

Concerns: Public Eye Report on Orange Production in Brazil

Louis Dreyfus Company (LDC) was disappointed to read the Public Eye report published on June 15, 2020, which does not state the sources, methodology, criteria or conclusions that contributed to its production, particularly as they apply to LDC.

We received Public Eye at our farms in Brazil, and voluntarily made ourselves available to answer their questions at length and in detail, also directing them to the dedicated reports we produce on our sustainability performance in Juice.

We regret that Public Eye's report did not include any of this information in their report, as we consider that transparency should be upheld by all parties involved.

In line with our company purpose to create fair and sustainable value, LDC continually strives to go beyond current labor regulations to ensure our employees - permanent and seasonal alike - work in a safe and healthy environment, and are offered fair and supportive employment benefits.

While complying with all applicable labor standards and laws in the country, including Brazilian legal minimum wage, we strive to go beyond these in our own policies and codes of conduct. We also strive to set pay above minimum levels, with discretionary bonuses linked to performance and safety targets.

We also offer various benefits in addition to wages, such as food vouchers and transport, and provide dedicated support for seasonal workers traveling across states to work on our farms, in relation to social and health issues, transport arrangements, lodgings and other benefits, with the involvement of a dedicated team of HR, health & safety and other technical experts. In addition to supporting individual workers, this has a wider positive impact on socially vulnerable communities in workers' home states, through the added incomes that workers send back to their families, by avoiding housing, transportation and other expenses.

We would add that in a sector (citrus) that remains largely dependent on manual labor, we are proud to be creating valuable jobs, with a high regard for the incomes, wellbeing and rights of our employees, in a country whose unemployment rate was just over 12% in 2019¹ and whose cost of living is not comparable to Switzerland. This is important, compared to many other agricultural sectors in Brazil, which use largely mechanized harvests with a much lower level of job creation.

LDC also works with third party citrus fruit suppliers (a variable number year-on-year depending on market conditions and harvest size), for whom we have a dedicated Code of Conduct for Raw Material Suppliers, detailing requirements that we ask our suppliers to comply with in relation to human rights, health and safety, business integrity and environmental protection.

We work continually with our suppliers to enforce compliance through meetings and a systematic requirement to sign the Code of Conduct when contracting new suppliers. Where we observe issues, we work alongside our suppliers to help them to adapt their farms in line with our policies as well as industry and legal requirements, sometimes sponsoring baseline audits in the pursuit of certification. We make every effort to work with suppliers to change their approach, but the ultimate sanction is to stop trading with them if those efforts fail.

These and other efforts are outlined in our sustainability reports, as part of our commitment to transparency on, and accountability for, our business activities globally.

We invite you to consult our [2019 Juice Sustainability Report](#), which provides the latest information on our activities and efforts.

¹ <https://data.worldbank.org/indicator/SL.UEM.TOTL.ZS>