Albertsons Companies take allegations of labor issues within our supply chain seriously and expect all suppliers’ employment practices to be in full compliance with applicable laws and regulations in all of their operations. However, we also believe it is important to work with suppliers to remedy issues or allegations in order to see positive change within the industry, while also working to preserve jobs and livelihoods.

We have previously engaged with Fyffes, the International Labor Rights Forum (ILRF), and the Fair World Project (FWP) regarding concerns raised by ILRF and FWP. Based on our engagement, it is our understanding that since the initial allegations in 2017, Fyffes has continued to make changes to improve the situation. For example, as of April 2020, 85% of their workforce are members of a union, and workers are trained on freedom of association rights by FUNDAHRSE, an independent NGO with expertise in labor rights.

After the publication of this report, we spoke with the President and Director of Corporate Affairs of Fyffes to get an update on their operations and to learn of any recent improvements. It is our understanding that Honduran law only allows recognition of one union per enterprise. However, despite STAS not being approved by the government as the legal union for Fyffe's Honduran enterprises in 2018, Fyffes has been in regular meetings with the U.S. Department of Labor, the Honduran U.S. Embassy, and STAS for a number of months to find a solution for STAS to legally represent their workers through a parallel agreement. We also understand that the meetings were suspended for two months due to COVID-19, and we hope that as meetings resume between these parties that a resolution will be reached before the next growing season.

Fyffes has also informed us that when pesticides are applied, they are done when fields are empty, and that the workers responsible for applying the pesticides are trained and are given full PPE. They state they follow the operational guidelines from chemical manufacturers, and that their operations are certified and have Sedex Members Ethical Trade Audits (SMETA) in place. They are also providing additional PPE and social distancing measures for workers as a result of the COVID-19 pandemic.