our Food Safety and Responsible Marketing Policies stipulate the children's rights.	Fyffes is drafting these Policies in 2024.
Conduct localised environmental impact assessments to enhance Fyffes understanding of its environmental impacts on surrounding communities, including on children.	Fyffes has already identified the need to conduct localised environmental impact assessments and will ensure they are extended to cover the impact on children.
Engage in meaningful, informed consultation with potentially affected communities to ensure that any adverse impact on children's rights is identified and addressed and that children and youth voices are actively part of the community engagement process and contribute to the decision-making on matters that affect them directly.	Fyffes is working on community needs assessment guidelines for its owned farm and suppliers and will ensure they are extended to cover the impact on children.
Security Policy and Protocols, including for security guards, include particular attention to any adverse impacts on children's rights.	Fyffes is developing a Security Policy and protocols for security guards and will soon roll out training based on these to ensure it is extended to cover the impact on children.

As part of its sustainability strategy, Fyffes also have several programs that contribute to tackling the root causes of child labour such as supporting access to education (maintenance of schools etc.), overcoming rural poverty by promoting living wage, gender equality and women empowerment, and resilience to climate change for better income generation.

Supply Chain Traceability System

Fyffes keeps an updated list of all its direct fruit and raw material suppliers, names and addresses. We keep records of our monitoring activities and various assessments we conduct. We will continue to monitor and enhance the tracking systems we use to trace goods from third parties beyond our direct suppliers.

Grievance Mechanisms

Fyffes provides legitimate, accessible, predictable, equitable and transparent operational-level grievance mechanisms aligned with the UN Guiding Principles criteria outlined in the Fyffes Principles Grievance Procedures. This enables us to understand and address challenges in our operations and suppliers and the potential dissatisfaction among our stakeholders.

Any human rights breach identified through the Human Rights Impact Assessments or reported through Fyffes various grievance mechanisms, including the [Fyffes Ethics Hotline](#), will be remediated promptly.

Fyffes monitors remediation progress regularly and measures the effectiveness of its preventive and mitigation actions.

During 2023, we did not receive a complaint about child labour in our operations or supply chain.

For more details on our grievance mechanisms and remediation progress, please refer to our most recent [Human Rights Report](#) section "Access to effective grievance mechanisms and remedy".