



**Lab**  
**Global**

# **Fratelli Carli SpA**

Disclosure Report

Date Submitted: May 22nd, 2024



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## Disclosure Materials

Certified B Corporations must complete a Disclosure Questionnaire to identify potentially sensitive issues related to the company (e.g. historical fines, sanctions, material litigation, or sensitive industry practices).

This component does not affect the company's score on the B Impact Assessment. If the company answers affirmatively to any items in the Disclosure Questionnaire that B Lab deems relevant for public stakeholders, then, as a condition of their certification, the company must:

- 1) Be transparent about details of the disclosure issues identified on the company's public B Impact Report
- 2) Describe how the company has addressed this issue
- 3) Demonstrate that management practices are in place to avoid similar issues from arising in the future, when necessary.

In all cases, the Standards Advisory council reserves the right to refuse certification if the company is ultimately deemed not to uphold the spirit and integrity of the community.

In addition to the voluntary indication of sensitive issues in the Disclosure Questionnaire, companies pursuing Certification also are subject to a background check by B Lab staff. Background checks include a review of public records, news sources, and search engines for company names, brands, executives/founders, and other relevant topics.

Sensitive issues identified through background checks may or may not be within the scope of questions in the Disclosure Questionnaire, but undergo the same review process and are subject to the same possible review by the Standards Advisory Council, including ineligibility for B Corp Certification, required remediation, or disclosure.

### **B Lab's Public Complaints Process**

Any party may submit a complaint about a current B Corp through [B Lab's Public Complaint Process](#). Grounds for complaint include:

- 1) Intentional misrepresentation of practices, policies, and/or claimed outcomes during the company's [certification process](#)
- 2) Breaches of the B Corp Community's core values as expressed in our [Declaration of Interdependence](#)

**This document contains a copy of the company's completed Disclosure Questionnaire and related disclosure documentation provided by the company.**



# Disclosure Questionnaire

## Industries and Products

	Yes	No
Please indicate if the company is involved in production of or trade in any of the following. Select Yes for all options that apply.		
Animal Products or Services	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<a href="#">Biodiversity Impacts</a>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Chemicals	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Alcohol	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Firearms Weapons	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Mining	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Pornography	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Tobacco	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<a href="#">Energy and Emissions Intensive Industries</a>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fossil fuels Gambling	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Genetically Modified Organisms	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Illegal Products or Subject to Phase Out	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Industries at Risk of Human Rights Violations	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Monoculture Agriculture	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Nuclear Power or Hazardous Materials	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Payday, Short Term, or High Interest Lending	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<a href="#">Water Intensive Industries</a>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Tax Advisory Services	<input type="checkbox"/>	<input checked="" type="checkbox"/>

## Outcomes & Penalties

	Yes	No
Please indicate if the company has had any formal complaint to a regulatory agency or been assessed any fine or sanction in the past five years for any of the following practices or policies. Check all that apply.		
Anti-Competitive Behavior	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Breaches of Confidential Information	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Bribery, Fraud, or Corruption	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company has filed for bankruptcy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Consumer Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Financial Reporting, Taxes, Investments, or Loans	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Labor Issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Large Scale Land Conversion, Acquisition, or Relocation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Litigation or Arbitration	<input type="checkbox"/>	<input checked="" type="checkbox"/>
On-Site Fatality	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Penalties Assessed For Environmental Issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Political Contributions or International Affairs	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Recalls	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Significant Layoffs	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Violation of Indigenous Peoples Rights	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>



### Practices

	Yes	No
Please indicate if the following statements are true regarding whether or not the company engages in the following practices. Check all that apply. If the statement is true, select "Yes." If false, select "No."		
Animal Testing	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company prohibits freedom of association/collective bargaining	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company workers are prisoners	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Conduct Business in Conflict Zones	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Confirmation of Right to Work	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Does not transparently report corporate financials to government	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Employs Individuals on Zero-Hour Contracts	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Facilities located in sensitive ecosystems	<input type="checkbox"/>	<input checked="" type="checkbox"/>
ID Cards Withheld or Penalties for Resignation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
No formal Registration Under Domestic Regulations	<input type="checkbox"/>	<input checked="" type="checkbox"/>
No signed employment contracts for all workers	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Overtime For Hourly Workers Is Compulsory	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Payslips not provided to show wage calculation and deductions	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Yes	No
Sale of Data	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Tax Reduction Through Corporate Shells	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers cannot leave site during non-working hours	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers not Provided Clean Drinking Water or Toilets	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers paid below minimum wage	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers Under Bond	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>

### Supply Chain Disclosures

	Yes	No
Please indicate if any of the following statements are true regarding your company's significant suppliers.		
Business in Conflict Zones	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Child or Forced Labor	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Negative Environmental Impact	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Negative Social Impact	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>



# Disclosure Questionnaire Statement

## Disclosure Questionnaire Category: Environmentally Intensive Industries - Biodiversity Impact and Monoculture Agriculture

Biodiversity Impact and Monoculture Agriculture	
<b>Topic</b>	Biodiversity Impact and Monoculture Agriculture
<b>Summary of Issue</b>	As a food manufacturing company, Fratelli Carli SpA is involved in olive oil production and cultivation, operating in an industry where biodiversity impact and monoculture agriculture are significant environmental concerns.
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	Of the 15 hectares of land under company control in the Italian region of Liguria, ~87% is cultivated as olive groves. Owing to the perennial nature of olive groves, there is no seasonal replanting and consequently the olive trees on the company's properties are more than a hundred years old. The uncultivated land is mowed and left as it is.
<b>Impact on Stakeholders</b>	Agriculture, especially when single crops are cultivated at a time, poses a risk to local ecosystems, affecting the flora, fauna, and the cultivated land. The risk to biodiversity includes the introduction of foreign substances into the environment due to improper waste disposal or the use of chemicals, as well as the discharge of water into the sewer, which could have a negative impact on the ecosystem.
<b>Implemented Management Practices</b>	<p>Given the nature of olive trees, whose life can extend for hundreds of years, monoculture is the only feasible option for the company and olive groves represent the history of the region. Fratelli Carli SpA utilizes tree management practices such as regular pruning and regeneration of older plants for improving their health and longevity. The pruning residue is shredded. The company controls soil erosion and the stability of structures through a series of channels constructed to collect rainwater. The company does not use herbicides and instead relies on mowing. They utilize pesticides and fertilizers adhering to the guidelines of the disciplinary D.O.P Riviera Ligure &amp; Riviera Dei Fiori that allows the olive oil produced by the company to be DOP certified (certificate of protected origin).</p> <p>Fratelli Carli oversees the work of its suppliers involved in waste management, such as transporters, disposers, and</p>



	<p>intermediaries. The company has a specific procedure in place to ensure proper waste management, which is regularly updated to adapt to any changes in the production process. In 2022, 93% of the waste produced was sent for recovery, and in 2023, this percentage increased to 96.2%. The company also collaborates with external and internal laboratories to conduct daily water quality checks to ensure compliance with specific parameters such as COD, pH, and phenols. Additionally, at the Imperia site, water used for processing undergoes separation and recovery of any oily parts, while water from car wash operations goes through a purification and filtration process. Fratelli Carli is committed to including biodiversity impact analysis in its upcoming 2023 Sustainability Report to demonstrate its conservation efforts and biodiversity impact, as well as to establish future improvement goals.</p>
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# Disclosure Questionnaire Statement

## Disclosure Questionnaire Category: Environmentally Intensive Industries - Energy and Emissions Intensive Industries

Energy and Emissions Intensive Industries	
<b>Topic</b>	Energy and Emissions Intensive Industries
<b>Summary of Issue</b>	As a food manufacturing company, Fratelli Carli SpA operates in an industry in which energy use and emissions are material environmental issues.
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	During fiscal year 2022, the company sourced 100% of its energy from renewable sources, with 83% purchased and consumed and 17% self-produced by a photovoltaic system. The energy intensity of the company's manufacturing activities was 2.66 GJ/ton. 68% of the company's revenue in 2022 came from products related to energy-intensive use.
<b>Impact on Stakeholders</b>	As an energy intensive industry, the manufacturing industry contributes to global carbon emissions.
<b>Implemented Management Practices</b>	The company has conducted a benchmark study to compare the impacts considered in their 2022 sustainability reports with other companies in the sector. For example, they have assessed the contribution to climate change from greenhouse gas emissions related to transportation. In 2022, the company offset the carbon footprint of all delivery logistics in Italy. To reduce greenhouse gas emissions, the company has implemented best practices such as monitoring and calculating emissions using the GHG Protocol methodology recommended by the GRI. In the production area, a model for saving and reducing emissions has been developed, incorporating the use of electricity from renewable sources, self-production through a photovoltaic system, and initiatives to reduce consumption. The company's Sustainability Plan is established for the next three years, including monitoring and regular reporting of fuel, gas, and electricity usage through energy diagnosis.



# Disclosure Questionnaire Statement

## Disclosure Questionnaire Category: Environmentally Intensive Industries - Water Intensive Industries

Water Intensive Industries	
<b>Topic</b>	Water Intensive Industries
<b>Summary of Issue</b>	As a food manufacturing company, Fratelli Carli SpA operates in an industry in which water usage is a material environmental issue. The primary water usage at Fratelli Carli occurs throughout the value chain, especially with raw material suppliers. Additionally, water is utilized in various areas, such as the manufacturing process at the refinery, office facilities and the olive grove on the property, sourced from wells and aqueducts.
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	During fiscal year 2022, 68% of the company's revenue came from products related to water-intensive use. The water intensity of the company's manufacturing activities was 0.18 KL/ton.
<b>Impact on Stakeholders</b>	As a water intensive industry, the manufacturing industry poses risks such as water stress or depletion of local water sources if water use is not appropriately managed.
<b>Implemented Management Practices</b>	<p>The company has conducted a benchmark study to compare the impacts considered in their 2022 sustainability reports with other companies in the sector. For example, they assessed the depletion of water resources related to cultivation and fishing activities.</p> <p>To improve water management, the company has implemented various sustainable practices across the organization, such as saving raw materials and introducing refinery innovations. These efforts have led to a saving of approximately 3 liters of water for every kilo of olive oil processed. The company's Sustainability Plan is established for the next three years, including initiatives targeting communities facing water scarcity, with a focus on promoting access to water, treatment, and research.</p>