



Ethical Charter Implementation Program

Annual Report:
November 2023 - October 2024



The ECIP Advisory Group



Dear Fresh Produce Industry Members,

After the publication of the Ethical Charter on Responsible Labor Practices in 2018, our organizations came together to advise the development of a program that would support greater transparency within the industry on social responsibility, create an approach to reporting on labor issues, and provide a more scalable solution to supply chain labor risk than compliance auditing alone. Our work over the past five years to pilot and then launch the Ethical Charter Implementation Program (ECIP) seeks to recognize existing efforts to create dignified workplaces, and to support stronger labor management systems across the industry by measuring continuous improvement.

In the year since ECIP launched in November 2023, the program has made significant strides, engaging over 1,000 growers, 266 suppliers and 6 major buyers. Our prime objective throughout this first year was to build awareness about the program and drive use of ECIP's software platform by growers and suppliers. We ended the year by introducing ECIP's Buyer Dashboard, which provides retailers with a list of participating suppliers, and shares their degree of engagement with the program. The involvement of merchants and direct communication from retailers was critically important to ECIP's success in engaging suppliers and growers in the system. Early adopter suppliers and those represented on this Advisory Group were also key in educating the industry on the numerous benefits that ECIP offers.

This report presents perspectives and insights from a variety of buyers and suppliers, along with data aggregated directly from users of the ECIP platform. The undersigned companies serve as an Advisory Group to guide the work of Equitable Food Initiative (EFI), a nonprofit skill development and certification organization that developed the platform and manages ECIP. EFI wrote this report and is solely responsible for its content.

As ECIP moves into its second year and beyond, our hope as stakeholders is that the program's support and resources continue to evolve as tools to meet the diverse needs of an everchanging industry. We believe our collaborative effort to support growers and suppliers in strengthening their labor management systems will generate value throughout the supply chain and help the produce industry utilize the labor management practices we have endorsed.

Sincerely,

The ECIP Advisory Group



ECIP: A Multistakeholder Program Designed to Meet Industry Needs



The produce industry broke new ground when it introduced the [Ethical Charter on Responsible Labor Practices](#) in 2018 and invited companies to endorse its principles. Those endorsements were an important commitment, but some suppliers and retailers wanted a tool to help assess progress on the principles at field-level. That quest began a four-year process of planning, piloting and beta testing different approaches, and eventually supporting collaboration in the launch of the [Ethical Charter Implementation Program](#) (ECIP) in November 2023.

ECIP seeks to recognize and strengthen employer engagement around labor practices in the fresh produce industry without the burden of additional audits. It aims to:

- Create alignment with the principles of the Ethical Charter by strengthening employers' labor management systems.
- Support operations whose practices are already consistent with the Ethical Charter to demonstrate their leadership.
- Provide capacity-building tools for worker engagement and continuous improvement.

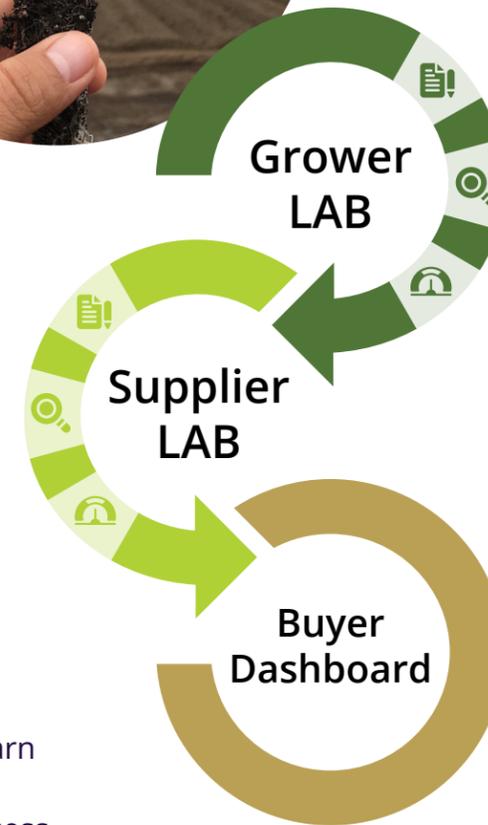
The program offers a framework for the fresh produce industry to align with the Ethical Charter principles by bringing supply chain stakeholders onto a custom ECIP software platform where they can learn about Ethical Charter principles, assess their own management systems and benchmark improvement over time, thus providing their customers with a higher degree of assurance.

ECIP LAB: ENGAGE TO LEARN, ASSESS AND BENCHMARK

The online Learn, Assess and Benchmark (LAB) platform is the central component of ECIP that connects stakeholders in the supply chain and offers an approach to measuring and improving labor practices through capacity-building and engagement. Grower LAB, Supplier LAB and a Buyer Dashboard were modules of ECIP LAB launched in the first year. In 2025, ECIP will add FLC LAB for farm labor contractors and Worker LAB to educate employees about Ethical Charter principles.

Each LAB module offers users three connected channels. In the **learn** channel, Growers explore 54 management systems and Suppliers 15 management systems required to implement the principles of the Ethical Charter. In the **assess** channel, users rank their own management systems, trusting that they can answer honestly because their responses are not visible to customers and because ECIP measures a company's willingness to engage and improve labor practices over time rather than checking compliance against specific standards. The **benchmark** channel allows users to track their progress over time as they prioritize and address opportunities to strengthen their management systems.

ECIP LAB is designed to meet growers and suppliers wherever they are in their journey toward alignment with the Ethical Charter, to offer insights for continuous improvement, and to recognize those that are already leaders in maintaining exemplary workplace culture.



LAB:

- Learn
- Assess
- Benchmark

ECIP'S HISTORICAL TIMELINE

Following the 2014 *Los Angeles Times* "[Product of Mexico](#)" series on labor abuses in the agroexport sector, the Produce Marketing Association and United Fresh Produce Association (now International Fresh Produce Association) formed a joint committee to create the [Ethical Charter](#).

Published in 2018, the Ethical Charter outlines 13 principles to guide the management of agricultural labor, covering areas such as legal compliance, professional conduct and human rights.

Between 2019 and 2021, Costco Wholesale, Walmart, Kroger and McDonald's worked together with 20 suppliers, 40 growers and EFI to pilot several different capacity-building approaches to an Ethical Charter program and to measure which ones were most effective in driving awareness and management changes.

After processing these results, Target and Sam's Club joined the Advisory Group that guides and oversees ECIP, and in 2022 the Walmart Foundation awarded a \$2 million grant to EFI to develop and launch the LAB software platform, which went live in November 2023.



Buyer Participation Drives ECIP Engagement

Retailer commitment has been instrumental in the development and growth of ECIP from the beginning, with each participating retailer customizing its approach and contributing in different ways. Leaders from the highest levels of buying and compliance teams have recognized the value of ECIP and cite several key benefits, from the program's potential to foster a consistent approach for the industry to its focus on continuous improvement. They also point to its scalability, with the capacity to reach much deeper into the supply chain, at lower cost, than compliance audits.

During ECIP's first year, retailers concentrated on raising awareness, encouraging suppliers and growers to engage with the LAB platform. Each participating company worked on its own strategies to onboard users and recognize supplier efforts to engage growers. It became clear that the continued involvement of retailers was key to ECIP's growth and adoption when a time-bound invitation from one retailer resulted in substantial growth in the use of ECIP LAB. Suppliers and growers responded to the clarity of the request, but their feedback also cited the importance of understanding each retailer's priorities, which helped LAB users marshal the necessary internal resources to respond.

“At Walmart, we are excited about the potential of this program to scale across the produce value chain without adding additional audits. What we like about ECIP is that it focuses on continuous improvement while offering many tools and resources for growers to assess their management structures, benchmark their progress and continue to improve over time.”

Laura Himes, Vice President of Sourcing – Produce, Walmart

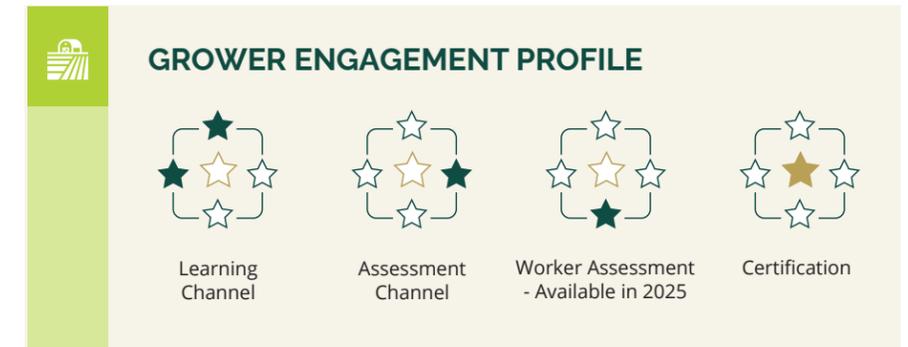
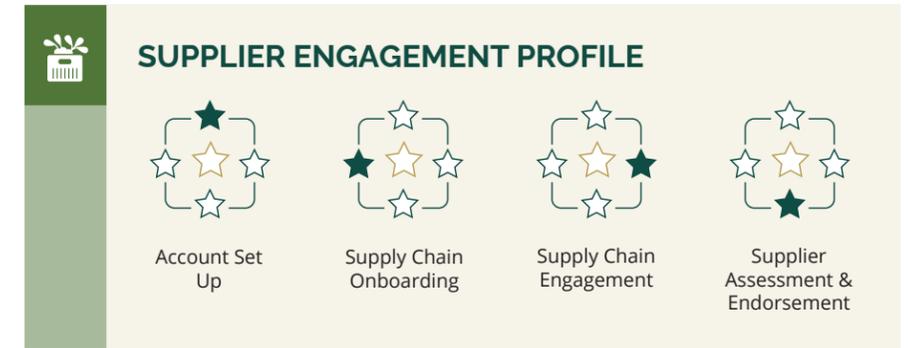
“ECIP reflects the power of industry collaboration to advance meaningful changes for people and our planet. We're pleased to help scale this capacity-building work that prioritizes meeting growers where they are in their journey and offering practical resources and guidance to help enhance labor practices.”

Denise Osterhues, Senior Director of Sustainability and Social Impact, Kroger

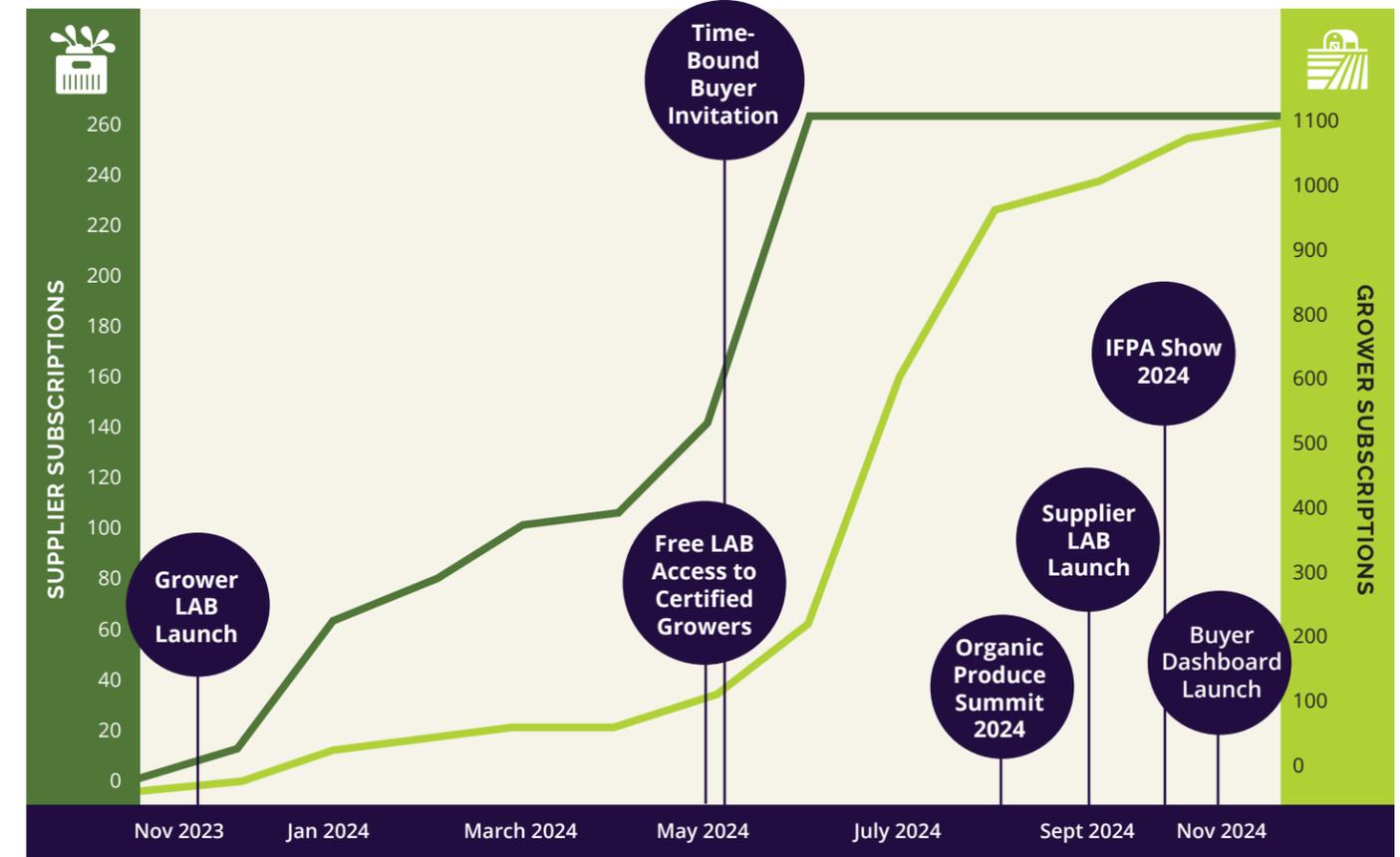
“We are excited about the impact this next phase of ECIP is expected to deliver by engaging our suppliers in new actionable ways. As suppliers begin to self-assess their own management systems, it will allow us to better support them and their growers with additional tools and resources, and to ultimately recognize the suppliers who are most engaged in developing responsible labor practices.”

Jim Hancock, Vice President of Produce and Floral, Sam's Club

Users couldn't benefit from the LAB platform until they subscribed, so in ECIP's first phase, the stars earned in a subscriber's engagement profile rewarded the most basic forms of platform use. Over time, as the industry becomes more familiar with the tool, the engagement profile will provide a more sophisticated reflection of the effort suppliers and growers are making to strengthen their management systems. ECIP will thus be able to offer new and better opportunities for the companies most committed to responsible labor practices to showcase their achievements to customers.



ECIP LAB FIRST YEAR SUBSCRIPTION RATES



Suppliers Applaud ECIP's Approach to Industrywide Social Responsibility



Suppliers active in ECIP since its November 2023 launch have detailed the benefits of the program, highlighting its approach to advancing responsible labor practices across the fresh produce and floral industry. They underscore ECIP's collaborative and educational approach, which differs from compliance audits.

ECIP's departure from the traditional audit model is one of its greatest advantages. "ECIP is a much more successful program than forcing everyone to do a social responsibility audit," according to Donna Lynn Browne, Senior Director of Food Safety and Social Responsibility for Naturipe Farms. Whereas traditional audits can leave growers feeling judged and scrutinized, Browne sees ECIP as an educational program, offering a "year-round approach to social responsibility instead of a few days during an audit."

This approach has allowed growers to identify areas where they can improve, to access resources

to support that process, and to take the time to implement changes. "It is the perfect introduction to social responsibility for smaller growers who might not have been asked about specific policies and management systems before," Browne explains. "It brings them in, and it helps them to feel comfortable talking about social responsibility."

Suppliers have also applauded ECIP for equipping growers with the necessary tools and resources. Mishalin Modena, Director of Sustainability and Corporate Engagement from Church Brothers Farms, notes that ECIP "provides feedback on where growers are doing a good job, where they can improve, and importantly, shows them how to do that. Small growers don't always have the resources or know where to go to find them."

Beyond its educational approach, ECIP promotes consistency by benchmarking to the industry's own principles. "Standardization is important

because it helps us understand where we are and where we should be going, especially in the area of social responsibility, which can be an open-ended target," says Brianna Shales, Marketing Director for Stemilt Growers.

Suppliers note that this approach not only provides clarity but also streamlines internal processes. Wyatt Maysey, Director of Sustainability for Taylor Farms, highlights ECIP's efficacy, stating, "Having a single program creates greater impact, because working with so many growers, if we have one questionnaire, one set of principles and expectations, it allows us to answer it, act on it and reflect on it, rather than just moving on to the next questionnaire."

ECIP has also proven to be a valuable tool for enhancing communication within the supply chain. "ECIP helped us find more transparency in our supply chain and has created valuable conversations with our growers around social impacts, HR practices and the ethical treatment of workers," Maysey explains.

Shales draws parallels to the benefits of workforce engagement that Stemilt has experienced through EFI certification: "We have seen the benefits of creating an engaged workforce and driving continuous improvement in our operations. ECIP provides the guidance, standards and resources to help other growers reap those same benefits."

A key differentiator of ECIP's continuous improvement approach lies in how it recognizes and promotes the positive work already being done by industry members. "It validates where you are doing a good job and points to where you can improve," Modena says.

Browne adds that "Many growers have been following procedures and implementing great programs in the community, but there really hasn't been a place to talk about that work."

“ECIP has been transformative for us and our growers. All growers currently using ECIP also have certification-based social compliance programs, which are valuable. However, ECIP offers something unique: self-reflection and internal benchmarking. This helps us understand where growers see their programs excelling and where improvement is needed.”

Our ECIP grower LAB represents over 80% of our product sales by weight. Retailers using the ECIP portal have demonstrated how it can influence purchasing decisions—a critical factor for growers navigating diverse customer requirements.”

Sydney Fairchild,
Marketing and
Compliance at
Bridges Organic
Produce



Suppliers who engaged in the program deeply enough to be named to the ECIP 2024 Leadership Circle (see page 12), believe ECIP can drive collaboration, recognition and improvement through its supportive, educational model. In his experience, Maysey notes that ECIP has helped the industry overall by strengthening processes and identifying opportunities for improvement. And Modena emphasizes the larger impact, saying, "ECIP has helped raise the bar and is bringing everybody up to a higher level. As an industry, we want to feel confident in the products that we sell, and in the message to consumers that this is what we stand behind, that everyone is operating in the same way and treating our people and the environment well."

“ECIP has encouraged a more proactive approach to social responsibility, allowing us to strengthen our relationships with growers and retail partners who share our commitment to social responsibility.”

Joshua Gray, Supply Chain Manager at Homegrown Organic Farms



Year-One Learnings and Engagement from ECIP LAB Participation

Beyond the insights shared by buyers and suppliers, the direct data from ECIP's first year provides insight into user implementation, unveils key findings and offers foundational learnings for longer term program development. Because the focus of the launch year was simply on bringing users into the system, the aggregated data does not yet point to specific areas of the Ethical Charter where the produce industry is struggling or performing particularly well. However, as the criteria for measuring user engagement begin to evolve on June 1, 2025 (and each June thereafter) to help drive continuous improvement, this industry update will provide more detailed insight into user performance against each of the Ethical Charter's 13 principles.

712

growers had not previously participated in codified workforce management, audit or certification programs



356

growers already had an active social responsibility certification, which earned them a "gold star" in their engagement profile.



ECIP Engages Growers Not Previously Participating in Certification Programs

Of the 1,100 growers who used Grower LAB in its first year, more than 700 of them reported no active social responsibility certification, likely making ECIP the first time the operation engaged in assessing management systems related to responsible labor practices.

Retailer Requests for Participation Increase Engagement

As shown on Page 7, usage of ECIP LAB increased dramatically midyear and then plateaued, coinciding with a time-bound request from one retailer.

266

participating suppliers brought in an average of **6.6** growers each



66%

of invited suppliers have an active ECIP LAB subscription

Grower Self-Assessments Identify Areas of Strength and Room for Improvement

While each grower's response to the self-assessment questionnaire remains anonymous and visible only within the grower's operation, aggregating the data reveals industrywide trends:

Growers assessed their operations as having strong management systems supporting these Ethical Charter principles:

- Occupational safety and health
- Wages and benefits
- Protection of children and young workers

Growers assessed a need for development to support these Ethical Charter principles:

- Communication and worker protections
- Management systems and continuous improvement
- Ethical recruitment

Recognition

ECIP is overseen by an Advisory Group that provides insights and recommendations that guide ECIP's direction, development of new features and strategies to ensure supplier and grower participation. Each organization dedicates numerous hours of staff time to review, coordinate and contribute to the ongoing development of ECIP.

THANK YOU FOR YOUR ONGOING DEDICATION AND COMMITMENT TO ECIP

- AgSocio
- Bonduelle
- Costco Wholesale
- Equitable Food Initiative
- Kroger
- McDonald's
- Naturipe Farms
- Sam's Club
- Tanimura and Antle
- Target
- Taylor Farms
- Walmart

2024 Supplier Leadership Circle

The ECIP Leadership Circle highlights supplier companies that are engaging actively in supporting the growers they source from to strengthen their labor practices.

Supplier LAB launched as a new module of ECIP LAB in early September 2024, offering suppliers resources to support their growers and a self-assessment tool to evaluate how closely their own management systems align with the principles of the Ethical Charter. The launch of Supplier LAB created an “engagement profile” for each company, which was then shared with retailers through the Buyer Dashboard. Soon after the launch of Supplier LAB, criteria to be recognized in the ECIP Leadership Circle were announced.

During the 2024 program year, criteria included:

- Having an active Supplier subscription in ECIP LAB
- Endorsing the Ethical Charter through the International Fresh Produce Association at ethicalcharter.com
- Providing credible data in Supplier LAB on supply chain size/number of growers
- Completing the assessment of 15 management systems
- Having a significant percentage of growers with active subscriptions in ECIP LAB



As of October 31, 2024, the following 25 companies had been named to the ECIP Leadership Circle:

- AMFRESH North America
- Ayco Farms
- Bonduelle
- Bostock North America
- Bridges Organic Produce
- Church Brothers Farms
- Equifruit
- The Fruitist Company
- Gold Cup Fresh
- GoodFarms
- Homegrown Organic Farms
- McEntire Produce
- Misionero
- NatureSweet
- Naturipe Farms
- Pacific Produce
- Peterson Farms Family of Companies
- POM Wonderful
- Red Sun Farms
- Stemilt Growers
- Sun Belle
- Tanimura & Antle
- Taylor Farms
- William H. Kopke Jr.
- Windset Farms®





ECIP

The Ethical Charter Implementation Program

ethicalcharterprogram.org

POWERED BY

