

### Reason for Standard

Mistreatment and exploitation of food system workers is a widespread problem throughout the world, including forced labor/child labor, wage theft, unsafe working conditions, physical abuse, exposure to toxic chemicals, and restricted access to healthcare and basic needs.<sup>i,ii</sup> In many countries, including the United States, workers may be migrants or indigenous peoples, who may feel forced to accept hazardous conditions, long hours, exposure to toxic chemicals, and other risks to their health and safety for fear of being deported, having visas or passports stolen, being robbed of wages, or other forms of retaliation.<sup>iii,iv,v</sup>

Some commodities, like chocolate and coffee, have become high profile examples of rampant worker exploitation and human rights abuses, and have led to greater awareness of the social impact of producing food and consumer products.<sup>vi,vii</sup> Human rights abuses, however, are not limited to only high-risk commodities and supply chains.

Improved oversight, supply chain traceability, legal and regulatory enforcement, and supporting collective worker rights are essential tools to combat human rights violations in the food industry.<sup>viii</sup> Fair trade certifications operated by independent organizations have, despite some shortcomings, proved to be valuable in securing worker rights, combatting abuse, and improving pay and working conditions.<sup>ix,x,xi</sup> Historically, fair trade programs have focused on products grown or produced in developing nations where fewer worker protections exist, but as the movement as grown, some certifying groups have opened up their programs for operations in the US that could also benefit.<sup>xii</sup> Organic certification can prove helpful in addressing some of the health-related risks of working in fields as well, because there is reduced exposure to toxic synthetic pesticides.<sup>xiii</sup>

Fully addressing the injustices and exploitative practices in food systems requires significant reformation of our current model, and as a grocery retailer, PCC can use purchasing choices to support alternative trade models and responsible companies. Our fair labor standard identifies certain items for which we require additional verification of ethical sourcing and encourages vendors to examine their own supply chains and pursue third party certification systems to enhance worker protections, pay, and wellbeing. Our standard will continue to evolve as we identify more opportunities to address worker mistreatment in our supply chains.

### Scope

This standard applies to all products sold in PCC stores.

### Standard

#### 1. General Criteria

- 1.1. PCC has zero tolerance for child labor, forced labor, human trafficking, abuse, wage theft, and harassment, and expects employers to meet or exceed applicable legal requirements for labor practices, worker health and safety, and housing.
- 1.2. PCC requires fair labor certifications or assurances of ethical sourcing for certain commodities identified under Section 2 (“High Risk Commodities”) of this standard.

- 1.3. PCC encourages all suppliers to seek Fair Trade USA or other certifications to ensure social and equitable treatment of workers throughout the supply chain.

## 2. High Risk Commodities

- 2.1. Bananas sold in the produce department must be fair trade certified or sourced from [Organics Unlimited](#) to benefit the GROW Foundation.
- 2.2. Any chocolate<sup>1</sup> sold at PCC or used in PCC-made deli/bakery items must be from vendors that provide assurance that child labor is prohibited and follow International Labor Organization (ILO) Fundamental Conventions.
  - 2.2.1. All chocolate vendors must be certified by an independent third party or provide proof that they meet PCC's standards for fair labor.
  - 2.2.2. Chocolate vendors must provide assurance that cocoa suppliers do not engage in or allow child slave labor.
  - 2.2.3. Cocoa must be sourced from suppliers that can provide assurances about age, working conditions, and fair wages for all workers.
- 2.3. All whole bean and pre-ground coffee, pre-packaged and bulk, must be certified organic and fair trade or direct trade by a third-party certification.
- 2.4. Fresh and frozen berries sourced outside of the USA must be fair trade certified by a third party, unless commercially unavailable.
  - 2.4.1. Driscoll Berries from Baja must be fair trade certified.<sup>2</sup>
- 2.5. PCC purchases sugar from ethical sources,<sup>3</sup> prioritizing third-party certifications for fair trade.
- 2.6. Fresh and Pre-Packaged Seafood
  - 2.6.1. PCC will not source fresh or shelf-stable canned seafood from regions known to be at high risk of human rights violations without proper assurance or documentation that workers are not exploited.

## Standard-Specific Glossary

**Direct Trade** is an emerging practice in the fair-trade movement, which focuses on establishing relationships directly with farmers and growers, rather than sourcing through a distributor. It is most common in the coffee industry currently, where roasters purchase coffee beans from a farmer. There is a [Direct Trade](#) label program started by CEOs of Latin American companies to help establish consistent practices, standards, and expectations for using the term Direct Trade.

**Fair for Life** is a third-party certification program operating under the [Ecocert Group](#) to further social accountability, responsible supply chains, and fair trade in consumer goods and agriculture.

**Fair Trade** is a movement aimed at creating equitable and sustainable trade relationships and production of goods, particularly for commodities produced in developing countries. The values underpinning this movement center around the fair treatment of a labor force, accomplished by guaranteeing worker rights and freedoms, higher wages, better working conditions, community empowerment, and prohibiting child labor. There are a number of organizations and certifications dedicated to verifying products to meet those goals (read more about some of the most commonly seen

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<sup>1</sup> Includes chocolate bars, chocolate candies, cocoa powders, chocolate chips, and baking chocolate.

<sup>2</sup> <https://www.pccmarkets.com/sound-consumer/2019-02/more-fair-trade-berries/>

<sup>3</sup> PCC characterizes "ethical sources" as producers who pursue third-party certifications for fair trade and/or organic, or ensure humane working conditions, reduce the use of pesticides and fertilizers that are harmful to workers, and engage in community enhancement or social programs to improve access to services including education, healthcare, drinking water, and proper housing.

labels [here](#) and check out two of the leading certifications at [Fair Trade USA](#) and [Fair Trade International](#)). [Fair trade certifications](#) are particularly important for some commodities that are at greater risk of human exploitation, such as chocolate, palm, sugar, bananas, and coffee.

[Fairtrade International](#) is a global organization that issues fair trade certifications; it is one of the most recognized labels next to Fair Trade USA.

[Fair Trade USA](#) is an organization, with accompanying certification system, dedicated to ensuring safe working conditions, protecting the environment, building sustainable livelihoods, and providing additional money to empower and uplift communities.

**Organic** refers to the practices associated with organic food production and processing that prohibit the use of most synthetic inputs and pesticides and require other environmental and animal-friendly agricultural and food handling practices. Established by the Organic Foods Production Act (a federal law), the [National Organic Program](#) (NOP) within the U.S. Department of Agriculture manages the organic certification standards, enforcement, and accreditation of independent certifying bodies. Many other countries also have organic certification programs.

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<sup>i</sup> “Advancing the Human Rights of Rural People,” Rainforest Alliance, August 5, 2021, <https://www.rainforest-alliance.org/insights/advancing-the-human-rights-of-rural-people/>.

<sup>ii</sup> “Shana McCann, “Building Power with Food System Workers,” Solid Ground, July 30, 2020, <https://www.solid-ground.org/building-power-with-food-system-workers/>.

<sup>iii</sup> International Labor Organization, “Ending Forced Labor by 2030: A Review of Policies and Programs,” 2018, [https://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/---ipec/documents/publication/wcms\\_653986.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---ipec/documents/publication/wcms_653986.pdf).

<sup>iv</sup> “24 Charged with Forcing Migrants into ‘modern-Day Slavery,’” AP NEWS, December 10, 2021, <https://apnews.com/article/business-georgia-slavery-forced-labor-migrant-workers-0e0d7235e79a4e216307e007a7aa716b>.

<sup>v</sup> Joe McCarthy, “‘Slave-Like Conditions’ Found on Brazilian Beef Farms Supplying World’s Biggest Meat Producers,” *Global Citizen*, January 7, 2021, <https://www.globalcitizen.org/en/content/brazil-beef-farms-slave-like-labor/>.

<sup>vi</sup> “Picked by Slaves: Coffee Crisis Brews in Brazil,” *Reuters*, December 12, 2019, sec. reboot-live, <https://www.reuters.com/article/us-brazil-coffee-slavery-idUSKBN1YG13E>.

<sup>vii</sup> Peter Whoriskey and Rachel Siegel, “Much of the Chocolate You Buy Starts with Child Labor,” *The Seattle Times*, June 8, 2019, <https://www.seattletimes.com/business/much-of-the-chocolate-you-buy-starts-with-child-labor/>.

<sup>viii</sup> Leonardo Bonanni, “Forced Labor Is Embedded in Supply Chains. Here’s How to Root It out,” *Fast Company*, June 16, 2021, <https://www.fastcompany.com/90646961/forced-labor-is-embedded-in-supply-chains-heres-how-to-root-it-out>.

<sup>ix</sup> Ana Cristina Ribeiro-Duthie, Fred Gale, and Hannah Murphy-Gregory, “Fair Trade and Staple Foods: A Systematic Review,” *Journal of Cleaner Production* 279 (January 10, 2021): 123586, <https://doi.org/10.1016/j.jclepro.2020.123586>.

<sup>x</sup> Maxine Perella, “Roots of Change: How Fairtrade Is Unlocking Climate Resilience, Fairer Incomes for Cocoa Farmers,” *Sustainable Brands*, November 11, 2021, <https://sustainablebrands.com/read/supply-chain/roots-of-change-how-fairtrade-is-unlocking-climate-resilience-fairer-incomes-for-cocoa-farmers>.

<sup>xi</sup> “History of Fair Trade,” World Fair Trade Organization, December 2020, <https://wfto.com/about-us/history-wfto/history-fair-trade>.

<sup>xii</sup> Nick Romeo, “Not Just For Foreign Foods: Fair-Trade Label Comes To U.S. Farms,” *NPR*, April 19, 2017, sec. Food For Thought, <https://www.npr.org/sections/thesalt/2017/04/19/524377647/not-just-for-foreign-foods-fair-trade-label-comes-to-u-s-farms>.

<sup>xiii</sup> The Organic Center, “Farmworkers at Risk from Chemicals but Organic Can Help, Shows New Report,” *GlobeNewswire News Room*, September 13, 2018, <https://www.globenewswire.com/news-release/2018/09/13/1570513/0/en/Farmworkers-at-risk-from-chemicals-but-organic-can-help-shows-new-report.html>.