



Lab
Global

Hortifrut S.A.

Disclosure Report

Date Submitted: February 25th, 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 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"/>
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 type="checkbox"/>	<input checked="" 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 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 checked="" type="checkbox"/>	<input 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

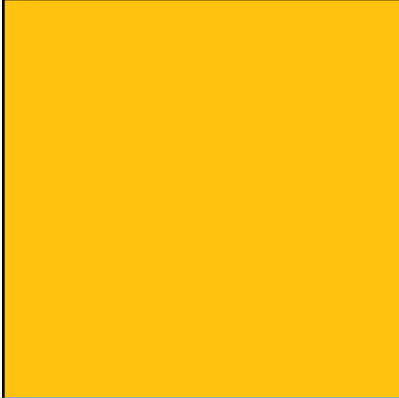
	Yes	No
Please indicate if any of the following statements are true regarding your company's significant suppliers.		
Business in Conflict Zones	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Child or Forced Labor	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Negative Environmental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

Topic	Biodiversity Impact/Monoculture Impact
Summary of Issue	As an agricultural company, Hortifrut operates in an industry in which biodiversity impact is a material environmental issue.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	During 2023, approximately 82% of Hortifrut's revenues came from products grown directly by the company. Hortifrut controls 4,371 hectares of land. The company has 4,371 hectares of its own cultivated, which corresponds to 52.6% of the total number of hectares from which berries are produced.
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>In order to minimize the impact of agricultural production on the environment, improve the habitat, and increase biodiversity, the company has developed an Action Plan for environmental conservation. The Action Plan includes 14 detailed points that address topics such as integrated pest management, rational use of fertilizers, audit of existing flora and fauna, definition of conservation areas, transformation of unproductive areas into conservation areas, pollution prevention, and valuation of environmental impact, among others.</p> <p>Hortifrut production is based on perennial bush crops (berries), in which annual crop rotation is not applied. These bushes have a useful life of 15 to 20 years. The controlled lands not used for land cultivation are divided into areas for biodiversity, facilities, offices, and land without active exploitation. The company has the goal to ensure at least 3% of biological corridors in each farming operation.</p> <p>Hortifrut uses precision agriculture. In fertilization, "fertilization by balance" is used, which consists of delivering to the plants the macro and micro nutrients proportional to the phenological state of the plants, which allows to have a specific nutritional balance according to the requirements of the plants. This is done through digital tools (eg, CERES imaging, drones, etc.)</p>



and foliar analysis at each phenological stage. Also, through the Action Plan for the Conservation of the Environment, the rational use of fertilizers has been stipulated to avoid contamination of surface and groundwater due to excessive application. Hortifrut uses compost tea that allows water and nutrients to be retained in a balanced manner, thereby reducing the total amount of fertilizers applied. Due to the diversity of territories in which Hortifrut operates, all fertilization is applied through technical irrigation, using electrical conductivity as a balancing factor for fertilization.



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Environmentally Intensive Industries - Water Intensive Industries

Water Intensive Industries	
Topic	Water Intensive Industries
Summary of Issue	As an agricultural company, Hortifrut operates in an industry that is water intensive.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	100% of the land controlled by the company is irrigated using technified drip irrigation.
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>All Hortifrut operations are framed within the current law in each country, respecting its regulations and always ensuring a sustainable use of water resources, considering the surrounding communities and the environment.</p> <p>Some of the main initiatives for optimizing water use are technical irrigation and drip irrigation. These techniques are complemented with others, for example, balanced fertilization, always trying to minimize the use of resources. Another initiative in relation to this issue is the work that has been done within the framework of the Clean Production Agreement (APL) "Blue Certificate", a public-private initiative promoted by the Agency for Sustainability and Climate Change of Corfo (ASCC) and Fundación Chile, to which Hortifrut adhered in 2021-2022. The main objective of this agreement is to articulate actions with companies from different sectors of the national economy around the comprehensive and sustainable management of water resources in production and service processes. Thus, through seven specific goals, which involve the use of tools associated with the measurement of the water footprint, information management and social responsibility of water, prioritizing priorities and encouraging the necessary investment, it also seeks to improve efficiency, productivity and environment performance of companies, allowing them to position themselves as responsible, resilient and committed to</p>

their environment. In this joint work, the Water Footprint tool (ISO 14046) will be applied to identify and reduce by at least 5% the impacts of the main critical points and the design of actions to reduce water use. Water efficiency practices and reduction measures will also be implemented in production chains. On the other hand, in relation to water consumption, at Hortifrut, a method is applied to estimate water requirements according to variables such as location, agro-climatic conditions, soil indicators, and plant indicators, among others. In this way, the irrigation needs are obtained, always ensuring to optimization of the use of this resource. Likewise, the company has a Water Management Plan, which has among its objectives to identify possible dangers and evaluate the risks of an undesirable environmental event that may result in potential losses.

Finally, it is also worth mentioning the various certifications that Hortifrut has chosen that have helped and complemented work in this area. For example, the SPRING certification has sections especially dedicated to stakeholders in water resources. The identification of stakeholders in water resources in the basin and documentation of their risks and challenges is requested, for which producers must have a list of the most important stakeholders in the issue of water resources in the basin (authorities, producers, irrigation associations, local communities). Likewise, this certification requires that, based on the water risk assessment and in accordance with current legislation, the administration has defined and approved objectives and procedures so that the production activity is compatible with the protection of the environment and to ensure a appropriate and sustainable use of water in the fields and in product handling centers. 37.65% of the total land occupied by Hortifrut has SPRING certification.



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Litigation and Penalties

Issue Date	2020 to 2024
Topic	Labor issues
Summary of Issue	<p>Between 2021 and 2024 in the facilities of Peru and Chile, the company faced several litigation and penalty cases related to labor issues, including inadequate facilities, insufficient training, and violations of General Conditions of Safety and Health at Work. Some incidents involved accidents that resulted in casualties. For more information, check the disclosure about on-site fatalities.</p> <p>From 2021 to 2024, the company has faced several litigation cases concerning unfair dismissal. This includes a restructuring in 2022 that led to staff reductions. The allegations include, among other things, the non-payment of overtime hours worked and the unfair treatment of a worker for being part of a workers' group. These cases have been reported in Morocco, Peru, Spain, and Chile.</p> <p>From 2021 to 2024, the company in Peru and Chile faced various litigation cases concerning the non-payment of social benefits, overtime, and the accurate record-keeping and determination of working hours.</p> <p>Between 2021 and 2024, Chile, Peru, and certain facilities in Europe encountered various administrative issues. These included failures to secure COVID insurance, noncompliance with labor documentation requirements, unfair trial periods in contracts, and a failure to meet disability employment quotas.</p>
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	The total amount in litigation and penalties represented less than 1% of the total revenues for the fiscal year 2023.
Impact on Stakeholders	Former employees and employees were affected.
Resolution	Some labor cases related to inadequate facilities, insufficient training, and violations of General Conditions of Safety and Health at Work have been settled with payment, while others are currently under appeal.



	<p>Some labor cases related to unfair dismissal and cases concerning the non-payment of social benefits, overtime, and the accurate record keeping and determination of working hours have been settled with payment, while others are currently under appeal or pending resolution</p>
Management Practices	<p>The company has evaluated these labour cases, sought external legal assistance as necessary, reviewed its processes for improvement, and taken corrective actions when needed.</p> <p>To address issues related to unfair dismissal and cases concerning the non-payment of social benefits, overtime, and the accurate record-keeping and determination of working hours, the company implemented a biometric monitoring system at the plant, which records overtime hours worked and ensures proper payment. Additionally, to address issues related to unfair dismissal, a more comprehensive review of dismissals has been established in collaboration with the legal department to prevent future claims. Coordination between production and HR has also been improved to ensure that work is completed before any contracts are suspended. Furthermore, a review of internal procedures will be conducted to avoid unfavorable interpretations in court and minimize the risk of compensation for unfair dismissal.</p> <p>To address issues related to administration, the company takes corresponding actions to remediate and avoid recurrence.</p>
Related Incident (Yes/No)	No



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: On-Site Fatality

Issue Date	February and December 2022
Topic	On-Site Fatality
Summary of Issue	In the last 5 years, the company had two on-the-job fatalities. The incident in Peru was related to a traffic accident, and the incident in China was related to carbon monoxide poisoning.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	In the last 5 years, the company had 2 on-the-job fatalities. In addition to the deceased individuals, three other workers were involved in the incidents.
Impact on Stakeholders	Loss of life experienced by the deceased person and the related loss experienced by their family.
Resolution	Both cases were reported to local authorities. The company was not required to pay any fines or was imposed any penalties related to these two occurrences.
Implemented Management Practices	<p>In response to the car accident in Peru, the company has adopted the following measures:</p> <ul style="list-style-type: none">• A new road safety campaign with the aim of training and raising awareness among drivers regarding the importance of respecting internal traffic regulations;• Emotional support to workers who, being witnesses to the accident, suffer from some effect of post-traumatic stress;• Reinforcing speed control operations with radar guns to intervene, identify, sanction, register, and train offending drivers, both for themselves and for third parties in any type of vehicle;• Intensifying road safety operations with the aim of correcting the bad attitudes of drivers;• Issuing disciplinary measures to workers who violate the internal traffic regulations by driving at excessive speed. <p>In response to the carbon monoxide poisoning incident in China, the company has adopted the following measures:</p> <ul style="list-style-type: none">• Reviewing occupational safety system;• Conducting risk assessments on various hidden



	<p>dangers related to personal safety and specified management requirements to control risks and prevent and reduce occupational accidents.</p> <ul style="list-style-type: none">• Providing training and specified management requirements to the farms, including the requirements and frequency of inspections;• Conducting regular inspections at farms to check the implementation of the management system.
Related Incident (Yes/No)	No



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Facilities located in sensitive ecosystems

Topic	The company has a farm located in the Parque Natural do Sudoeste Alentejano e Costa Vicentina, Portugal.
Summary of Issue	The farm is located in the Parque Natural do Sudoeste Alentejano e Costa Vicentina, a protected area for its diverse coastal habitats. This space was designated to preserve its biodiversity, which includes a variety of endemic plant species and a population of birds and fish. The ecosystem is recognized as a natural park and a protected area under Decree-Law No. 241/88, dated July 7. This legislation aims to safeguard the natural values of the region and regulate land use, ensuring the conservation of its flora and fauna.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	4.3% of the company's total production area corresponding to the EMEA region is located in the Parque Natural do Sudoeste Alentejano e Costa Vicentina.
Impact on Stakeholders	<p>The potential environmental risks associated with the Parque Natural do Sudoeste Alentejano e Costa Vicentina include:</p> <ul style="list-style-type: none">• Noise Pollution: Noise from heavy machinery, construction, or transportation can disrupt the communication, reproduction, and migration behaviors of wildlife.• Emissions of Pollutants: The release of carbon dioxide (CO₂) and fine particulate matter can degrade air quality, contributing to climate change and posing health risks to both wildlife and humans• Solid Waste Generation: Improper management of solid waste can lead to soil and water contamination, negatively impacting local biodiversity and nearby communities.• Soil Alteration: Agricultural practices may result in soil erosion, desertification, or a decline in nutrient retention capacity, adversely affecting local vegetation.
Implemented Management Practices	The company has implemented different measures to mitigate identified environmental risks, which include:

	<ul style="list-style-type: none">● In 2024, the company in Portugal received LEAF certification, an environmental accreditation that reviews its commitment to best practices in biodiversity management, water usage, soil health, waste management, energy efficiency, and emissions reduction.● The company is advancing its technological tools for controlling and managing pests, water, and agrochemicals. This includes a monitoring and controlling platform, humidity probes, and advanced irrigation systems.● The company has established measures to protect and promote soil health and biodiversity. This includes a policy against burning plant remains, which are instead integrated into the soil. Additionally, a biodiversity and landscape management plan has been developed and implemented, focusing on the maintenance of forest species and non-cultivated areas designated for endemic fauna and flora.● The company provides training for its team to ensure respect for protected biodiversity areas within the park. This includes using only chemical products authorized by the Ministry of Agriculture, utilizing natural predators for pest control, and placing nest boxes strategically on the farm to encourage wildlife reproduction.● The company has developed a waste management plan that ensures waste is handled only by authorized companies in compliance with legal regulations. It also implements practices to mitigate noise pollution by designating specific areas to attract wildlife, controlling speeds to reduce pollution and accidents, and minimizing emissions of harmful gases. Maintenance and protection of over 2,000 forest bushes and trees, along with optimizing the use of machinery and transport, are also part of their strategy.● Additionally, the company has engaged a specialized environmental consultancy to enhance its environmental impact mitigation plan and identify further actions to protect and conserve biodiversity and landscapes.
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