



Product Fairness Questionnaire

Questions and Answers

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|--|---|
| Roles of consumers and companies | 2 |
| The Fairfood organisation..... | 2 |
| The Product Fairness Questionnaire..... | 3 |
| Benchmarking, why and how..... | 5 |
| Fair, inbetween, unfair | 6 |
| Assurance, how and who..... | 7 |
| How to use the Product Fairness Questionnaire..... | 8 |

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Roles of consumers and companies

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| 1. What is the role of the consumer? | As long as fairness of products is not enforced by law, consumers have to be able to compare the fairness of products. Imagine a consumer in a supermarket: which peanut butter should he buy? Which egg is most responsibly produced? Which fruit juice? The fundamental idea is that consumers must be able to choose above average sustainable products. ¹ |
| 2. What does Fairfood ask from / offer consumers? | Fairfood informs consumers about the fairness of products, and urges them to increase the fairness of their consumption. |
| 3. What is the role of the brand owner? | Companies should not take advantage of failing governments. Fairfood holds brand owners responsible for informing consumers in a comparable way about the fairness of a product in the entire production chain. 'Who pays, decides'. ² |

The Fairfood organisation

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| 4. What type of organisation is Fairfood? | Fairfood is a non-profit campaign and lobby organisation. |
| 5. What are Fairfood's objectives? | Fairfood aims to increase the fairness of mainstream food and beverage products. In 2006 and 2007 Fairfood focused on products that were being sold in the Netherlands, but in 2008 Fairfood has expanded to other European countries such as the United Kingdom and Germany. Secondly, Fairfood aims to increase fair consumption by mainstream consumers. |
| 6. What is Fairfood's mission? | Fairfood's mission is to contribute to eradicate hunger and poverty in developing countries. |
| 7. What is Fairfood's role? | Fairfood's role is that of a critical consumer. It questions brand owners and informs consumers about the results, thus promoting fair products and their brand owners. |
| 8. What are Fairfood's activities? | Fairfood produces an annual benchmark overview per product group: peanut butter is compared with peanut butter, frankfurters with frankfurters. Next, Fairfood informs the public by means of TV-commercials, advertisement, publicity stunts, handouts, fair recipes, etc. Thirdly, with the help of politicians, press and public, Fairfood incites and rewards companies to be transparent and to increase fairness. Last, Fairfood offers companies solutions to help them increase the fairness of their products. |
| 9. What are Fairfood's future plans? | The above-mentioned benchmark index will be made every year, at least until 2010 and most likely many years thereafter. Fairfood will soon start activities in other EU countries in order to increase its scope and impact. |
| 10. How come Fairfood employs many volunteers, while fighting underpaid work? | The majority of cash expenses of Fairfood's Dutch budget goes to its employees. Next to that, Fairfood welcomes all the voluntary help that is offered. In exchange, these volunteers enjoy a valuable working experience, especially suited for internships or reintegration programmes. ³ |

¹ Fairfood is convinced that many consumers want to know the fairness index of products. But even if there were only few active consumers, Fairfood is determined to inform them, so that they can take their responsibility and have as much impact as they can. Besides that, as long as consumers don't have a clear overview on the fairness of products, figures about low consumer involvement are premature.

² Fairfood sends its Product Fairness Questionnaire to the brand owner, because he is the link between the consumer and the supply chain. Fairfood encourages brand owners to manage the fairness of their product chain, for instance by sending the Product Fairness Questionnaire to suppliers throughout the entire chain.

³ Volunteers are happy to join Fairfood and don't have problems with meeting basic needs. Volunteering is considered as being part of a rich Dutch culture to put energy in society, to help others, and in this case, to help other consumers to find answers on fairness questions.

The Product Fairness Questionnaire

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| 11. Why does Fairfood use a questionnaire method rather than rely on public company information? | A completed Fairfood Product Fairness Questionnaire provides the information required to make a comparison between brand products within a product group. In order to compare the fairness performance of brand products, brand owners have to offer transparency in a comparable and standard way. Other company information lacks the comparability that is necessary for consumers to make a responsible decision. ⁴ |
| 12. What does Fairfood ask from / offer companies? | Fairfood asks companies about the fairness of their products, and urges them to increase their fairness if it turns out to be below average. Fairfood offers companies support to complete the questionnaire, and solutions to increase their fairness scores. ⁵ Fairfood creates a market for fair products for individual consumers and 'group' consumers (associations, consumers who eat at company restaurants, etc.). |
| 13. What are the fairness criteria based on? | All fairness criteria are based on international standards of conduct, such as international conventions, agreements and authoritative studies of supranational institutions such as the UN, OECD or ILO, and other norms respected by most countries, companies and experts. ⁶ |
| 14. Why questions on voluntary supra-law; keeping legislation is already fair? | The international norms in the Product Fairness Questionnaire are accepted by virtually all countries and all companies but are often not (effectively) enforced by law, mainly due to failing states/governments. So consumers have to be informed in order to give them the possibility to choose. ⁷ |
| 15. Do fairness criteria differ in importance? | Every fairness criteria is currently of equal importance to the fairness score. However, Fairfood is enquiring experts for advice to possibly change this. |
| 16. Why does Fairfood only focus on performance and not on policy? | If policy can be expressed in expected progress, it results in fairness points. ⁸ |

⁴ Information outside the questionnaire (e.g.. from company websites) too often doesn't enable consumers to really compare products.

⁵ Completing the Product Fairness Questionnaire 2008 might cause difficulties. To help overcome such problems, you can find an example Product Fairness Questionnaire 2008 completed for the imaginary product 'Good Papaya Juice' of the imaginary 'The Good Papaya Company' on www.fairfood.org.

⁶ The particular sections of these international conventions and agreements can be found on the Fairfood website: www.fairfood.org.

⁷ For instance, there is no law prohibiting the trade in goods from overseas that are produced or traded at the expense of children or in a context of bribery or corruption. Companies are invited to tell Fairfood which criteria is/are only voluntary in their view. Those who find fairness important and relevant know that fairness both means effort of companies and impact on the needy. Lack of legislation does not mean that fairness is a side-issue. Also, the European Food Law forces companies to be good at tracking and tracing. Fairness information can then be traced as well.

⁸ A general policy of corporate social responsibility does not necessarily say enough about the performance of the product and the conditions under which the product has been produced and traded. It is the actual behaviour that matters. For this reason no use can be made of sustainability information on company websites or other information that is not given in this comparable and standard. After all, in order to be able to make an informed choice, consumers need to have comparable information. Often company information is about company policy instead of product performance.

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| 17. Why does Fairfood focus on the weakest link in the production chain? | The production chain involves all steps between fisheries or farms (smallholders or plantations), and the sales outlets in the Netherlands. The performance of the weakest link determines the fairness points for each particular question. The weakest chain link is defined as the link that has the lowest percentage of implementing the norm, compared to the other links in the production chain. The weakest chain link can be different for each question. ⁹ |
| 18. Are there other organisations supporting the questions? | Organisations whose logos are on the Product Fairness Questionnaire have helped to formulate the right questions. However, these organisations are not associated with the results of the survey, the Fairfood assessment based on that outcome, or the accompanying letters that are sent by Fairfood in relation to the questionnaire. For this reason logos of partners are not shown on letters or website pages that show the results of the survey or the benchmark index that Fairfood creates based on that outcome. The role of Fairfood is complementary to roles of others in our society. |
| 19. How many questionnaires have been sent in 2008 in total? | In 2008, the Product Fairness Questionnaire was sent to 800 brand owners, for 2800 products available on the Dutch, Germany and/or the U.K. consumer market, grouped into 130 product groups. Meaning about twice the amount of Product Fairness Questionnaires sent in 2007. |
| 20. How many questionnaires do companies receive? | Companies with a larger number of products receive an equally large number of questionnaires, simply to avoid unfair competition and to inform consumers in a complete way. Also, larger companies have a benefit of scale (more products for one ingredient chain) and market power (suppliers inform them easier since they don't want to lose a large buyer). |
| 21. How are products selected for the benchmark research? | When an ingredient sector analysis has given rise to certain concerns with regard to fairness, products that contain that particular ingredient, even if it is a small percentage of the product, are opt to be researched. ¹⁰ |
| 22. What is the relevance of researching an indirect ingredient? | Even if an ingredient is not part of the final product, Fairfood can be of the opinion that it's a relevant part in the production process of the product. ¹¹ |
| 23. How much time and support is given to complete the questionnaire? | Companies have two and a half months to complete the questionnaire and are reminded to do so various times. Also, support is offered to fill in the questionnaire. Before publication, companies will receive a registered letter informing them of their fairness scores. |
| 24. Why is the Questionnaire in English instead of in Dutch? | Most product chains that are investigated by Fairfood have foreign origins, suppliers or foreign brand owners. This means that Fairfood needs to communicate with companies in a language other than Dutch. |

⁹ Side-chains (for instance the production of inputs such as fertilisers and insecticides) do not have to be included in answering the Product Fairness Questionnaire.

¹⁰ Fairfood is very worried about the fact that there are many fairness problems with our food. Answering the Fairfood Product Fairness Questionnaire is an opportunity for a company to show to what extent its products are free of these concerns. Also smaller ingredients or (at first glance) smaller issues can lead to research. For instance, European oranges may be subject to investigation by Fairfood since they compete with oranges from developing countries. If the European oranges receive subsidies, this should be considered as a disadvantage for oranges coming from outside the European Union. Fairfood strives for a comparison that is as broad as possible between products in a certain product group. In 2008 we have the capacity to research approximately 2 800 products. Fairfood wants to focus on products which are easily available. Fairfood tries to make the selection as complete as possible. If a company wants Fairfood to investigate one of its products, a copy of the Product Fairness Questionnaire can be sent on request.

¹¹ Soy, for instance, is not a direct ingredient in meat products but it is a crucial ingredient in the forage for pigs. This is why Fairfood may decide to send the Questionnaire to the brand owners of sausages.

Benchmarking, why and how

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| 25. Why does Fairfood encourage a product fairness competition? | An annual product fairness competition results in a benchmark overview of the relative fairness of products compared to other products in their product groups. This system creates competition on fairness instead of a 'race to the bottom'. It continuously motivates companies to improve, in order to become – or stay – above average in the benchmark. For the first time, this benchmark approach allows all consumer products (including A-brand, home brand, baseline brand, etc) to be compared on fairness. Also for the first time, product groups that have no well-known niche-systems are included in the research. All this provides consumers the overview in order to consume in a fair way. ¹² |
| 26. Why does Fairfood employ a product rather than sector approach? | When an organisation makes a fairness policy, it can create a sector blueprint to help sector-members to complete the questionnaire in an easy way. Still, Fairfood will invite sector members to compete for fairness. Benchmarking stays important until a very high level of fairness is reached throughout a sector. ¹³ |
| 27. What is the strategic idea behind benchmarking? | By benchmarking, Fairfood supports baseline strategies (products go from 'unfair' to 'inbetween') and mainstream strategies (above average is 'fair'). ¹⁴ |
| 28. What's in it for companies? | Answering the Product Fairness Questionnaire is an opportunity for companies to share their efforts on Corporate Social Responsibility performance with a broad audience. Fairfood is promoting fair products among consumers and caterers. |
| 29. Might it not be too difficult for some companies to compete on fairness? | Because of the product group benchmark, there will always be some competing products above average, thus fair. This means that fairness can fairly easily be achieved for any brand product. Since this fairness benchmark is executed annually, all products get a fair chance to move from 'unfair' to 'inbetween' or even to 'fair'. ¹⁵ |
| 30. Might it not be too difficult for mainstream products to compete with hallmark products? | The principal reason to benchmark is that not only front runner niche products, but finally also mainstream products can compete on fairness. No perfect or complete systems need to be in place first, to achieve 'fair'. |
| 31. How can small and medium enterprises benefit from Fairfood's method? | SME's might benefit from the free marketing publicity that a fair product provides. They might also be more prone to knowing their production chains, which are often less complex. |

¹² Fairfood informs Dutch, German and English consumers, meaning that every brand owner that sells food products in the Netherlands, Germany and/or the United Kingdom can be part of our research. Benchmarking has proven to be successful in many other sectors. Informing consumers to be able to compare and choose for products that compete for fairness, is a basic principle of free market thinking. So companies should warmly welcome this annual competition on fairness. The results of the Product Fairness Questionnaire show the benefits of various low- and high profile sustainability systems, certifications, labels, etc. It prevents companies that already invest in fairness from being criticized for not making more of an effort. It allows for promoting oversupply of fair produce and for promoting steps that are taken towards a sustainability level.

¹³ Representatives of Dutch companies in the Company-Government project 'Doelgroepenbeleid maatschappelijke initiatieven' declared that they explicitly see CRS as the domain of individual companies, not that of sector organisations.

¹⁴ Until now, front runner products are not shown off yet, since clear information by front runner systems is not yet available to Fairfood.

¹⁵ Since products in one product group themselves define what is (above) average, it is possible for a large number of products in a product group to become above average and thus fair. Also products that have no expensive certifications or many sky-high sustainability scores can still score above average in comparison to competitors. It is achievable for many products to score only a few points and still score above average.

Fair, inbetween, unfair

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| 32. What is the definition of a 'fair' product? | Fair products are those that are produced and traded with an above average level of, and / or progress in, ecological, social, and economic sustainability, compared to similar products in the same product group. Comparable transparency is required, to enable consumers to compare and auditors to control fairness claims. ¹⁶ |
| 33. What does 'fair' not mean? | By placing a product in the category of 'fair', Fairfood is not giving a quality label which guarantees that a brand product has been produced according to certain minimum standards. Rather, Fairfood gives a judgement based on comparable product information. |
| 34. What is the definition of an 'unfair' product? | Only failure to return the Product Fairness Questionnaire or a zero score will result in a brand product being placed in the category of 'unfair'. ¹⁷ |
| 35. What does 'unfair' not mean? | By placing a brand product in the group 'unfair', Fairfood does not claim that a brand product necessarily leads to an increase of hunger and poverty in developing countries. |
| 36. What is the definition of an 'inbetween' product? | Brand products that answer at least one question positively but score below the average of the product group are placed in the group 'inbetween'. ¹⁸ |

¹⁶'Fair' can mean many things, as shown by the different uses of the term by initiatives such as: 'Fair Trade', 'Fair Wear', 'Fair flowers and plants', 'Make Trade Fair', 'Fair labour association', etc. Fairfood combines them, including both 'progress' and 'high score', social, economical and ecological sustainability aspects, 'Fair trade' and 'CSR' aspects, 'support for marginalised farmers' and 'mainstream CSR', etc. Fairfood believes it is reasonable to reward a company if its level of (progress of) sustainability is greater than those of its competitor.

¹⁷ Fairfood only studies brand products that are part of sectors for which Fairfood's research has shown fairness concerns. If a company does not answer the Product Fairness Questionnaire, Fairfood's fairness concerns will continue to exist. Also, Fairfood offers enough time and solutions to help companies to show or even increase their level of fairness. A product is 'unfair' if the brand owner is unable or unwilling to answer any question about (an increase of) sustainability, in a way that allows for a comparison of this brand product with other brand products from the same product group. Fairfood thinks that it is unfair to withhold comparable information from consumers when legislation is missing and when consumers, who have many growing concerns on product fairness, should be able to play a large role by comparing products and choosing the fair ones.

¹⁸ A product is 'inbetween' if it scores a below average level of, or below average increase of sustainability, compared to other brand products of the same product group. Still, it is required that there is (an increase of) sustainability as indicated by at least one answered question.

Assurance, how and who

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| 37. What are 'assurable' claims? | All fairness claims must be 'assurable', meaning that all answers must be able to pass a potential assurance audit, including a credible performance measurement in the weakest link. |
| 38. How is the information gathered, and how can Fairfood trust it to be trustworthy? | Brand owners complete one questionnaire for each brand product, providing information about the sustainability of one main ingredient. Fairfood executes many assurance audits, partly done by independent professionals. When a company turns out to be untruthful, Fairfood will communicate this to the public. |
| 39. How are assurance audits being done? | Assurance audits, performed by Fairfood and / or by external professional auditors, may include: - a performance measurement in the weakest link, with or without asking the brand owner in advance; - demanding to provide written policy which will render it plausible for the answer to pass a potential assurance audit including a potential performance measurement in the weakest link; - demanding to provide a written report of a credible performance measurement in the weakest link. |
| 40. How is an assurance audit selection being done? | Assurance audits are based on random selection and on doubts about the correctness of one or more answers, for example because an answer of one brand owner regarding a brand product differs remarkably from that of other brand owners regarding products from the same product group. ¹⁹ |
| 41. What exactly is the assurance audit process? | If the outcome of the assurance audit is not convincing to Fairfood, all answers to the questionnaire for this product and for the other brand products of the same brand owner, will be considered as unanswered. The brand owner then has to re-complete the Product Fairness Questionnaire for this brand product. Until Fairfood has received the newly completed Product Fairness Questionnaire, these brand products are placed in the group 'unfair'. |

¹⁹ Admittedly, companies may lie to Fairfood. However, the chances are small and will decrease further every year as companies doing so put themselves at risk.

How to use the Product Fairness Questionnaire

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| 42. How can companies escape a 'zero' score? | Even if not one question can be answered, progress that is expected in the next year is rewarded this year as well. Fairfood also offers solutions that lead to expected progress. |
| 43. How do companies increase their products' fairness in a year? | Also after publication, companies can increase their fairness score by sending in a renewed version of the completed questionnaire. Extra points may be awarded for increased transparency or additional expected progress, for example by adopting a Fairfood solution. |
| 44. Do all questions have to be answered? | Each company can have a different sustainability focus, so the list of criteria is long and optional. ²⁰ |
| 45. What if a relevant question is not in the questionnaire? | When a researched ingredient has a fairness performance that is not reflected in the questionnaire, this can be noted in the 'remarks' field on the questionnaire. |
| 46. What to do when there are difficulties answering the questionnaire? | Difficulties when answering a question are evened out among competitors, since everyone has to overcome the same difficulty. This system makes it achievable for all products to score above average since competitors have the same difficulties and the same chances to increase fairness. |
| 47. Do bearers of recognized hallmarks still have to complete the questionnaire? | Of most relevant sustainability labels, like 'Max Havelaar / Fair Trade', 'Utz Certified', 'Rainforest Alliance', 'Nature & More' and 'EKO', a corresponding blueprint has been developed, clarifying which questions on the questionnaire have been answered in advance for a brand product with that label. |
| 48. Can frontloading be an option? | Frontloading can be a valid option, provided that a company makes sure that the same volume is not frontloaded more than once. ²¹ |

²⁰ Only answer a question when applicable; leaving various questions unanswered is no problem. If, due to sector characteristics, it is too hard to answer a certain question, competitors have the same problem answering that question, so it might result in a lower product group average. In other words, skipping a question may have no influence on the fairness index. Various companies have told Fairfood that they are happy that they can now show fairness achievements to consumers with the Fairfood approach.

²¹ 'Frontloading', also known as the 'green energy principle', concerns the following. If a certain volume has a certain fairness score at the beginning of a 'pipeline' (even though it might be mixed and untraceable during the transport through the 'pipeline') the score can be virtually assigned to a certain group of products at the end of the 'pipe'. To make sure that a certain volume is frontloaded only once, Fairfood may ask for total and relative volumes. An example of a successful case of frontloading is the Basel Criteria certified soy in the feed chain of Campina Boerenland Milk.