



Frutura Produce LLC

Disclosure Report

Date Submitted: February 5th, 2025



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 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"/>
Biodiversity Impacts	<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"/>
Energy and Emissions Intensive Industries	<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"/>
Water Intensive Industries	<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 checked="" type="checkbox"/>	<input type="checkbox"/>
On-Site Fatality	<input checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input 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 Structure	<input checked="" type="checkbox"/>	<input 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/Monoculture Impact

Topic	Biodiversity/Monoculture Impact
Summary of Issue	As an agricultural company, Frutura Produce LLC operates in an industry in which biodiversity impact is a material environmental issue.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	Frutura Produce LLC owns and/or manages approximately 6,515 hectares on behalf of its clients across all business units, of which about 4,825 hectares are cultivated. The uncultivated land is managed as buffer zones—such as buffer strips between its citrus orchards and the nearby Uruguay River in Uruguay—or is left as a habitat for wildlife. Every season, 100% of the cultivated land produces crops, as all of Frutura's crops consist of perennial tree and woody vine crops, such as citrus and table grapes.
Impact on Stakeholders	Agriculture poses a risk to local ecosystems of flora and fauna as well as the potential degradation of cultivated land.
Implemented Management Practices	<p>Frutura Produce LLC employs a sustainable perennial production system focusing on non-tillage, erosion prevention, and carbon sequestration.</p> <p>The company investor's policy prohibits logging and the destruction of High Conservation Value areas. All business units adhere to the investor's Deforestation and Land Use Policy and hold GLOBAL GAP IFA V5.3-GFS or higher certification, ensuring compliance with integrated pest management standards. For instance, Agricola Don Ricardo produces over 500 metric tons of organic compost annually from its large-scale vermiculture operation, reducing the need for chemical fertilizers and lowering greenhouse gas emissions. Subsole has partnered with Universidad Católica de Chile since 2015 to enhance biodiversity in fruit orchards through initiatives such as cover cropping, creating biodiversity corridors, and installing nesting houses for birds. Frutura UY has also conducted biodiversity inventories and collaborates with The Nature Conservancy to control invasive species and promote native plantings.</p>

	<p>Synthetic and organic fertilizers are used to maintain soil health, emphasizing best management practices that prioritize ecological methods over synthetic options.</p> <p>Before each season, the land is sampled to create tailored fertilization plans, and liquid fertilizers are delivered via drip irrigation, known as fertigation. Green mulching returns organic materials to the soil, enhancing fertility. As perennial fruits grow year-round, crop rotation is unnecessary, helping to reduce erosion and sequester carbon.</p> <p>Frutura's goal for 2025 is to ensure that 100% of its owned production is GLOBAL GAP certified and that at least 95% of third-party grower production is certified as GLOBAL GAP or Primus GFS for smallholders. Currently, all owned production is fully certified, while third-party certification is at approximately 75%. The company aims to reach the 95% target by the end of 2025.</p>
Report	https://www.fruturaproduce.com/wp-content/uploads/2024/08/Frutura-2023-Impact-Statement_August-2024_Final.pdf



Disclosure Questionnaire Statement

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

Topic	Energy and Emissions Intensive Industries
Summary of Issue	As a company that imports, exports, markets, and distributes fruit products, Frutura Produce LLC operates in an industry in which energy and carbon emissions a material environmental issues.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	In the fiscal year 2023, 25% of Frutura's overall electricity consumption was sourced from renewable energy. The remaining electricity demand was fulfilled by the grid, predominantly from hydroelectric sources in Peru's Ica Valley and Uruguay, while additional power came from oil, coal, and biofuel in Chile. The carbon emissions intensity was measured at 0.78 kg CO2e per kilogram of fruit harvested and processed. In addition to electricity, the company uses gasoline and diesel for its vehicles, as well as biofuel and natural gas for its packhouse machinery.
Impact on Stakeholders	As an energy-intensive industry, agricultural activities directly and indirectly consume energy and generate greenhouse gas (GHG) emissions at several points in the supply chain. These activities include the production and application of fertilizers and pesticides, fuel consumption for irrigation and farm equipment, operation of packhouse machinery, use of plastics, cold storage refrigeration, and transportation. These factors pose an environmental risk due to the emissions produced from energy consumption. The extent of the environmental impact depends on the energy sources utilized and the management practices in place to regulate energy usage.
Implemented Management Practices	Frutura Produce LLC, along with Dayka & Hackett, Agricola Don Ricardo, Giddings, Subsole, Sun Belle, and Frutura Uruguay, reports that 92% of its emissions fall under Scope 3, with 49% coming from Transportation and Distribution. Most fruit is transported by road and ocean freight, but a significant portion of emissions stems from carbon-intensive air freight. The second-largest emissions category is Goods and Services, accounting for 32.2% of total emissions, largely due to

	<p>purchasing third-party-grown fruit and plastic packaging, particularly for grapes.</p> <p>Electricity is the main source of direct energy use. Dayka & Hackett has installed over 1 MW of solar capacity in the U.S., while Subsole has added photovoltaic panels at seven sites in Chile. Since 2022, Frutura Uruguay has invested over \$18 million in energy-efficient upgrades, and Subsole will conduct energy audits in 2025 to identify further savings.</p> <p>Frutura Produce LLC aims to reduce emissions by minimizing packaging and increasing waste diversion rates. Each unit sets its own energy targets while comprehensive carbon reduction goals are established at the LLC level. For instance, Fresh Select aims for an 8.3% energy intensity improvement in 2023 and has achieved a 74.4% year-over-year improvement in energy conservation. The company plans a 5% reduction in Scope 1 and 2 emissions and a 3% reduction in Scope 3 emissions by 2025.</p> <p>Although informal comparisons have been made, a formal assessment with industry peers has not been conducted due to significant variability among competitor business models, fruit commodities, and growing regions.</p>
Report	https://www.fruturaproduce.com/wp-content/uploads/2024/08/Frutura-2023-Impact-Statement_August-2024_Final.pdf

Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Environmentally Intensive Industries - Water Intensive Industries

Topic	Water Intensive Industries
Summary of Issue	As an agricultural company, Frutura Produce LLC operates in an industry that is water intensive.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	100% of Futura Produce LLC's revenue comes from selling fresh fruit, which is water-intensive. Don Ricardo reports water usage of 433 m ³ per ton for grapes, 650 m ³ for citrus, 482 m ³ for blueberries, and 924 m ³ for avocados. Subsole uses 317 m ³ per ton for grapes and 323 m ³ for citrus. In contrast, Futura Uruguay only uses 100 m ³ per ton of citrus due to its wet climate, which reduces irrigation needs.
Impact on Stakeholders	As a water-intensive industry, agriculture poses risks such as water stress or depletion of local water sources if water use is not appropriately managed.
Implemented Management Practices	<p>Frutura sources water from various supplies, including surface water, groundwater, and municipal sources, depending on the location. The company monitors its water extraction practices, particularly in water-stressed regions like Peru's Ica Valley (Agricola Don Ricardo) and Chile (Subsole).</p> <p>To address water scarcity, these farms have implemented efficient water technologies, such as fertigation and soil moisture monitoring, alongside practices like mulching and composting. Agricola Don Ricardo's co-founder has led local water management initiatives, tackling illegal wells and initiating water recharge projects. In Chile, Subsole supports grower partners with training and financing for efficient irrigation systems.</p> <p>Frutura's businesses actively manage water resources. Subsole uses drip irrigation on all its farms and certifies avocado growers under GLOBAL GAP SPRING for responsible water use.</p>

	<p>Frutura Uruguay is investing several million dollars in a fertigation system through 2025, while Agricola Don Ricardo has adopted real-time soil moisture monitoring and created recharge basins with local authorities. Since 2017, it has recharged 2,073,361 m3 cubic meters in the Ica Valley aquifer and has received the Certificado Azul from the Peruvian government for three consecutive years for its water conservation efforts.</p> <p>The company's Water Stewardship Objective is to "Measure and report site-level water withdrawals, assess material water risk, and set catchment context-informed water targets by 2025." This goal requires every Frutura operation to measure and report its water use while evaluating its impact on the broader catchment area. At the same time, the objective allows flexibility for each site to set water targets based on its unique context. For example, a farm in Uruguay may focus on preventing erosion and nutrient runoff due to its wet climate, while a farm in Chile may establish a water reduction target in response to increasing temperatures and decreasing precipitation.</p>
Report	https://www.fruturaproduce.com/wp-content/uploads/2024/08/Frutura-2023-Impact-Statement_August-2024_Final.pdf



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Litigation

Issue Date	2019/2020
Topic	Litigation related to meal and rest period policies.
Summary of Issue	Between 2019 and 2020, Dayka & Hackett LLC was involved in a litigation case that alleged employees did not receive compliant meal periods as required by California law and that some employees were underpaid due to time rounding practices.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	The litigation case represented approximately less than 1% of the total revenues of the company.
Impact on Stakeholders	Employees were affected.
Resolution	The company settled the case with payment.
Management Practices	<p>Frutura Produce LLC has appointed an Executive Vice President of Human Capital to implement best practices across the organization. In collaboration with the Dayka & Hackett's Human Resources Team, a Responsible Supply Chain Program (RSCP) has been developed to create a structure and accountability framework for overseeing and managing both direct operations and the supply chain.</p> <p>As part of this initiative, Dayka & Hackett has updated its Code of Conduct and introduced a new Supplier Code of Conduct. Moreover, the number of training sessions for key personnel overseeing labor issues has been increased, and third-party SMETA social audits are regularly conducted at its facilities. The company consistently audits and updates its employment and labor policies and practices.</p> <p>Additionally, both Dayka & Hackett and its HR Team participate in labor law seminars, and the executive management team regularly consults with experienced outside labor and employment law counsel to ensure compliance with the requirements in each jurisdiction.</p>
Related Incidents (Yes/No)	No



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: On-the-job Fatalities

Issue Date	February 2022
Topic	A fatality involving one worker while on the job.
Summary of Issue	Empresas Subsole S.A., a fruit exporter and subsidiary of Frutura Produce LLC, has experienced one onsite fatality of a worker while performing their work responsibilities in their facilities at Ex Fundo la Punta, Chile, in 2022.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	A worker was finishing up his duties when he left the engine running on a loaded vehicle. Upon noticing that the vehicle was moving, the worker approached it with the intention of stopping it, positioning himself in its line of movement, which ultimately led to his death. The vehicle moved forward due to the engine remaining on, the tractor being poorly connected, the slope of the terrain, and the weight of the load on the tow truck.
Impact on Stakeholders	One fatality occurred in total; fatalities and accidents have emotional, mental, and financial implications for family members, friends, and colleagues of the people involved in the occurrence.
Resolution	The foreman who witnessed the incident activated the emergency procedures, prompting the arrival of emergency units at the scene. Emergency services, including Chilean authorities such as SUSEO (La Superintendencia de Seguridad Social), Carabineros, firefighters, SIAT (Sección de Investigación de Accidentes en el Tránsito), SML (Servicio Médico Legal), and labor inspection, were notified.
Implemented Management Practices	All workers responsible for operating agricultural machinery were retrained on the safe work procedures for driving tractors. The company provides ongoing training for all tractor operators regarding the specific risks associated with their work, preventive measures, and proper work methods. The Safe Work Procedure for Driving Tractors has been updated to specify the characteristics that define a “safe and secure area” where a tractor can be stopped before getting off. It also includes warnings about the risks of being near a moving machine.
Related Incidents (Yes/No)	No



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Other - Penalties

Issue Date	2019, 2020, 2021, 2022, 2023 and 2024
Topic	Penalties related to customs, social security fines, taxes, incorrect usage of agrochemicals, and health code violations.
Summary of Issue	<p>In 2019, Empresas Subsole S.A. faced several customs fines.</p> <p>Between 2019 and 2024, Servicios Agroindustriales Subsole S.A., Exportadora Subsole S.A., Sociedad Subsole Comercial S.A., and Empresas Subsole S.A. incurred fines with various organizations responsible for social security. These institutions include the Administradora de Fondos de Cesantía (AFC), Administradoras de Fondos de Pensiones de Chile (AFP), Ahorro Previsional Voluntario (ACHS), Instituto de Previsión Social (IPS), Isapres (Instituciones de Salud Previsional), Asociación Chilena de Seguridad (ACHS), and various life insurance and employee benefits companies.</p> <p>Additionally, during the same period, these companies faced fines related to tax payments from different authorities, such as customs, Dirección General de Aguas (DGA), Dirección del Trabajo, municipal governments, and the Servicio de Impuestos Internos de Chile (SII).</p> <p>Between 2019 and 2023, Servicios Agroindustriales Subsole S.A. faced penalties for the improper use of agrochemicals and violations of health codes. These violations included inadequate safety protocols and oversight, which led to issues for workers. Additionally, the company failed to conduct quantitative environmental measurements for occupational noise exposure in the workplace. The penalties were imposed by the Secretario Regional Ministerial and the Servicio Agrícola y Ganadero (SAG).</p>
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	All penalties represented approximately 0.12% of the total revenues of all companies involved.
Impact on Stakeholders	Employees, customers, and local institutions were affected.

Resolution	All penalties were paid by the company.
Management Practices	<p>Procedures are regularly reviewed and updated to avoid penalties with customs.</p> <p>Improvements to the Pragmatic system have been made to ensure compliance with legal calculations for social security, health plans, and AFPs. These are validated in the Previred portal to identify discrepancies, allowing for adjustments before payment.</p> <p>Additionally, procedures are revised in accordance with the tax accounting criteria provided by the relevant institutions. Training has been provided, and controls have been established to ensure that information is submitted to the treasury ahead of deadlines.</p> <p>The company implemented corrective measures to prevent future incidents by revising operational procedures and risk assessments related to task-specific hazards. They reinforced training programs and coordinated with regulatory bodies to update documentation and implement necessary controls. Procedures were modified to align with legal regulations, and training protocols were enhanced to ensure compliance with health codes.</p>
Related Incidents (Yes/No)	No



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Tax Reduction Through Corporate Structure

Topic	Corporate Shell registered in the Cayman Islands
Summary of Issue	Frutura Produce's parent company is registered in the Cayman Islands. The company also has entities in the US, Uruguay, Mexico, Peru, and Chile.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	<p>For FY23, the company's overall effective tax rate is 10.4%. Frutura LLC ("Frutura") is a Cayman Island LLC, which is taxed as a partnership for U.S. federal income tax purposes. Frutura wholly and partially owns a number of subsidiaries.</p> <p>In Uruguay and Chile, the company has not paid taxes in the last fiscal year due to operating losses in 2023. The subsidiary in Chile has reached positive net income in 2024, and the entity in Uruguay is expected to reach a breakeven point in 2025.</p>
Impact on Stakeholders	Companies in the wealth planning structures industry play a significant role in global wealth holding and creation, alongside other financial service companies, especially those who operate in jurisdictions that are known as tax havens for corporations or individuals. Given the important nature of their services, their operations and business models also have associated risks. While a company's specific risk will vary, the most material potential risks related to the industry can be categorized as concealment of beneficial ownership and wealth sources, money laundering and corruption, and tax evasion and avoidance.
Management Practices	<p>Since Frutura is a partnership for U.S. federal income tax purposes, its partners are subject to Frutura's earnings from fiscally transparent subsidiaries. Frutura is generally required to make tax distributions to cover the partners' taxes. In addition, its non-U.S. subsidiaries are subject to local taxes. Frutura pays taxes on every jurisdiction it owes taxes and takes prudent tax positions.</p> <p>The company is going through an audit conducted by Deloitte to review its tax positions and policies. Despite not having a</p>



	transfer pricing policy, the company claims that all fruit sold from South America to US entities are done at market rate.
Related Incidents (Yes/No)	No