

APPENDIX C: RESPONSE LETTERS FROM CORPORATIONS

July 25, 2001

Carol Pier
Labor Rights Researcher
Americas Division
Human Rights Watch
1630 Connecticut Avenue N.W. Suite 500
Washington, DC 20009

Dear Ms. Pier:

We welcome the interest of Human Rights Watch in labor conditions in the banana industry. We are pleased to acknowledge receipt of your letter of July 13, 2001 to Mr. Carl Lindner regarding Chiquita's contractual relationships with certain Ecuadorean banana farms and the Company's general labor policies.

We intend to fully reply to your letter, and we anticipate doing so by your requested reply date of August 13, 2001.

While we are developing a complete reply to your inquiry, you may be interested to read the enclosed materials.

- 1) In May 2000, we adopted as Company policy our "Code of Conduct ... Living by our Core Values." This document reflects Chiquita's commitment to leading standards of socially responsible, ethical and legal business conduct. You will note that we have incorporated into our Code the labor standard SA8000, which was developed by Social Accountability International, an independent NGO, through an extensive process of consultation and dialogue with a variety of stakeholders. Through this Code, we have:
 - a) Agreed to respect the principles of the fundamental labor conventions of the International Labor Organization, the UN Convention on the Rights of the Child, and the Universal Declaration of Human Rights; and
 - b) communicated our ultimate goal of directing "all of our business to suppliers that demonstrate their compliance with the Social Responsibilities included in our Code of Conduct, and that operate in an ethical and lawful manner."
- 2) In June 2001, we signed an agreement with COLSIBA and the International Union of Foodworkers (IUF) "On Freedom of Association, Minimum Labour Standards, and Employment in Latin American Banana Operations." COLSIBA is a regional affiliation of Latin American banana labor unions, through which most of our employees are represented in collective bargaining with the Company. The IUF, based in Geneva, is a highly respected international labor union secretariat with significant membership in the food and agriculture sectors. Through this agreement with unions, Chiquita reaffirmed its commitment to adhere to the core ILO Conventions in its Latin American banana operations, and it established a Review Committee that will meet regularly to address any issues of concern that may arise about Chiquita's labor practices.



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If you have not done so already, you may also want to contact the following NGO and labor union leaders who are familiar with this recent IUF/COLSIBA/Chiquita agreement as well as with Chiquita's practices and approach to labor issues. Mr. Stephen Coats of U.S./LEAP has just himself returned from a recent trip to Ecuador to explore issues of concern similar to your own.

Ron Oswald
General Secretary
IUF - Intl Union of Food,
Agricultural, Hotel, Restaurant,
Catering, Tobacco and Allied
Workers' Associations
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Stephen Coats
Executive Director
U.S. Labor Education in the
Americas
1449 W. Fargo
Chicago, IL 60626

Work: 773 262 6502
Fax: 773 262 6602
E-Mail: usglep@igc.org

German Zepeda
Coordinator, COLSIBA
Honduras

Work: 504 668 1736
Fax: (same; telephone first)
E-Mail: cosibah@publinet.hn /
cosibah@sigmanet.hn

If you have questions beyond the scope of those listed in your July 13 letter, it would be most convenient if you could please send them in writing to me, and I will work to ensure that you receive the most complete and helpful reply possible.

Yours truly,



Jeffrey M. Zalla
Corporate Responsibility Officer

August 28, 2001

Carol Pier
Labor Rights Researcher
Americas Division
Human Rights Watch
1630 Connecticut Avenue N.W. Suite 500
Washington, DC 20009

Dear Ms. Pier:

This follows my earlier letter of July 25, 2001 about Chiquita's labor policies, our relationships with banana labor unions, and organizations familiar with our performance in the areas of working conditions and labor rights.

Allow me to address both the specific questions in your letter of July 13, 2001 about Chiquita's labor practices in Ecuador and also, more generally, the standards Chiquita applies to its purchases from independent banana growers regarding social and environmental performance.

You are correct that in recent years Chiquita has not had any long-term contracts for the purchase of fruit from Ecuador. However, each year we have purchased varying amounts of fruit in Ecuador, both to manage seasonal variations in supply and demand and in response to natural disasters that have reduced the supply available from our owned farms and those of independent producers in other countries.

We have reviewed the farms that have supplied Chiquita fruit in recent years and can confirm that, of the 15 farms identified in your letter, none supplied Chiquita any fruit in 1996 and only two did so between 1997 and 1999, in small quantities, as shown in the table below.

Farm	Province	Cantón	Owner	Boxes
Italia	Guayas	Balao	Sociedad Predio Rústico Agroitalia	1997: 19,544 1998: 13,874 1999: 12,607
Santa Carla	Guayas	Balao	Agrícola Santa Carla	1999: 122,184

The fruit supplied by the farm Santa Clara represented less than 0.7% of the 18 million boxes Chiquita shipped from Ecuador in 1999, when we purchased substantial volumes to replace fruit lost due to Hurricane Mitch, which destroyed many of our farms in Honduras and Guatemala in late 1998.

Importantly, none of the farms identified in your letter supplied Chiquita any fruit during the year 2000, when we exported fewer than six million boxes, or in 2001, in which we have exported just over five million boxes through the end of June.

In recent years we have purchased virtually all of our fruit from Ecuador through the Favorita Fruit Company, which supplies much of that fruit from the farms of Reybancorp (also owned by the Wong family) and the balance from its own independent growers.



Chiquita
Brands
International

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All of the Reybancorp farms, or over 7,000 hectares of banana production, are certified to the environmental and social standards of the Rainforest Alliance's Better Banana Project, which includes standards on "Fair Treatment and Good Conditions for Workers." (For more information, see www.rainforest-alliance.org or contact Mr. Chris Wille, Director, Conservation Agriculture Network, Rainforest Alliance, cwille@racsa.co.cr.)

Because we believe that the Wong group is the most responsible grower operating in Ecuador, for several years we have stipulated in our contracts with them that the Chiquita fruit they provide must, as much as possible, be supplied from these certified farms. In 2000 and year-to-date June 2001, 56% and 63%, respectively, of the fruit supplied to Chiquita from the Wongs came from these certified farms. (Even more fruit would come from these farms were it not for the fact that our ships must typically be loaded within 2 days while a normal farm harvest occurs over 5 days.)

Chiquita's Code of Conduct and our recent agreement with COLSIBA and the IUF, both of which I provided earlier, address Chiquita's labor rights policies and our application of those policies to independent growers.

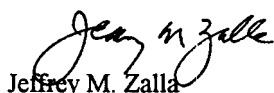
Social and environmental responsibility issues were important in our selection of, and have helped to frame our ongoing relationship with, the Wong group as our principal banana suppliers in Ecuador. Chiquita's achievement of Better Banana Project certification on 100% of its owned farms in Latin America encouraged the Wong group toward the same accomplishment. The Wong group has chosen to follow Chiquita's own strict policies regarding the application of pesticides. The Wongs provide generous pay and benefits when compared to the rest of the industry in Ecuador.

In addition to receiving assurance from the independent Better Banana Project audits, since 1999 Chiquita has also conducted its own periodic sample assessments of the social and environmental performance of the Wongs' farms and those of its suppliers in Ecuador. Discussions of the challenges and opportunities to improve social and environmental performance are part of the ongoing, normal dialogue between leaders of both companies. For example, in June 2001, leaders of both firms discussed whether it would be prudent for the Wong group to adopt the SA8000 labor standard for its banana operations, as Chiquita has done in its own Code of Conduct.

More information about the challenges Ecuador presents is included in the enclosed case study entitled "Standards for Independent Banana Growers," which will be included in the 2000 Corporate Responsibility Report that we expect to release publicly in mid-September. The case study outlines the issues as well as our efforts to lead improved grower and industry performance through assessments, contracts and certification programs. I will be sure that you also receive a copy of the full Report when it is released.

We appreciate the efforts of Human Rights Watch to foster greater respect for worker rights in the banana industry. We appreciate the opportunity to respond to your questions, and if we may be of further assistance, we would be pleased to do so.

Yours truly,



Jeffrey M. Zalla
Corporate Responsibility Officer

cc: Mr. Ricardo Flores



Food Company, Inc.

One Dole Drive, Westlake Village, CA 91362-7300 • Phone (818) 879-6812 • Fax (818) 879-6602

Freya Maneki

Director, Corporate Communications & Shareholder Relations
and Assistant Corporate Secretary

Via Facsimile 202-612-4333

October 8, 2001

Carol Pier

Labor rights Researcher

Americas Division

Human Rights Watch

1630 Connecticut Avenue, N.W., Suite 500

Washington, DC 20009

Dear Ms. Pier:

Dole Food Company, Inc. has been recognized internationally as a company that is socially responsible, ethical and committed to sound environmental practices. Dole has received numerous awards, including being:

among the top ten companies ranked overall in environmental and social responsibility by the Council on Economic Priorities

honored with the first-ever ethical workplace award from Social Accountability International

ranked by Fortune Magazine as one of America's best companies for minorities

ranked by Innovest as fourth out of 23 companies studied in the food industry and first among United States companies in environmental health and safety in August 2000

The Latin America Quality Institute gave Dole a special award for company excellence in environmental management.

The following information is being provided to the Human Rights Watch in response to your recent inquiry to Dole regarding certain of Dole's practices in Ecuador.

A. Dole Contractual Relationships

Dole's contractual relationship with its suppliers, the plantations and/or producers with whom Dole has or may have had a relationship is proprietary business information, which Dole does not publicly disclose.

B. Dole Labor Practices

- 1 Does Dole impose any age restrictions on workers employed on these plantations? Are there age restrictions for the performance of certain types of tasks or for working under certain conditions? What steps does Dole take to ensure compliance with those restrictions?

It is Dole's policy to comply with all applicable regulations and laws of any country in which it or its affiliates operate, including those relating to labor practices. Dole does not employ minors (under 18 years of age). Four percent of Ubesa's labor force is between the ages of 19 and 21, 44% between 22 and 30, and 52% are over 30.

Dole audits its suppliers for compliance in the areas of: quality, health, hygiene, safety and environmental performance. Dole's operations, including its internal audits, are certified to ISO 14001 and ISO 9002. Ubesa was the first company in Ecuador certified to ISO 14001 and ISO 9002.

- 2 Does Dole have a policy with respect to the use of temporary workers and subcontractors and the duration of their contracts on these plantations?

Dole prefers to use permanent, full-time workers. However, due to the nature of the agricultural business, workers are hired for a limited time to perform specific tasks.

3. What steps does Dole take to ensure that the right to freedom of association, including the right to unionize, is respected on these plantations?

It is Dole's policy to comply with all applicable regulations and laws of any country in which it or its affiliates operate, including the right to collective bargaining.

4. Does Dole monitor, on an ongoing basis, labor rights conditions on the Ecuadorian plantations from which it purchases bananas for export? Has Dole conducted any labor rights monitoring or inspections of the above-listed Ecuadorian banana producers and plantations?

As mentioned in the response to question one, Dole audits its suppliers in a number of areas, including labor rights. Dole will not comment on monitoring or inspections of a specific producer or plantation.

Thank you for the opportunity to respond to your questions.

Very truly yours,



Guayaquil, July 17, 2001

Mr.
CAROL PIER
Labor Rights Researcher
Human Rights Watch ✓
Washington DC

Dear Mr. Carol:

We are pleased to respond to your queries of July 13th, 2001.

FAVORITA FRUIT Co. Ltd. is a British Virgin Islands holding company and does not have offices or representation in Ecuador.

However, Favorita has equity interests in the following Ecuadorean companies: REYBANPAC, REY BANANO DEL PACIFICO C.A. y AGRICOLA BANANERA REYBANCORP ABR S.A. which produce and sell fruit locally and internationally.

The farm referenced in your letter, La Juanita, supposedly located in Balao parish and is not owned directly or indirectly by Favorita Fruit Co Ltd or any of its subsidiaries, nor is its fruit purchased by Favorita subsidiaries.

We do not know its exact location or its owner.

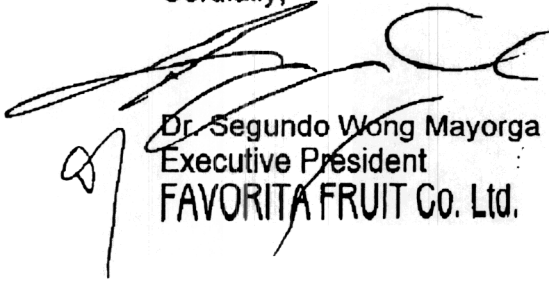
The labor rights of workers hired to perform farm work in Reybanpac or Reybancorp farms are strictly within social and economic legislation in force in Ecuador, including the labor code. In particular, rights related to compensation, social benefits and ages are strictly adhered to and closely monitored by management..

In addition, the aforementioned farms are certified in environmental and social management. Farms of Favorita's flagship fruit producer AGRICOLA BANANERA REYBANCORP ABR S.A. are ECO OK (USA) , ISO 14000 (SGS ANSIRAB) y SMART BANANO (UNION EUROPEA) certified. (The last certification is granted by the Rainforest Alliance). Certifications are carried out independent international surveyors.

Any additional questions or requests for clarifications are always welcome.

A handwritten signature in dark ink, appearing to be a stylized 'S' or 'L' followed by a flourish, is written over a light-colored rectangular area.

Cordially,



Dr. Segundo Wong Mayorga
Executive President
FAVORITA FRUIT Co. Ltd.

