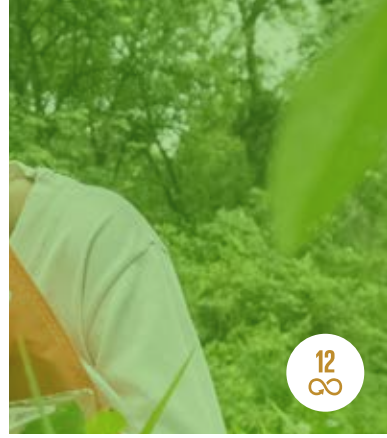
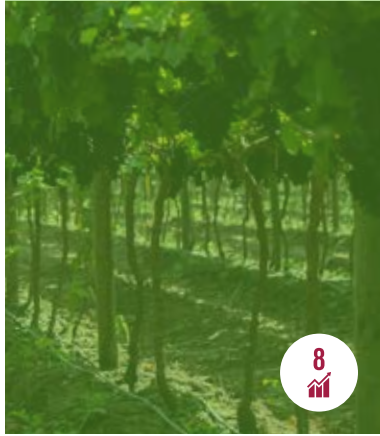


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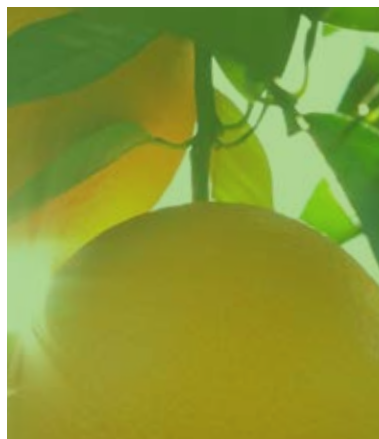
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We
Are Part
Of It



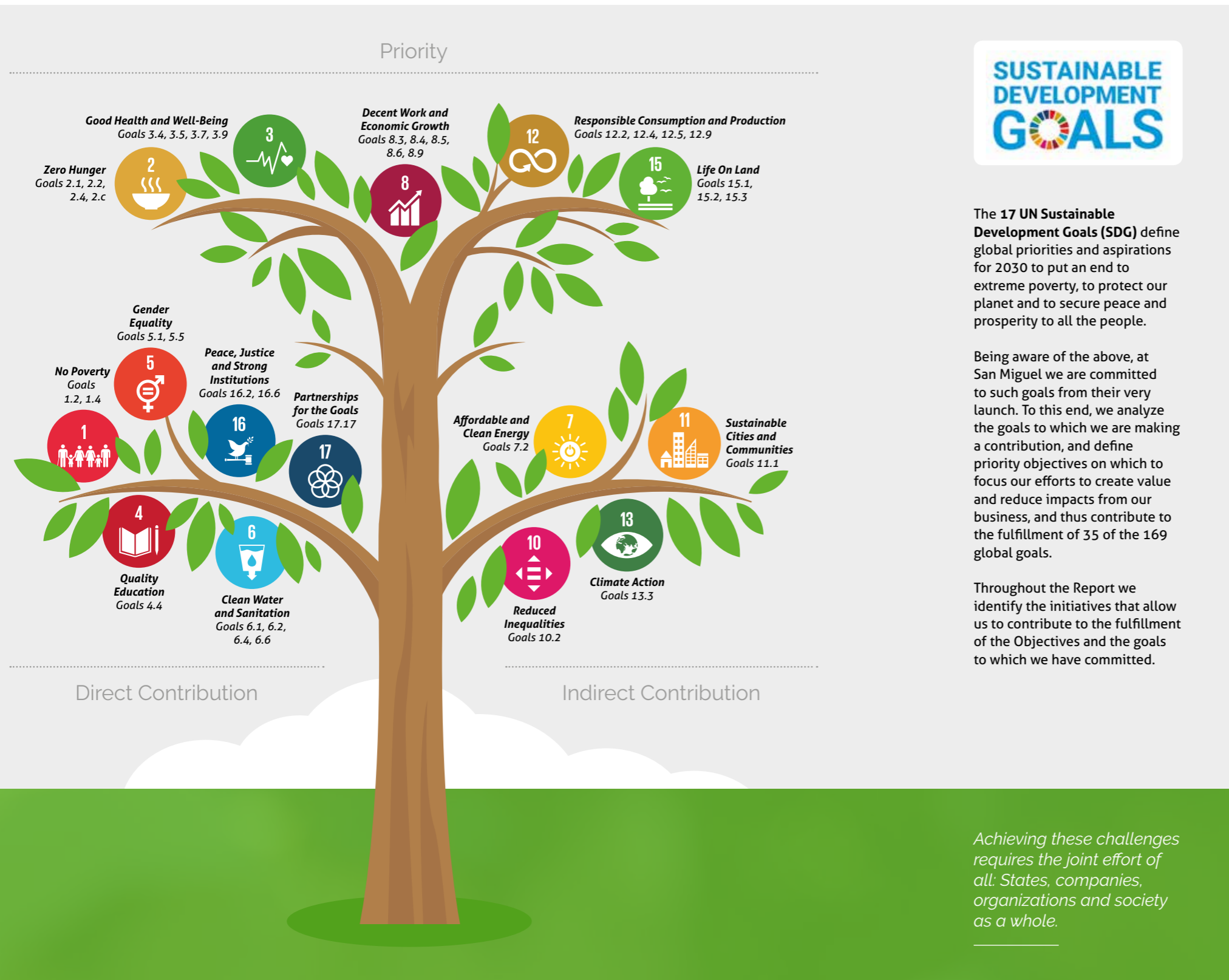
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2019 Sustainability Report



We Are Part of the Global Agenda



Letter From the CEO



For over 60 years, we have worked inspired by the history of our predecessors and the challenges to meet ahead, with the aim of nourishing families around the world with our products. We are strongly convinced that we create a positive impact, as shown in our way of producing, in the quality of our products, in the relationship with our employees, customers, shareholders, suppliers and the communities of which we are part.

By renewing the commitment to sustainable development, in a context of uncertainty and challenges arising from the global COVID-19 pandemic, we believe more than ever that we must be present and communicated, sharing with you how we work to drive a better and more sustainable future. Thus, we submit our 2019 Sustainability Report, which reflects the efforts of more than 8,000 people who, through their daily work, transform our commitment to creating economic, social and environmental value into concrete actions.

This was a year marked by milestones that strengthen our ambition for sustainable growth such as the redesign of our Organizational Culture focused on reaching our maximum potential and the launch of SAVIA, a management system developed to standardize our practices and identify efficiencies in our operations.

As part of our Climate Action strategy, during 2019 we incorporated renewable sources into our energy matrix in Argentina and began working on standardizing the measurement of our greenhouse gas (GHG) emissions at the global level. In addition, we measured the Water Footprint for all our crops in Peru and established work plans to make increasingly efficient use of this resource.

In terms of social impact, in 2019 we deepened our initiatives in education, health, and development in all our sites. In addition, we consolidated the beneficiary trust of Thudana Citrus, a company created under the Black Economic Empowerment (BEE) scheme in South Africa.

I invite you to go through our 8th Sustainability Report to explore the progress of our management. This report was prepared in accordance with the Global Reporting Initiative (GRI) Standards Guide and the United Nations' social responsibility initiative: the Global Compact. We make this report be our Communication for Progress and we present our contribution to its 10 Universal Principles based on four major themes: human rights, labor rights, environment and fight against corruption. We also present our contribution to the 2030 Sustainable Development Goals, a path we initiated in 2016 to align our activity with these goals and to account for the initiatives with which we can contribute to global challenges.

Once again, I would like to highlight the commitment of all the people who build this company through their daily efforts. To each of them I am especially grateful. Together, we are part of the nature and the lives of thousands of people. Together, we make a better future.

Romain Corneille
San Miguel's CEO



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1

We Are San Miguel

SDG



1 ▶ We Are San Miguel

We are a global agro-industrial company born in Argentina, leader in the Southern hemisphere in the production, distribution and commercialization of fresh fruit and natural ingredients derived from our citrus fruits.

 **65**

In 65 years of experience we have developed an efficient logistic platform to bring our products to the table of families all over the world.

 **60**

Recognized by our clients in more than 60 countries as a long-term partner, we have an integrated business model that includes all stages of the chain process and adds value from the nursery to the shelves.



We Create Value from Nature

We produce healthy food for people, getting the best out of each region with our work



We Share the Daily Life of Families

We nourish people around the world with our fresh fruit and natural ingredients



We Offer Diversity, Passion and Quality

We grow from our experience and with an entrepreneurial spirit. Thus we have grown in different geographies, products and learning



We Take Care of Every Link in Our Value Chain

We safeguard each process together with our suppliers and partners, to ensure food safety and quality



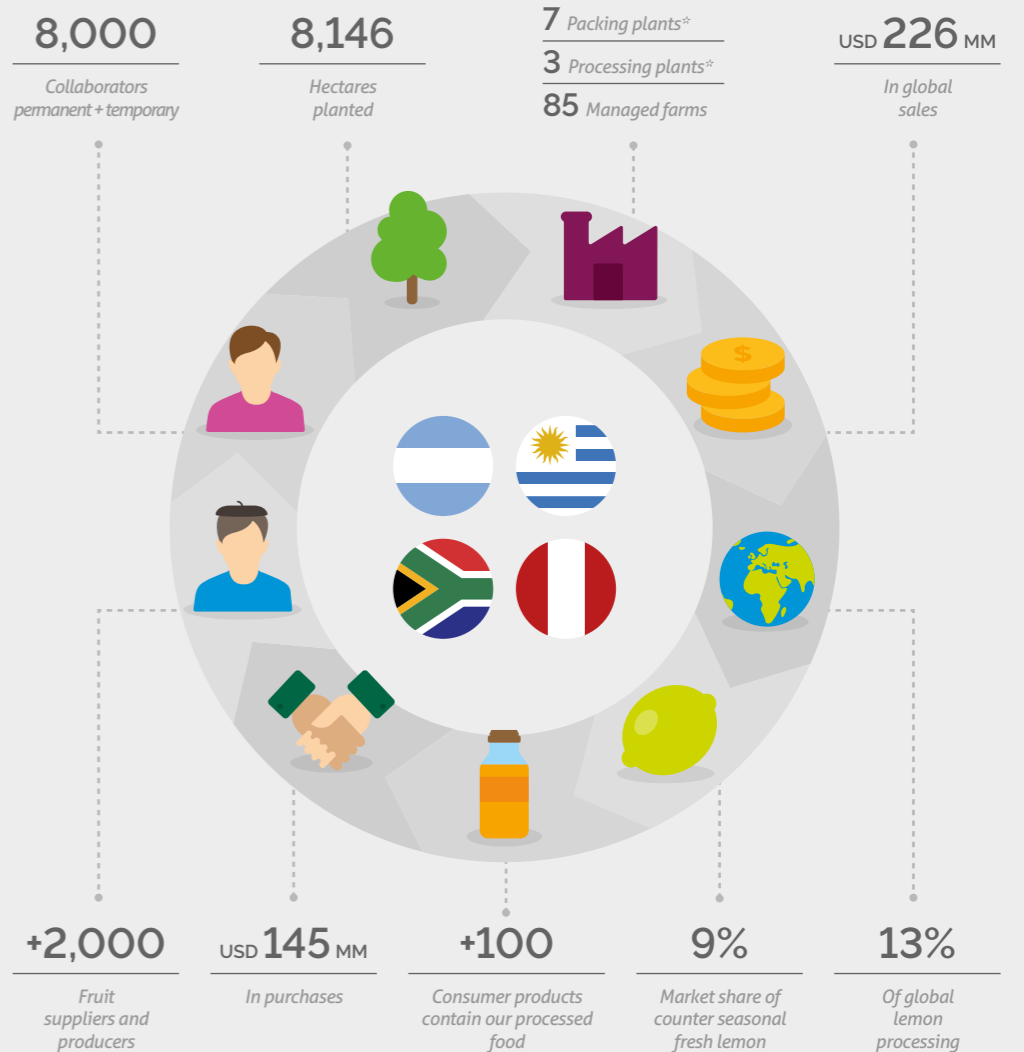
We Understand the Needs of Consumers

We provide solutions tailored to our clients, guided by consumer trends



We Believe in the Transformative Power of People

We develop families and their communities

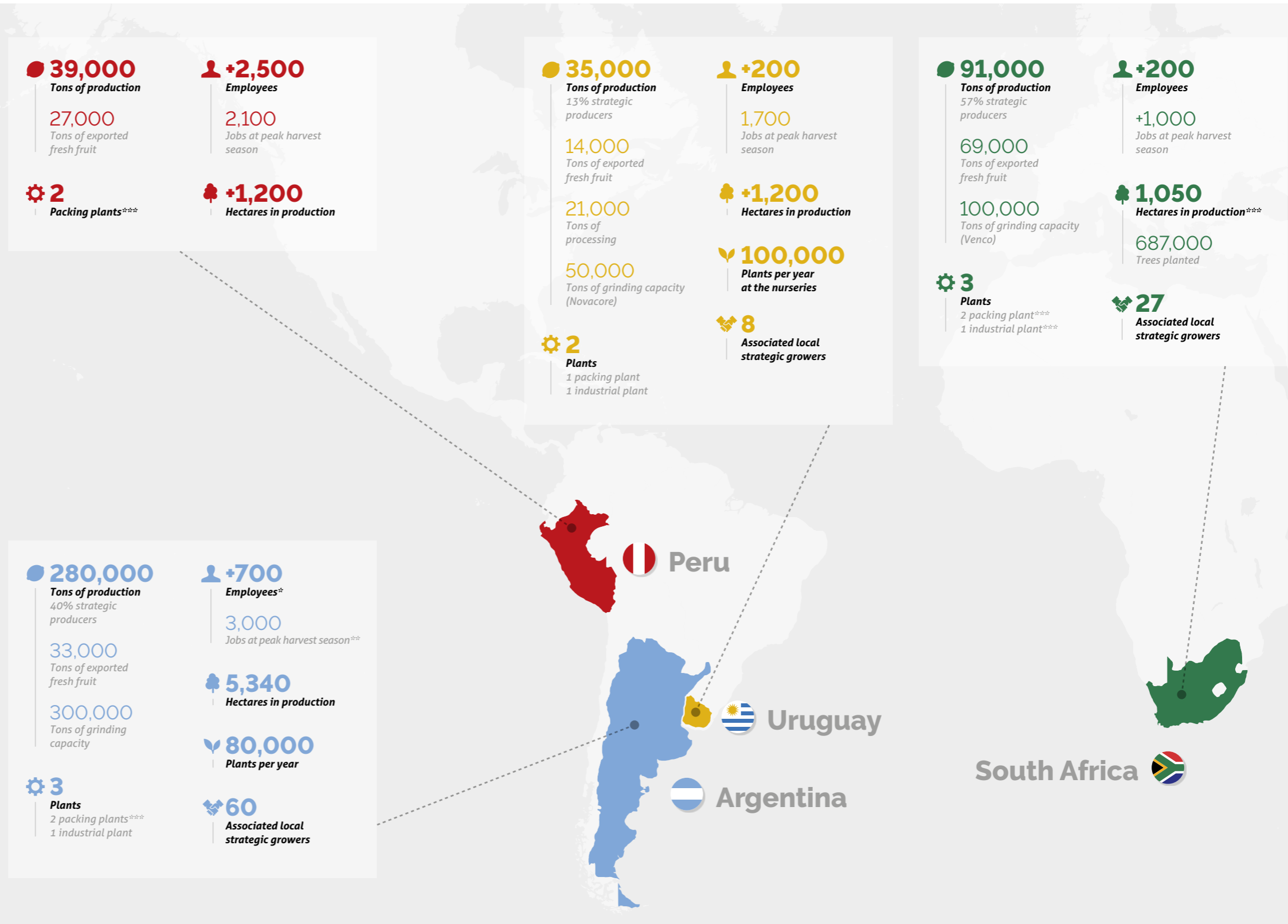


*Operation in partnership with third parties.

1.1 ▶ Our Points of Origin



From our multiple points of origin, we work in a sustainable way to bring our products to families around the world.



*It includes own, permanent and temporary employees. **It includes own and temporary jobs at peak harvest season. ***Operation in partnership with third parties.

1.2 Economic Performance

Our expertise and leadership in the lemon market translates into the position we have achieved in the market with 9% of the market share of fresh lemon in off-season and 13% in the world lemon processing.

50%

In the fresh fruit business, we grew in sweet citrus fruits to exceed 50% of our export volume, while in the natural ingredients business, we decided to expand our product varieties according to the demand and needs of our customers.

10,852 billion

Sales (in ARS)

57 million

Operating income (in ARS)
-1,757 billion YoY

-363 million

Net income (in ARS)
+740 million YoY

5,743 billion

Comprehensive income (in ARS).
+624 million YoY

197 million

Net debt (in US Dollars)

Our fresh fruit and natural ingredients businesses work in a complementary way. This allows us to have a good risk balance to mitigate volatility, ensure predictability of flows and maximize the use of fruit within a system of circular economy almost without loss, thus allowing the continuous use of our resources as well as optimizing our returns.

The company has a geographical diversification and a network of strategic growers that add value to the company and allow us to provide better attention and supply fulfillment to our customers.

The 2019 season posed an exceptional climate challenge for us in our Tucumán operation with heavy rains in late 2018 and early 2019 affecting the quality of the fruit harvested and impacting on export performance. The operation in South Africa, through the volumes operated in the segment of strategic producers, allowed us to compensate for the lack of fruit (lemon) of Argentine origin, which meant a high compliance by the company with the programs established with our customers. In Peru, very good productivity and quality results were achieved for both avocado and mandarin, increasing the business' turnover by 195%.

As far as the Natural Ingredients business is concerned, at reasonable fruit production volumes, the lower export yield meant that a much higher amount was allocated to grinding than projected at the beginning of the year. This generated an oversupply of by-products (oil, juice and peel), creating an imbalance between supply and demand, resulting in greater difficulty in marketing the inventory that is not under contract.

Due to the conditions mentioned above, a 30% drop in turnover in USD was observed in the nominal value, 18% corresponds to the Fresh Fruit segment and 45% to the Natural Ingredients segment.

Direct Economic Value Generated and Distributed (In million Argentine pesos)



*It considers payments made for interest to our funding organizations (Banks and other Financial Institutions) and the dividends paid they have been derived from the Cash Flow Statement and the Statement of Changes in the Financial Position (EOAF, for its Spanish acronym).

1.3 ▶ Committed to Sustainability

In everything we do and through our productive chain we seek to generate economic, social and environmental value, because it is that what gives meaning to our work and because it is the best way to take care of our future. These are our Sustainability Commitments:

	Ethics and Transparency in Business Management	Long-term business strategy • Fair competition • Respect for Human Rights
	Contribute with our Supplier Network in the Sustainable Development of their Business	Evaluation and development of suppliers • Fight against child labour • Promoting social responsibility in the supply chain
	Developing People in their Human and Economic Dimensions	Attracting, developing and retaining talent • Reconciliation of work and personal life • Occupational Health and Safety • Diversity and equal opportunities • Management of temporary staff
	Interpreting our Clients' Needs and Meeting them with Integrity	Promotion of healthy living habits (fresh citrus fruit) • Customer service • Food Security
	Using Natural Resources with Responsibility	Efficient use of water • Effluent management • Waste Management • Sustainable soil management • Protection of biodiversity • Energy efficiency • Climate Change and Ecosystem Conservation • Sustainable Agriculture
	Accompanying the Development of the Communities in our Field of Action	Education • Nutrition • Housing

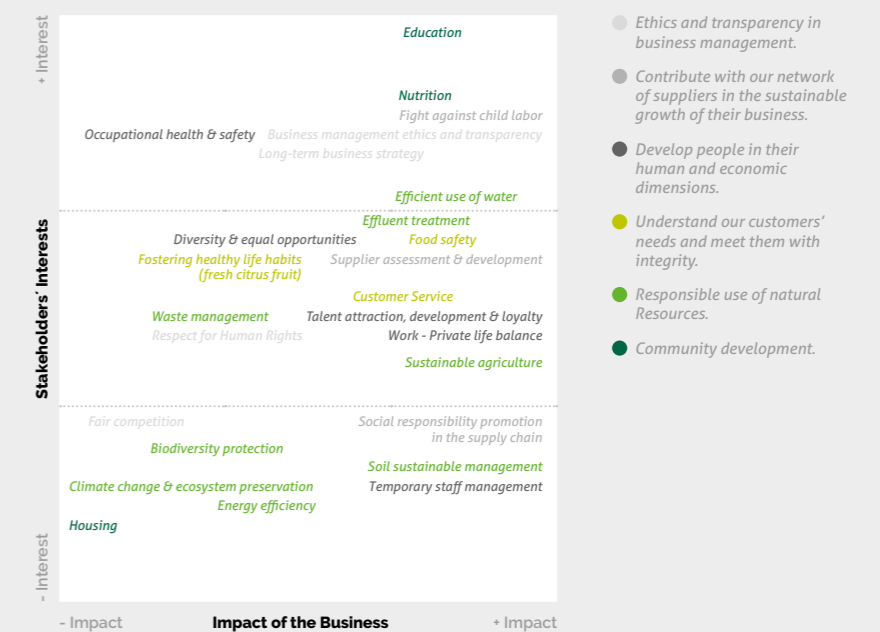


The Material Issues are the most relevant topics for the sustainability of the business and are derived from the Sustainability Commitments.

Matrix of Material Issues

These issues reflect our most significant economic, environmental and social impacts, and influence our stakeholders' assessments, decisions and perceptions of our performance. In this way, our material issues are the fundamental basis for guiding our company's sustainability strategy.

The **Materiality Matrix** reflects the importance of each material issue for Sustainability at San Miguel as assessed by its stakeholders and company board.

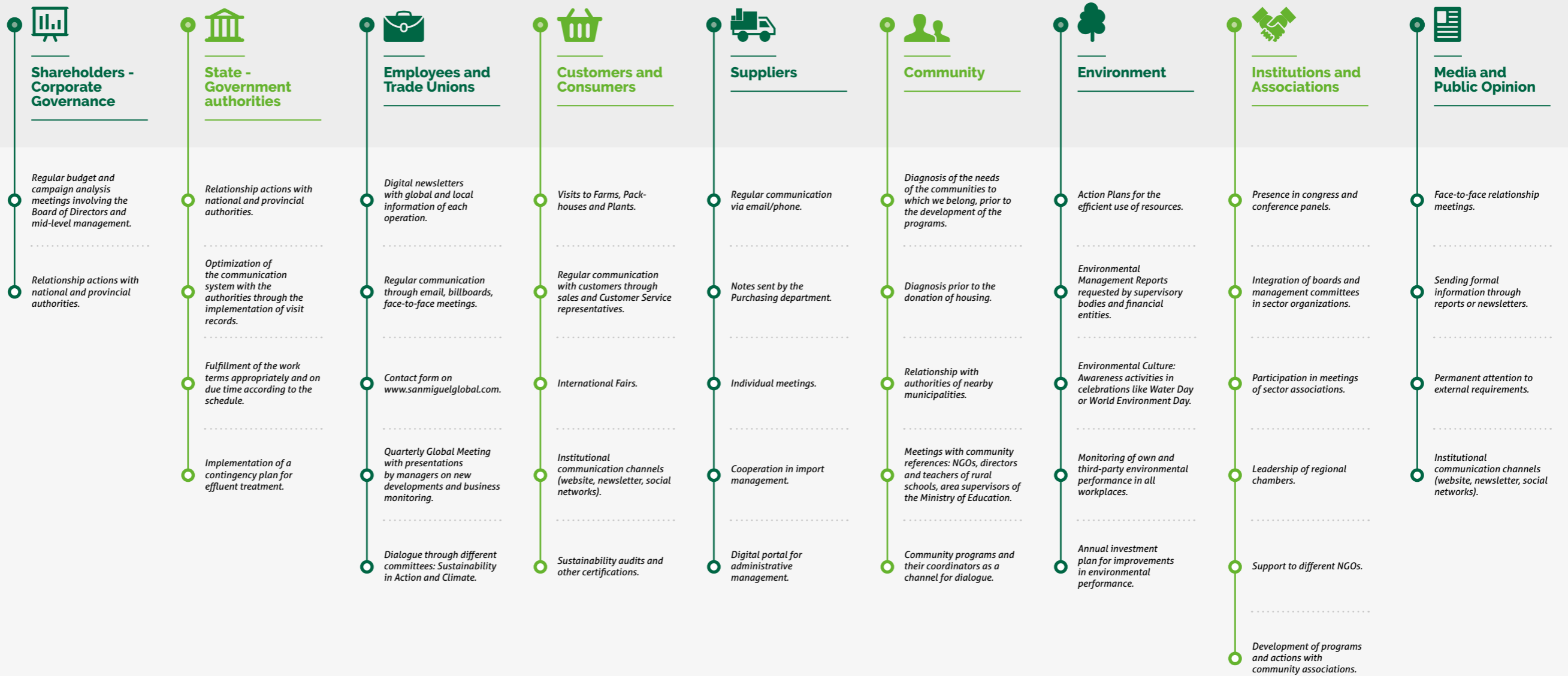


1.3 ▶ Committed to Sustainability



Stakeholders

Communication Channel



2

Responsible Business Management

SDG



2.1 ▶ Ethics, Transparency and Integrity

We build our future from solid foundations, within a framework of commitment and transparency as essential pillars for the sustainable and responsible management of our business.

Various certifications endorse our commitment to ethics and transparency in our business management and development of our operations.



Our ambition is to achieve a sustainable and scalable growth.

For anonymous reporting: 0800 888 7264 or codigodeetica@sanmiguelglobal.com

Growth through geographic and scale expansion, improved profitability and reduced volatility are the strategic axes on which we work with the aim of reaching maximum potential and improving our organizational effectiveness.

San Miguel's Code of Ethics sets out the required guidelines to contribute to the business objectives and goals based on transparency and integrity principles and standards. It is applicable to all employees in all the countries, at all hierarchical levels and it includes service providers, suppliers, and customers.

▶ ETHICS COMMITTEE

Consists of two members of the Executive Committee, the HR Director, the Institutional Relations Director and the CEO of the company. Its responsibilities are:

- To ensure compliance with the Code of Ethics with all stakeholders,
- To receive the complaints,
- To carry out the corresponding investigations conducted by Human Resources and/or the Legal & Compliance Managers,
- To make the final resolution

▶ AUDIT COMMITTEE

Consists of three Board members, two of which must be independent as provided for by the current regulations of the National Securities Commission. The members of the Audit Committee are proposed by any of the Board's authorities. Its responsibilities are:

- To ensure the transparency of the company,
- To formulate and carry out an annual audit plan,
- To hold regular meetings with the rest of the Board,
- To assure an allocated budget to carry out its actions with full autonomy,
- To set out the result of its objectives and initiatives in the Minutes Book,
- To annually evaluate the external auditor designated by the Shareholders' Meeting, on its competence, Independence and performance.



SMETA
Sedex Members Ethical Trade Audit

It certifies good practices related to ethical trade, business ethics, health and safety, work standards and the environment.



GRASP
Global G.A.P. Risk Assessment on Social Practice

This assessment analyzes the risks of social practices in agricultural operations based on respect for human rights, internal procedures for complaints, application of labor regulations, fair compensation, implementation of good social practices and communication thereof, among others.



SIZA
South Africa's Sustainability Initiative that provides a platform for the different agricultural sectors, ensuring sustainable, ethical and fair trade. It monitors environmental care and compliance with local labor laws and aims to encourage continuous improvement in practices over time by exceeding minimum legal requirements and engaging in the value chain to identify needs and problems.



BASC
Business Alliance for Secure Commerce

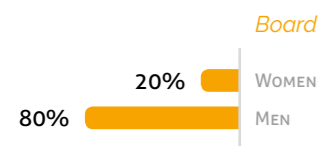
It is an international business alliance that promotes safe trade, in cooperation with governments and international organizations. It is voluntary and grants a certification that confirms the control in all the productive processes, packing, shipment and transport of the load to be sent abroad, guaranteeing that there are no possibilities of contamination like smuggling and drugs.

2.2 ▶ San Miguel Governance

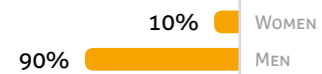
Governance Structure:
San Miguel's governance is structured by the following bodies.

Sustainability Governance:
San Miguel's Board delegates on the Board Sustainability Committee the drafting and performance of the company's comprehensive Sustainability Plan.

Governance Bodies by Gender



CEO + Executive Directors



Each of the executive directions integrates within its management the Sustainability objectives of the company.

- ▶ THE BOARD OF DIRECTORS
- It is made up of 11 full members
 - It makes the company's strategic decisions.
 - It defines and validates the company's economic, social and environmental management.
 - The shareholders are represented at the Annual General Meetings.
 - It participates through the Sustainability Committee in the definitions of the sustainability management.

- ▶ EXECUTIVE COMMITTEE
- Made up of 4 directors and a CEO - Chief Executive Officer, it aims at:
 - Actively conducting the company's operational and strategic management.
 - Analyzing, prioritizing and validating the material issues that define the company's Sustainability Matrix.
 - Following up on the main initiatives and strategic projects every two weeks.

- ▶ EXECUTIVE DIRECTORS
- They are 7 in total.
 - Together with the CEO, they lead and conduct the different corporate areas, carrying out the strategy defined by the Executive Committee and the Board.
 - They systematically meet to make significant decisions for business flow and follow up the short, middle and long-term management.

San Miguel's Board of Directors

The Board members do not fill executive positions at San Miguel. As of 12.31.2019



Martín Otero Monsegur
PRESIDENT
2019 - PRESENT



Cristián López Saubidet
2008 - PRESENT



Gonzalo Tanoira
VICE-PRESIDENT
2019 - PRESENT



Isela Constantini
2019 - PRESENT



Luis Roque Otero Monsegur
2002 - PRESENT



Arturo Tomás Acevedo
2019 - PRESENT



Alejandro de Anchorena (h)
2013 - PRESENT



Agustín Otero Monsegur
2009 - PRESENT

Tristán Miguens
DEPUTY DIRECTOR

María Luisa Otero Monsegur
DEPUTY DIRECTOR

- ▶ BOARD SUSTAINABILITY COMMITTEE
- It is made up of 2 Board members and 3 senior management members (the CEO, the Human Resources Director and the Corporate Affairs & Sustainability Director).
 - Defines the general guidelines of the Sustainability strategy,
 - Verifies compliance and progress of the Sustainability Plan,
 - Approves the Sustainability Report,
 - In its meetings, it follows up on management, best practices and industry and sustainability guidelines.

- ▶ CORPORATE AFFAIRS & SUSTAINABILITY MANAGEMENT
- It is the area responsible for setting up and defining the company's sustainable management and operation guidelines and articulating the activities aimed at the social, environmental and economic dimensions.

- ▶ THE SUSTAINABILITY IN ACTION COMMITTEE
- It is made up of volunteer employees at the different company sites:
 - Manages the internal dissemination of the sustainability programs,
 - Meets regularly,
 - Proposes projects aligned with the Sustainability Plan,
 - Ensures the operational implementation of the projects.

Awards



Recognition to food & beverages companies for their efforts at value at creating value and enhancing the development of exports in Argentina.



Sustainability award given by the American Chamber in the category Transparency and Accountability



Award given a Finance Magazine for being the Argentinian company with higher exports in the fruit & vegetable business.



Recognition as Best Agri-food company.

2.3 ▶ Risk Management



Our risk management and traceability global model enables to optimize processes and to prepare ourselves for potential challenges and incidentals in the different dimensions of our business.

Short- and long-term fluctuations in weather patterns can have extreme repercussions on agricultural production, dramatically affecting crop yields and the sustainability of our business.

We follow up and monitor the Risk Map through a digital platform (Risk Management) and carry out policies, procedures, crisis action planning and business continuity planning.

The model has a team consisting of company representatives and a Risk Committee made up of the CEO and the executive directors, which meets once a month to manage and discuss the mapped risks. The risks are atomized in determinants that manage the closest references to each issue, so that the executive directors have a greater degree of follow-up and scope on the risks they manage.

The risk team is in charge of consolidating all the information, providing support to all the people involved and carrying out a macro follow-up of all risks, focusing on those with the greatest impact and probability of occurrence.

Impact of Climate Change

Short- and long-term fluctuations in weather patterns and climate change can have extreme impacts on agricultural production, drastically reducing crop yields. This risk from climate change can lead to substantial changes in our operations, revenues or expenses.

The citrus business may be affected by low productivity, and in the future this may lead us to seek out new planting areas or retrofit existing ones with new varieties or new technology.

Climate Change Prevention

In the face of this global panorama, we prepare ourselves with a system of Environmental Risk Management with which we can monitor possible risks and optimize processes in the event of any crisis, capitalize on them or transform them into opportunities for growth.



Management Strategies in Face of Climate Change



Organic, Eco, Synthetic and Plastic Mulching

Reduces root-zone temperature as a result of direct radiation • Maintains soil moisture, making the use of water for irrigation more efficient • Improves the structure of the soil and its infiltration • Increases microbial flora to improve nutrient supply and reduce fertilizer consumption • Improves weed control. Reduces herbicide application.



Netting

Reduces wind and sun effect, providing 20% more shadow • Reduces thermal stress: -6°C for heat and +3°C for cold • improves the fruit quality • Reduces wind damage • Makes water consumption more efficient.



Systematization of Cultivation Areas

Reduces water erosion, wind and water logging • Conducts the excess water to follow the natural course without damaging the crops • Designs of works to channel and/or contain excesses.



By Environments

Characterizes areas by levels of risk of cold damage • Selects varieties that are more genetically resistant or have harvesting times prior to frost-risk seasons.



Reduction of the Environmental Impact

Plastic or organic mulching: reduces the application of herbicides • Pest monitoring: chemical applications only when the economic change threshold is exceeded • Use of pheromones for sexual confusion: reduce insect population by decreasing mating • Kaolin: prevents landing of Diaphorina citri, reduces burn damage, improves photosynthetic activity of the plant.

2.4 ▶ Respect and Promotion of Human Rights



The recognition of and respect for human rights, considered essential both to the principle of legality and to the concepts of equity and social justice, are the basic foundation of most of society's essential institutions.

Talking about human rights in the citrus industry implies considering respect for rights such as life, health, food, water and care of the ecosystem, as well as the right to work, the diversity and the fight against child labor.



**We Say
No Child Labor**



**We Ensure Freedom
of Association**



**We Promote Freedom
to Choose a Decent Job**



**We Promote Diversity and
Respect for Differences**



**We Encourage Access
to Education**



**We Promote Access to
Decent Housing**



**We Care for
Health**



**We Preserve the
Environment**



Human Rights of Employees

We bet on access to employment, we accompany and motivate our employees so that they can be protagonists of their personal and professional growth, we generate a cooperative and tolerant work environment where all people can reach their potential, and we assume the following commitments aligned with the Labor Rights of the ten principles of the United Nations Global Compact:

▶ **NO CHILD LABOR**

We understand that harvesting operations carry a risk of incidents of child exploitation. For this reason, we regularly carry out controls during the season to detect any deviation.

▶ **FREEDOM TO CHOOSE A DECENT JOB**

We do not employ forced or compulsory labor to perform any work or service under threat of force or punishment. To support this, we conduct random checks on farms throughout the year.

▶ **WE ENSURE FREEDOM OF ASSOCIATION**

We cede our spaces for elections and allow meetings with union representatives during working hours, with whom we also maintain an open dialogue and within a framework of respect.

▶ **WE PROMOTE DIVERSITY AND RESPECT FOR DIFFERENCES**

We avoid any distinction, exclusion or preference that generates inequality of opportunity in treatment or occupation among our employees.

We take on with determination the respect of human rights and their promotion with all our stakeholders.

In the event of any breach of human rights, our employees have an anonymous reporting channel: codigodeetica@sanmiguelglobal.com or phone 0800 888 7264

2.4 ▶ Respect and Promotion of Human Rights

Our commitment is embodied through programs of various kinds in each of the countries where we operate and is based on the integration and implementation of international and universal principles that promote tools for analyzing and improving the impact on human rights in every aspect of the business.

Human Rights in the Value Chain

We expect our suppliers to manage their business responsibly, with integrity, honesty and transparency, treating their employees with respect and dignity, protecting them and guaranteeing their rights.

We take care to evaluate and develop them, and drive social responsibility in the supply chain by promoting responsible principles and practices, valuing the actions they carry out to preserve the environment, protect the community and enhance its development. Thus, when registering, we identify if they have a CSR or environmental protection policy.

In order to prevent and identify risks and extend our values to the entire value chain, we share our Suppliers Code of Ethics with new suppliers. To register as such, a representative of the company concerned must sign the Code.

Created in 2014, the Suppliers Code of Ethics details how we conduct our business and includes Guidelines for Business Conduct, Employment and Care for the Environment.

Human Rights of Customers and Consumers

We respect and promote the human rights of our customers and consumers by considering **health care** in all processes.

We have a Quality Management System that covers the production activities from the nursery to the finished products, through which we guarantee the innocuousness of the products and the quality of the production processes.

Thanks to our **traceability system**, we can guarantee the **food safety, quality and innocuousness** of all our products. Each product is traceable to the raw material batches from which it originated, as well as the supplies and production processes that

were involved in the elaboration of that finished product.

At the same time, through different international quality certifications, in addition to internal audits that verify the standards and processes, we offer our customers the peace of mind they need to offer our products.

Human Rights of the Communities

Our social investment programs aim at promoting the development of our communities focused on **Health, Development and Education**.

Considering the United Nations Sustainable Development Goals as the central guide of our actions, we promote education, contribute to zero hunger, generate community enterprises and are protagonists of the economic development of the populations bordering our operations. Our aspiration is that communities are increasingly better off thanks to our presence and therefore, we work to accompany them in their growth and leave them with installed capacity for their sustainable development.

Human Rights and Environment

We believe that the right to a healthy environment is essential, due to the profound impact on the guarantee of other rights such as the right to health, food, development and culture, among others. Therefore, our business scheme complies with rigorous criteria of care for our natural environment and we are committed to environmental care:

- We create environmental awareness in our people,
- We evaluate the impact of our products,
- We implement continuous improvement actions,
- We make sustainable use of resources,
- We manage waste,
- We treat the effluents,
- We make a sustainable use of the soil,
- We protect biodiversity.

2.5 ▶ Strategic Alliances



These are some of the organizations that we belong to in order to enhance our contribution and achieve more significant impacts for the whole activity

3

Sustainable Development In Our Value Chain

SDG

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3.1 Responsible Value Chain

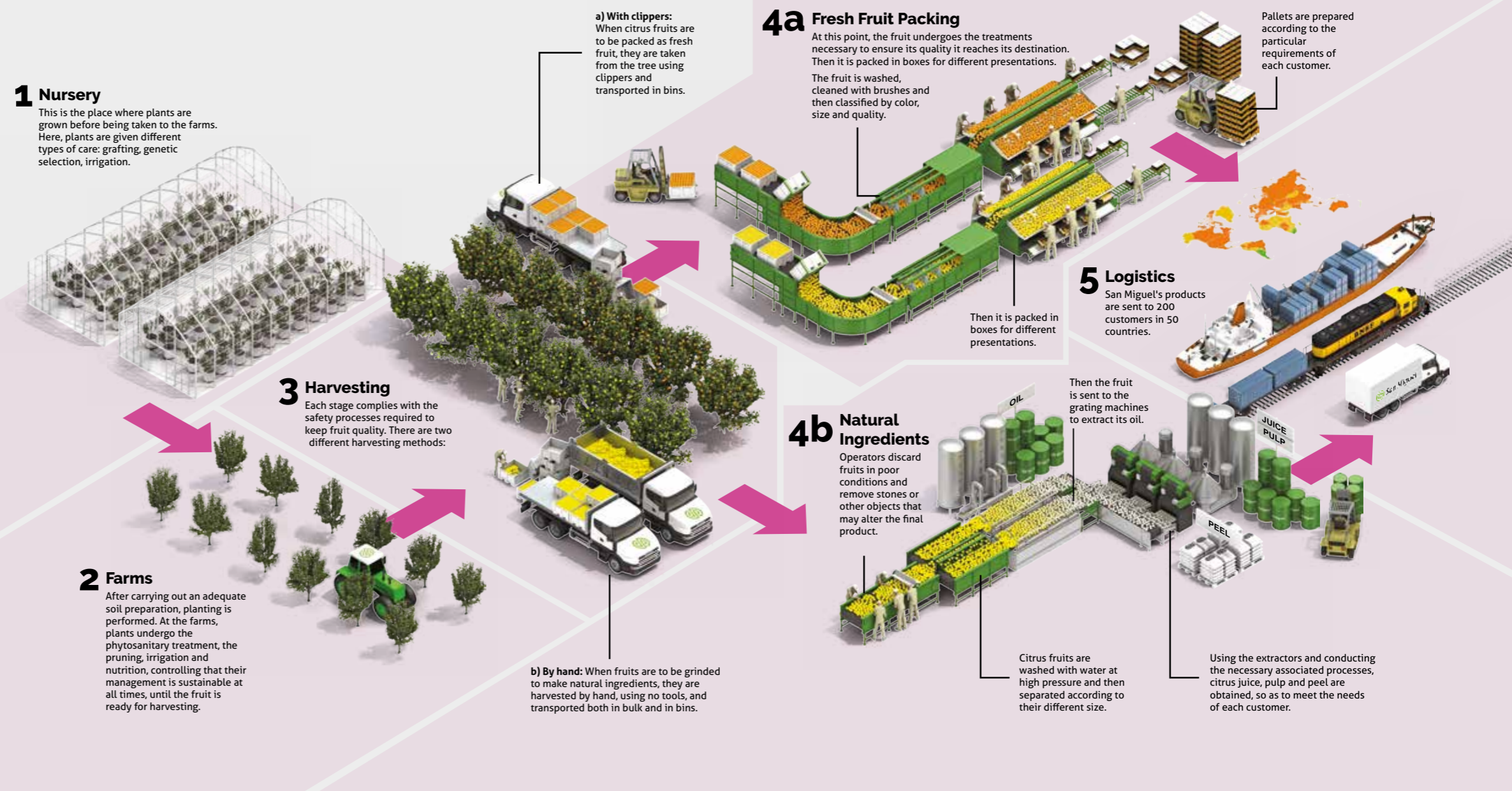


We take care of every stage and add value throughout the entire production process, with sustainability as a priority throughout the operation.



Our Production Process

Our integrated business model ranges from the nursery to the supermarket shelf, to reach the tables of millions of families around the world.





3.1 Responsible Value Chain

These tools organize the management and establish a unique language: we all work under the same model, in a coordinated and aligned way to obtain results of excellence year after year and thus achieve San Miguel's ambition of sustainable growth.

SAVIA

In 2019 we launched SAVIA, a system to standardize, find improvements and seek efficiencies in our operations. Through a method, processes and tools, we seek to improve ourselves every day and reach our maximum potential. With a 4-year work plan, the System is based on two pillars that work in an integral way and involve all organizational levels and all roles, from executive positions to plant floor operators (operators, harvesters, laborers, etc.).

MANAGEMENT PILLAR

Contains the processes and tools through which we manage the company's areas.

PEOPLE PILLAR

Contains the processes and tools through which we manage our people.

In 2019, we completed and validated the system design for the packing plants, while moving forward with implementation at the Pilot Site (Chincha Packing Plant, Peru). Plant certification is estimated for June 2020. In addition, we started the design of the system for the field and industry.

INTEGRA

It is an initiative that emerged several years ago in the agricultural area and was formalized within SAVIA during 2019. Its mission is to **share, consolidate and manage the technical knowledge available** in the different stages of the Agro-industrial process, ensuring the **implementation of best practices in all the countries where we operate** in order to achieve the maximum potential of the organization, reduce the volatility of the results and guarantee the sustainability of the business.

To achieve this, INTEGRA generates standards based on current good practices; it challenges them with a focus on **continuous improvement**, not only because of the advance of science and technology but also because of the genuine demand of increasingly demanding markets in constant evolution. INTEGRA uses tools, indicators and processes from the Management Pillar and the People Pillar and integrates them to the routine tasks, systematizing information and work modality.

The core areas (nodes) which it actually works on are:

- Nursery and varieties
- Agronomic phytosanitary management
- Irrigation and nutrition
- Estimates and harvest
- Huanglongbing
- Post-harvest and packing
- Industry

We Promote Innovative Proposals in the Agro-Industrial Chain

San Miguel, in alliance with INICIA Emprender para el Futuro Asociación Civil, launched the **EUREKA Contest**, an innovation contest for Argentine entrepreneurs aimed at promoting and developing innovative proposals related to the agro-industrial chain.

The projects gathered addressed complex issues related to the implementation of renewable

energy, precision agriculture, early detection of HLB*, drones and robots for agriculture, food dehydration, among other topics.

Following the launch of the call for proposals at the end of 2018, in March 2019 we selected and awarded the projects.

Among the 36 projects presented, 15 entrepreneurs were pre-selected and briefly presented their idea and the potential of their project before a jury of experts made up of **Dirk Trotteyn**, Executive Director of the Institute for the Productive Development of Tucumán (IDEP Tucumán); **Sebastián Senesi**, Director of the Master's Program in Agribusiness at the University of Buenos Aires; **Lorena Nuñez**, Director of INICIA; and leaders from the production and innovation areas of San Miguel. Three projects were the winners (they received the sum of AR\$ 150,000, AR\$ 100,000 and AR\$ 50,000, respectively), while two special mentions were awarded.

Throughout the year, the finalist projects also received **training and participated in educational spaces organized by INICIA** especially designed to enhance their skills and entrepreneurial development.

*HuangLongBing (HLB) is the most severe disease for citrus plants.

“It is a great joy to have participated in EUREKA and be recognized by a company as important as San Miguel. Carrying out this type of project from an entrepreneurial point of view is quite difficult and, although it was me who presented our prototype, we are a great team with which we have been sharing more than four years of research. We feel very recognized and much more to have happened this in our province. It is a push to keep moving forward.”

Martín Lucas Zamora
Representing the winning team of the contest, a NanoBioSensor for HLB early detection.



3.2 Suppliers Network

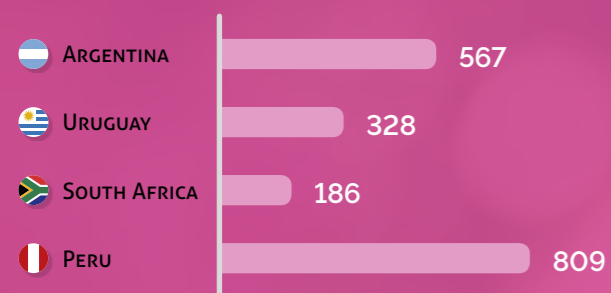
Our suppliers are a key link in our value chain. Not only to streamline our operation, but also to extend good practices and sustainable business management.

+96%

Purchases from Local Suppliers.

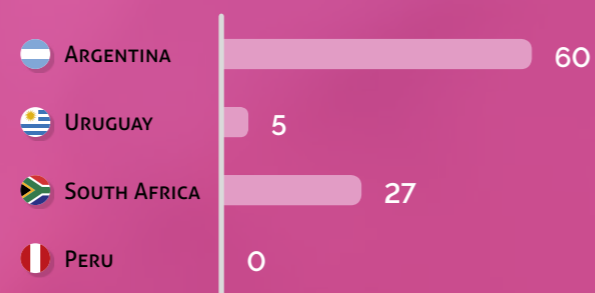
We work with a great and diverse group of suppliers, from large multinational companies to small-sized businesses. We support the development of small and local producers by offering them innovative initiatives and schemes to contribute to their social, environmental and economic development and facilitate business opportunities.

Number of Suppliers



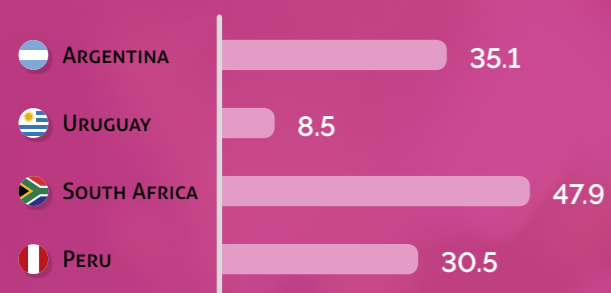
▶ Global Total: 1.890

Number of Strategic Producers



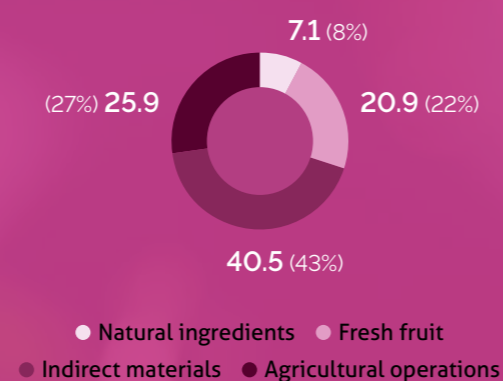
▶ Global Total: 91

Purchases in Billion USD



▶ Global Total: 142,676,056

Purchases by Business Type in USD



We Promote Good Practices and Collaboration to Grow Together

We have a **network of associated growers** with whom we establish a strategic partnership based on mutual trust. This network makes it possible to jointly improve efficiencies and practices, increase export volumes and enhance the business sustainability.

Through this bond we help them boost their growth, support them so that they can obtain certifications such as Global Gap in their farms, and provide them from financing alternatives and genetic material, to advice and training in various key integral management issues such as: quality, sustainability, chemical products and their applications, certifications.

They help us strengthen our value chain, increase and secure our volumes, as well as deepen our presence in more markets and maximize investment returns.

48,095,045

US Dollars in purchases.
77% in fresh fruit, 23% in natural ingredients

161.1

Thousand tons purchased, 4.4+ than in 2018

3.2 ▶ Suppliers Network

During 2019, we strengthened the critical suppliers' assessment procedure at all points of origin, both in the suppliers' registration and in the annual assessment processes at the end of our production season.

We Choose our Suppliers Responsibly

We take into account criteria related to the type of material, the complexity of the supply and the criticality in terms of food safety and maintenance.

Likewise, in the suppliers' selection process:

- We consider their experience
- We analyze and test samples
- We take into account the quality certifications and the relevant certification bodies
- We conduct audits pursuant to the Quality Area assessment standard
- We verify their background in other companies in the industry

We study the level of commitment of suppliers in terms of sustainability and reflect with them on the importance of having a sustainability policy and complying therewith. In addition, we extended our environmental care procedures to our suppliers through visits and audits aimed at verifying compliance with their environmental performance.

When implementing an improvement action in the community, we take into account our suppliers of materials or services, who participate in a transparent and open price bidding.

We Develop our Suppliers

We support the development of small and local producers by providing them with specialized technical advice and giving them opportunities for their growth. We work on an interdisciplinary basis among different areas (Procurement, Quality, Sustainability, Finance) so that these suppliers are capable of achieving a thorough development in all aspects, not only in those related to productive issues.

We bet on the development of SME suppliers and of local small and medium-sized

companies of the NOA, to generate business opportunities in our nearby surrounding economies. Additionally, we support and collaborate with national institutions such as the National Institute of Industrial Technology (Spanish: Instituto Nacional de Tecnología Industrial, INTI) of the Ministry of Production, in the organization of local events where business rounds and training of small companies are developed, which help us capture new local suppliers.

We work to raise awareness about the importance of **having inclusive purchases** within a framework of competitiveness, quality and legality. Along this line, during 2019:

- ▶ We acquired gifts from local artisans and small producers for our employees and external public.
- ▶ We purchased work breakfasts and lunches from small local producers, whom we previously advised, helped develop and finally approved.
- ▶ In our plantations in Peru, we hired the service of small local beekeepers during spring for the placement of beehives and consequent pollination of avocado plantations. They are family farmers from the areas bordering our farms that produce honey.

WE PROMOTE CIRCULAR ECONOMY

*We use rented **wooden pallets** for the export of fresh fruit in all markets in which they are accepted. The pallets are exported with our fruit and then circulate in different supermarkets, as opposed to a disposable pallet that is used only once. In this way it is used more than once, thus ensuring a useful life of about 10 years.*

At the same time, we intensified our repair and recovery programs for export pallets, wooden and plastic bins.

In 2020 we will work to recover and reuse single-use wooden pallets in Europe, reducing environmental impact and reinserting resources into the production cycle.

We Assess to Keep on Improving

Our **Suppliers' Assessment Policy** sets up an annual assessment schedule to be performed by the Procurement and Quality Assurance staff in order to promote continuous improvement and sustainability in their operations. Suppliers' assessment is carried out in a comprehensive way, considering various issues such as service, quality and compliance with delivery deadlines and specifications.

The follow-up and evaluation of compliance with the Code of Ethics by suppliers proves our commitment towards the international standards we have adhered to. In this way, we add to each link of our supply process, guidelines related to ethics and transparency, respect for environment, right to decent work and prohibiting child labor, among others.

We Promote Sustainable Supply Chain Practices

In all our points of origin, new suppliers are informed about the **Code of Ethics**, which they must read and sign as an unavoidable prerequisite to be incorporated into our company. This Code, in addition to the general guidelines, contains clauses related to Respect for Human Rights.

We carry out annual training activities for all procurement teams in all countries in Purchasing Policies and Codes of Ethics for suppliers and buyers.

In 2019, we carried out a specific training in Peru in Anticorruption and we also trained in ISO 20,400 of sustainable procurement to the entire procurement team in Argentina.

We carry out annual training activities for all procurement teams in all countries in Purchasing Policies and Codes of Ethics for suppliers and buyers.



4

Our Customers



SDG

2



12



4.1 ▶ Relationship with Customers

Our daily commitment is summed up in one word: Comply.

That is why we work with a special focus on our customer's needs, from the field to logistics and marketing, to provide the product with the quality each one requires.

5

Continents we reach with our fresh fruit and natural ingredients derived from our citrus fruits



62

Countries



300

Customers



225.8 million

US Dollars in sales



Fresh Fruit

Our customers are the main supermarkets in the Northern hemisphere. We commercialize **lemon, orange, mandarin, grapefruit, table grape and avocado** mainly in Europe, the United States and Asia.

In this business, our main objective is to gain depth in the relationship with the most strategic markets, growing with the main retailers and distributors in said regions.



Netting

In South Africa and Uruguay, a crop mesh-netting technique that allows limiting the amount of seeds in mandarins for the most demanding markets such as UK & USA.



Low Residue

Low residue products such as *Chem Free* Lemon and Oranges for Japan and France or Lemon *Low MRLs* to meet the highest European standards.



Special Varieties

Plantations of special *seedless* lemon varieties in South Africa and Uruguay, keeping abreast of trends.



Premium Varieties

Premium varieties of *seedless* grapes in Peru, highly demanded in USA, China & Korea.

Development of special products

Natural Ingredients

We reach industries worldwide which use our citrus by-products as key supplies in their production chain.

We strive to become the *supplier of choice* for our customers by promoting the development of long-term programs and adapting our portfolio based on the market trends.



Juices and Pulps

We produce **100% natural lemon, orange and mandarin juices and pulps** used worldwide in the production of beverages and food.



Oils

Our oils derived from citrus fruits are used in the food, cosmetic, pharmaceutical and fragrance industries, taking into account the needs of each customer.



Dehydrated Peel

We produce **100% natural dehydrated peel derived from lemon** used to obtain pectin, a binder used in different industries such as food or pharmaceutical businesses.

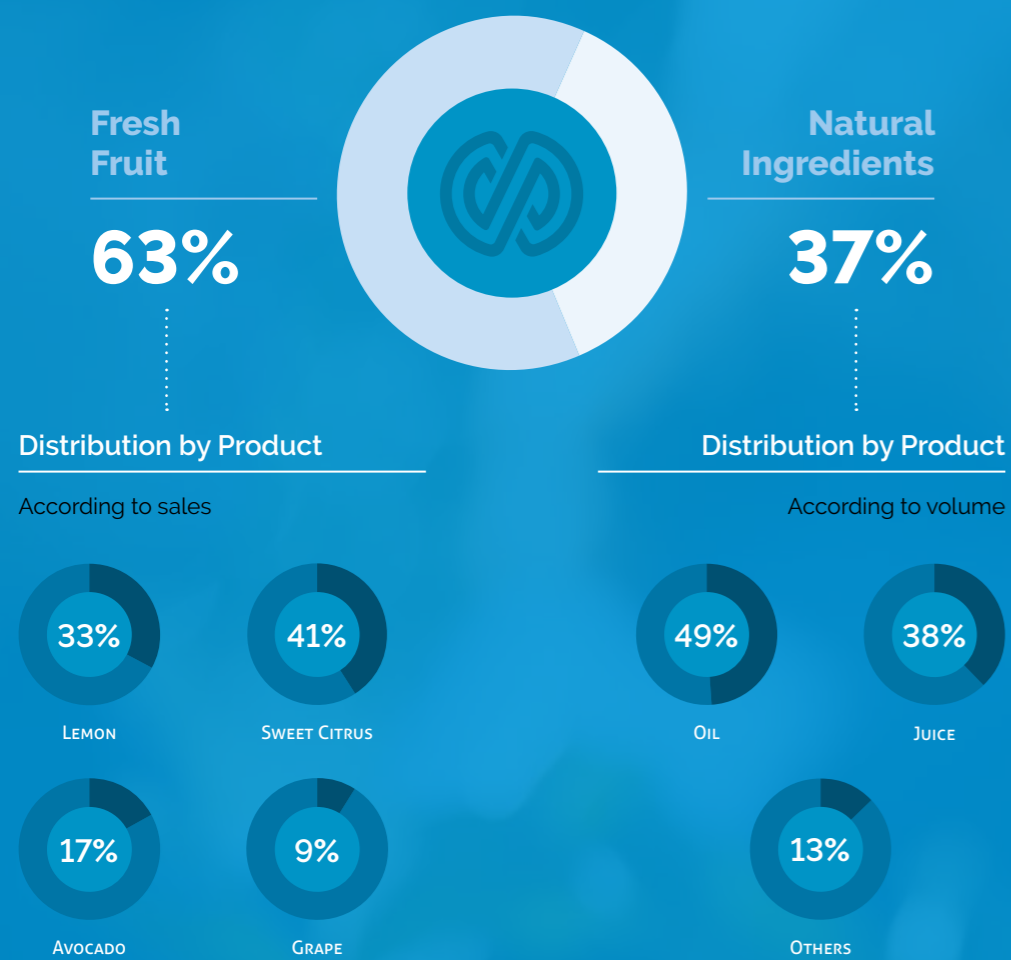
Citrus by-products

4.1 Relationship with Customers

Every day, we work to create new ideas thinking about our customers, the market needs and consumers, putting our knowledge and experience into practice to develop innovative and sustainable solutions.

In order to better understand the specific needs of each customer and thus provide a service differentiated for each of them, we have dedicated Customer Supply Chain teams for each business.

Complementary Business (Sales by business in US Dollars)



Customer Satisfaction

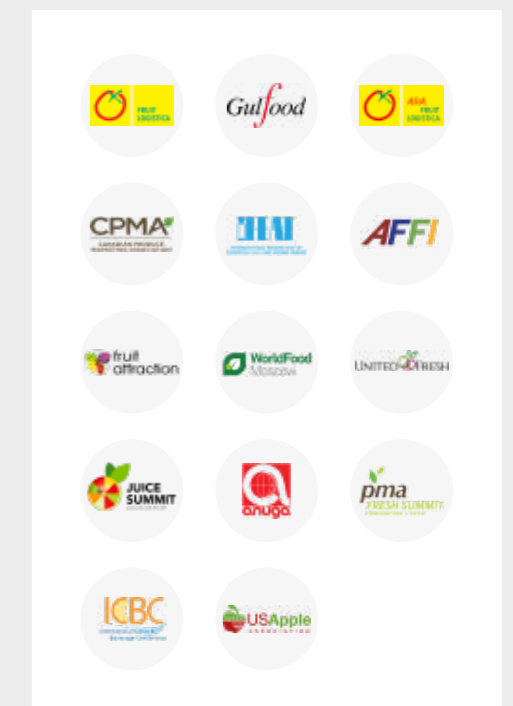
Continuing with the task of readjusting processes and defining indicators, in 2019 we implemented a new follow-up tool for the control of Fresh Fruit loads that enabled us giving customers visibility of 100% of our deliveries from our 4 points of origin in a single format and with standardized information. In addition, it was a streamlined and direct channel to share export documents and provide better traceability and control of loading times.

On the other hand, a KPI was defined to measure compliance with the delivery of the volumes agreed with the strategic customers. This made it possible to measure our performance as a comprehensive team, with all our areas having as common focus the fulfillment of the commitments undertaken with our customers.

In the Natural Ingredients business, we established a KPI for the three points of origin where we have the processing operation -Argentina, South Africa and Uruguay- called "Perfect Order" to measure the level of fulfillment of deliveries in the time, quantity and quality required. Said indicator had a significant improvement during 2019, with an average value of 85% in March 2019 and 91.9% in December. In addition to measuring our performance, this tool allows us to find opportunities for improvement and integrate all sectors of the company in order to meet commitments and optimize services.

Trade Fairs

Trade fairs are a key relationship space as they make it possible for us to meet with customers from all over the world and be in contact with the main market trends at a global level. These are the fairs and exhibitions in which we participated in 2019.



4.2 ▶ Food Quality and Safety



Developing, producing and delivering reliable and safe products to our customers, from any of our production points of origin is our priority.

We have a **Food Safety Policy** in compliance with national and international laws and regulations.

Multidisciplinary teams are responsible for the implementation of the **Quality Management System** throughout the entire value chain to guarantee safety of products, quality of production processes and care for the environment.














To that aim, we developed a prerequisites and requirements program that covers the good manufacturing, agricultural and storage practices, pest control, allergen program, water quality program, etc., which the different business areas must incorporate into their work routine. In line with this, **Quality Assurance** manages procedures, training, records and activities aimed to the maintenance of the System and to the certification of the Standards, while a team of internal auditors verifies compliance therewith.

TRACEABILITY SYSTEM

This system allows us making the follow-up of each product, from the raw material to the finished product, going through the inputs and production processes involved in its manufacturing.

We also conduct checks based on fresh fruit control samples, assessing the performance of a fruit packed from each batch until it reaches its destination; we also have samples from every batch of finished product in terms of natural ingredients.

All our plantations, processes and products are certified by the following national and international Quality Standards:

	GLOBAL GAP
	HACCP
	SMETA
	BRITISH RETAIL CONSORTIUM (BRC)
	NORMAS OHSAS 18.000
	SELLO ALIMENTOS ARGENTINOS
	SURE GLOBAL FAIR (SGF)
	GRASP
	SIZA
	BASC
	CERTIFICACIONES RELIGIOSAS
	FOOD SAFETY SYSTEM CERTIFICATION-ISO 22000:2005-FSSC 22000
	SUSTAINABLE FARMING ASSESSMENT

4.3 ▶ Research and Development



The commercial, quality assurance, and research and development teams work in a coordinated way to strengthen the agricultural operation and focus it on providing innovative and sustainable responses to constantly evolving markets.

In the Phytopathology and Biotechnology field, we work in the control of pests and diseases, the prevention of Huanglongbing (HLB), studies to reduce the amount of applications or residues in the product and in post-harvest activities.

▶ PESTS

- We worked on the evaluation of outsourcing the monitoring service of the citrus miner insect vs. own- monitoring, determining the economic and opportunity advantages of the latter.
- We achieved an effective coordination between monitoring and zone heads, ensuring the availability of information for decision-making in advance.
- We modified the monitoring times and the thresholds for key pests, reducing the risk of negative impacts for production.

▶ DISEASES

- We deepened our knowledge of the main diseases as a strategy to design "integrated programs".
- We made use of a 100-hectare farm to apply management alternatives and assess the impact on the production and on the quality of the fruit obtained.
- In Peru we designed and applied a specific management program for *Cladosporium* spp, a fungus that had significantly reduced the quality of the fruit during the previous season.

▶ MAXIMUM RESIDUE LIMIT

- Aware of the commercial importance of the residues, studies were initiated to determine the degradation curve of molecules of Piraclostrobin, Mancozeb, Carbendazin and Chlorpyrifos, in fruit and oil.

▶ POSTHARVEST

- We worked to reduce the number of molecules without affecting the fruit preservation.
- We shared good practices for treatments and integrated post-harvest handling programs among the different points of origin.

▶ HLB

- Fortunately, until December 2019, this bacterial disease that affects citrus fruits has not been detected in Uruguay, South Africa, Peru or in the Northwest of Argentina. Convinced that prevention is the best tool, we conducted new training activities for awareness, prevention plans for *Diaphorina citri*, and vector and disease monitoring.
- We believe that producers should lead these programs, in coordination with the National and Provincial Phytosanitary authorities, complying with and enforcing all recommended management measures, in an integrated and simultaneous way.

CUSTOMIZED PRODUCTS

*We create new products thinking about market trends. Every day we work to develop ideas thinking about our customers, consumer trends and the needs of families worldwide, putting our knowledge and experience into practice. Since 2014 we have a **New Business Development** area, exclusively dedicated to thinking and executing solutions focused on the future to adapt our service to the new trends.*

One case to be highlighted is the development of a low sedimentation lemon juice for radler beers, which allows achieving the perfect level of turbidity, providing the right quality for the consumer's taste.

We are permanently searching for new solutions to add value to our customers and citrus activity.

5

Development Of Our Employees

SDG

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10



5.1 Value Proposal



Our greatest value is the people making up San Miguel.

We believe in the transformative capacity of individuals. We are a team.



We are Cultivators of Relationships

People who work and grow together and in that daily relationship our values are deployed.



We are a Team of Passionate People

The pleasure of doing what we like is what inspires us every day.



Diversity Empowers our Strengths

We are a global multi-origin company that encourages exchange between cultures to enhance our outlook, nourishing ourselves with different experiences through our teams.



We Share Leadership

We accompany, support and motivate our employees to be the protagonists of their personal and professional growth.

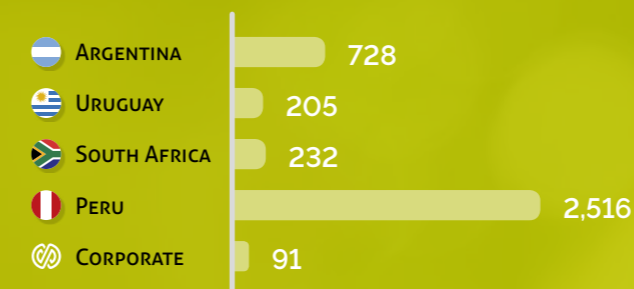


We Promote Development

We want to leave our imprint on our employees' career development. We promote their growth through experiences in co-creation spaces in a collaborative environment.

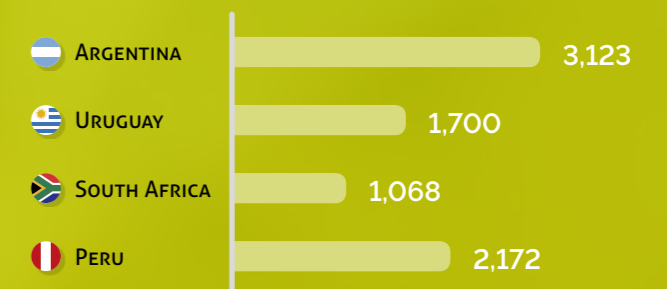


Total Employees



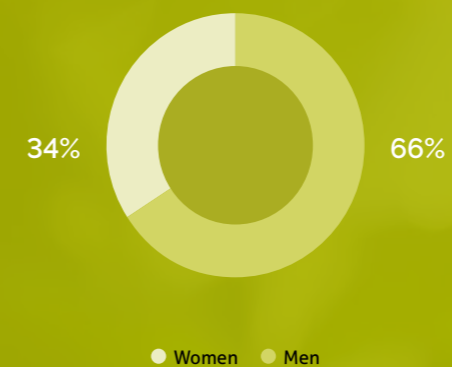
▶ Global Total: 3,772

Harvest Season (Jobs added)

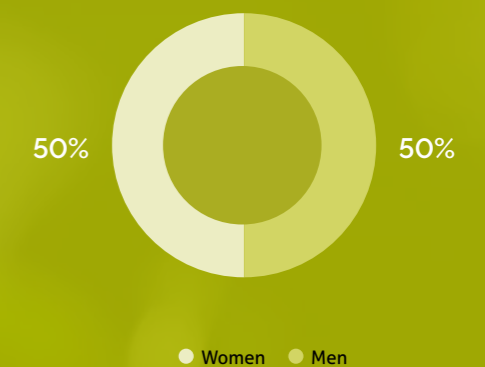


▶ Global Total: 8,063

Direct Employees



New Hires (Total 2019: +100)



5.1 ▶ Value Proposal



+100

New permanent hires in 2019. We attract and select talented people with technical experience following a transparent and effective process.

The behaviors we expect from each of our employees allow us to achieve the expected success and act with willingness, talent and innovation faced with the changing business demands.

Generic Competences



We Manage Changes with Flexibility

We promote changes and adapt and work efficiently in different situations or with different groups.



We are Proactive and Innovative

We apply initiative and anticipation whenever we act, proposing creative, disruptive and/or continuous improvement solutions to solve those problems that may arise.



We Commit to Sustainability

We are responsible for safety at work, for caring for the environment and for seeking a balance between work and personal life.



We Permanently Learn

And we develop new skills to continually improve the tasks we perform.

Leadership Competences



We Think Strategically

We set and implement the company strategies with a forward-looking and systematic view, being aware of and understanding how the environment and its economic variables impact the business results.



We Focus on the Customer

We develop an optimal value chain to provide products and services that meet the current and potential needs of our customers, generating with them long-term links.



We Achieve the Best Results

We aim to achieve high quality and productivity standards, setting challenging objectives to deliver results in an efficient and sustainable way.



We Work as a Team

We collaborate with others within our own area and between different areas, showing interest in being part of a single team to achieve common goals through dedication and perseverance.



We Undertake our Responsibility

We undertake the responsibility for the decisions made, for the consequences of our actions and for compliance with the company's rules, valuing and taking care of resources, assets and costs in the best way possible.



We Lead and Develop our People

We guide and motivate people to achieve the objectives set, we follow them up and give continuous feedback on performance, considering the development of employees as a non-delegable duty of each leader.

Selection Process

Whenever a position needs to be filled, we first **resort to our own employees** to foster their development.

In the case of head, manager and director positions, we do it through the **Opportunities Committee**: a group of employees having a level higher than that of the vacant position may nominate internal candidates, bearing in mind the multiple processes and the requirements for said position. After this instance, it is defined whether the position is filled with an in-house candidate or if it is necessary to resort to an external search.

For the assistant, analyst, coordinator and supervisor levels, the search also starts with in-house personnel. The selection area validates the profile of the position and recruits through internal means, carrying out a selection process consisting of interviews and exams.

If no internal candidates are selected, the search continues by means of the **Referral Program**, through which any employee can refer an external candidate as long as the search conditions are fulfilled. If at the end of this instance the vacancy has not yet been filled, we start an external search in accordance with our attraction strategy.



5.2 ▶ Training and Development



Employees' Development Pillars

We want our employees to enhance their capabilities to perform in current and future roles. We support and promote talent, providing the space and tools so that they can lead the development of their career.

We use the same axes in all countries, and the development of each of them depends on the specific need inherent to the business at that time.



Culture

We transmit our history, identity, values and behaviors that guide the way each of us works and interacts within the Company.



Leadership

We provide tools so that each employee can lead his/her professional development by managing his/her own learning and that of his/her teams. The methodology used is 70-20-10: 70% of learning comes from practice and experience in the position, 20% is acquired through relationships with other people (feedback, conversations, etc.) and 10% comes from formal courses and structured programs.



Management

We offer training activities aimed at developing, leveling or maintaining specific technical and management knowledge to carry out the tasks inherent to a position, with customized training and programs.

REDESIGN OF THE CULTURE PLAN FOR THE UPCOMING YEARS

San Miguel leadership team (LT) conducted an in-depth analysis of the business in order to define the 5-year strategic plan.

To understand our starting point, we made a diagnosis to a group of associates with the Organizational Culture Inventory (OCI) tool. This allowed us to quantitatively measure the Culture of San Miguel through online surveys, individual and in-depth interviews and focus groups that involved employees from different hierarchical levels, areas and geographies.

Furthermore, we used the same survey process with the leadership team to define which is the culture that we need to build in order to achieve the organization's strategy.

To design the Culture Plan for the following 3 years, a team called Core Team (CT) was created, made up of employees with global positions and with different levels of impact on the organization that carried out a training process on the methodology of the OCI tool, and helped in the development and building of the Culture Plan. Likewise, teams of culture sites called Local Stream (LS) were created who will help in the initial delivery of the actions involved in the plan.

Development Management

Our development platform follows the company's strategy, managing the performance and evolution of the key competences of each employee through multiple processes that consider the short, medium and long-term talent needs.

- Performance Management System (PMS)
- Succession Plans / Replacement Charts
- Individual Career Plans: Individual Development Plan (IDP)
- Development Opportunities Identification Program (DOIP)
- Talent Review (TR)
- Talent Grant Programs
- Internal Mobility: Internal Searches and Opportunities Committee

Talent and Performance Evaluation

Our talent evaluation is carried out at two times of the year during the *Talent Review* sessions. The potential evaluation methodology is that of Learning Agility, which measures the ability to learn and capitalize on the experience of our employees.

Potential is measured through four agility abilities: change, mental, with people and with results, we added a 5th agility: that of **self-knowledge**, the perception the person must have of itself and of its aspirations to combine them with agility skills.

We use the 9Box methodology, we cross-check the **potential** and **performance** variables (last 2 years), which allows us to identify and design action plan for the development of each one of our employees.

To this process we added identification of critical positions and succession plans for mid-level management positions upwards.

The Performance Management System (PMS) is carried out on an annual basis and is aligned with the business strategy and the variable payment (bonus). It creates formal spaces for dialogue, helps us transmit and understand how, from the individual contribution, it contributes to meet the business strategic objectives and allows us to know how to improve the performance of each person.

Individual Improvement Plans (IIP) are carried out with those employees who have a "partially compliant" performance; this tool has been designed to build a short-term performance improvement plan between the employee and the immediate supervisor. In the case of operators or collectively bargained employees, a performance evaluation is carried out aimed at the indicators associated with productivity, assistance, quality, among others.

During 2019 we evaluated permanent collaborators in Talent Review

+USD 600,000 invested in training in 2019

5.3 ▶ Labor Conditions



Because our greatest value is people, we offer our employees benefits that allow them to improve their quality of life and that of their family group.



5.3 ▶ Labor Conditions



Through channels that facilitate the flow of timely, transparent and updated information, Internal Communication contributes to strengthening San Miguel culture and values.

Activities we Carry out with Family Participation

- Environment Day Contest, with the participation of the employees' children
- Contest in Networks for the Women's Day celebration
- Celebrations of national days, women's day, father/mother's day, children's day and birthdays
- New Year's Eve party
- Team building activities for certain areas
- SamiTours
- SamiFest for the employees
- Initiatives for the Worker's Day and the Agricultural Worker's Day
- Season Closures
- Children's Christmas
- Sami Kids: employees are invited with their children to spend a games afternoon at the offices
- Football Tournament for men and women
- Gifts for fathers, mothers, newlyweds, University graduates and for those entering the company

(These activities vary according to the site)

COMPENSATION POLICY

Aiming at:

- Guaranteeing equity
- Talent attraction
- Building loyalty among our employees

Through the Compensation Policy, we want to guarantee that the payment received is consistent with the importance of each position in the organizational structure and that the full compensation is similar to that obtained for similar functions in other organizations.

In order to attract profiles, compensation levels must be in line with the current supply and demand conditions in the labor market. To this aim, the compensation level must be competitive in the labor market.

For said purpose we make sure to have market data, participating in labor surveys.

Communication with Employees

▶ SAMINET

Our Global Intranet that we finished implementing in March 2019, where we channel all day-to-day communications (birthdays, events, benefits, policies, procedures, internal searches, news, among others). The employees have the information at their disposal each time they want to see or consult it, and in turn, it works as a two-way channel since through it they can send us queries, doubts, exchange best practices with other sites, etc.

▶ SAN MIGUEL GLOBAL MEETING

Led by the CEO and business leaders at all sites and held every four months.

▶ BREAKFASTS WITH THE CEO

For new hires.

▶ BOX FOR SUGGESTIONS

In operations, so that any employee can share suggestions and/or queries about any topic.

▶ INTERNAL BILLBOARDS

Mainly in Farms and Plant.

▶ E-MAIL

Through which important changes in the structure of each Direction are communicated and it is usually shared from the manager's own box.

5.4 ▶ Health and Safety



We Manage Occupational Risks

Our Health and Safety team monitors all tasks in order to ensure that workers have all the knowledge and protection elements they need to prevent any incident or disease.

RISK WARNING CAMPAIGN

We use indicators to detect and eliminate unsafe acts and conditions in operations in all countries, which also allow us to keep a record of the situations in which workers put their integrity at risk due to their own attitude or to environmental agents. In the event of an unsafe behavior, the worker is made aware of its fault, corrected and trained. In the case of unsafe conditions, these are reported in the daily meetings and the Head is requested to act for the improvement management. Safety issues that contribute to drawing up action plans to budget for improvements are also considered.

NOISE MANAGEMENT

Reducing noise, either at its source or along its path, is a priority of the management programs in which both the design and maintenance of equipment and the workplace are considered. At San Miguel, we monitor the noise level in the various facilities of the Company with trained and qualified personnel. In sectors where noise exceeds the level accepted by local regulations, we study the sources to eliminate or isolate them.

WE HAVE JOINT HEALTH AND SAFETY COMMITTEES IN ALL OUR OPERATIONS

A space for workers to consult and participate in what they consider may affect health and safety at work, the purpose of which is to ensure:

- Prevention of occupational hazards from their source or origin.
- Providing diagnostic tools for continuous risk assessment.
- Evaluating new risks derived from technological innovation, or new tasks.
- Promoting and collaborating in the planning of training courses for the prevention of occupational risks.
- Keeping a record of statistics on accidents and diseases at work and analyzing them.

Training in Occupational and Family Health and Safety

Our team carries out an Annual Training Plan that includes general topics such as first aid, fire control, road safety, protection elements, good agricultural practices among several others, and field specific topics, packaging and natural ingredients such as handling of agrochemicals, ergonomics, safety in machinery, pruning and packing, etc.

These annual plan is integrated within the People Pillar of SAVIA, so that each role can understand which are the H&S aspects that they need know when implementing an activity.

Focusing also on the employee's family and on the community, we promote health and work on disease prevention through various programs, such as addiction prevention programs, programs against gender violence, chronic diseases, vaccination campaigns, health control in all our points of origin and even treatment of HIV and tuberculosis in our Clinic in South Africa.

Caring for the health and safety of our people is our absolute priority. Therefore, in 2019 we consolidated the structure of the Global Environment, Health and Safety Management which reaches all San Miguel operations and defined objectives and goals for continuous improvement.

Raising awareness, minimizing risks, joint work and training are key aspects for the management of occupational risks.

100% of San Miguel workers perform their tasks in locations where Risk Warnings are carried out.

ACHIEVEMENTS REACHED IN 2019

- 47% reduction in lost-time accidents
- 92% improvement in in itinere accidents
- 50% reduction in the monthly incidence rate of accidents per each 1,000 workers exposed
- 0 accidents in staff with permanent contract
- 0 accidents in independent contractors
- 81% reduction in lost-time accidents

6

Committed to Nature

SDG

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6.1 ▶ We Take Care of the Environment



Our business scheme must meet stringent sustainability and environmental care criteria that allow us to work in harmony with nature and ensure the future of our business.

We have an Environmental Monitoring System to minimize the impact of our activities, which covers all environmental measurable aspects of our operations and allows us to record information through an internal and external audit scheme.

Our Environmental Management is based on:



Waste

Minimizing waste generation and promoting alliances for their valuation.



Natural Resources

Making a rational and efficient use of our natural resources.



Environmental Risks

Identifying, monitoring, assessing and mitigating the environmental risks arising from our operation, in order to preserve biodiversity, prevent pollution and minimize the potential impact of our activities.



Communication

Maintaining a transparent and open communication on environmental issues with the community, regulatory authorities, customers and all stakeholders.



We Monitor and Assess the Impact of Our Products

- Water consumption measuring
- Ground water and surface water quality analysis
- Receiving body monitoring
- Analysis of our organic solids
- Noise level monitoring
- Gas emission quality
- Waste segregation at source, treatment and final disposal

Beyond our Quality System, we implement the **Good Agricultural Practices (GAP)** guidelines promoted by the Chamber of Agricultural Health and Fertilizers (*Cámara de Sanidad Agropecuaria y Fertilizantes*), which define the basic elements and essential practices for fruit production. The implementation is based on the following principles:

- Maintain consumer trust on food quality and safety.
- Minimize environmental impact and degradation, preserving the flora and fauna.
- Reduce the use of agrochemicals.
- Improve the efficient and rational use of natural resources.
- Ensure a responsible attitude towards the health, safety, well-being and education of those who work with us.

We Promote Environmental Awareness

During 2019, we continued with the **Annual Training Plan to promote environmental awareness and culture** in all operations, both for associates and contractors.

Through **talks and workshops on good environmental practices**, we prioritize that they may assess how their daily actions impact the environment, adding environmental responsibilities to the ones they already know in their roles, thus covering theoretical and practical knowledge on waste management, environmental incidents, and effluent and energy management. This way we ensure the transfer of basic environmental information and of our corporate policy.

Additionally, in 2019, and as part of our Environmental Promotion calendar, we celebrated the **World Water Day** and the **World Environment Day**. These celebrations were intended to raise awareness among all our associates of the rational use of natural resources and biodiversity, providing data on the global situation and the situation in our own operations, and we have also organized trivia games and contests at each location to encourage engagement.



Continuous Improvement Groups

We have implemented a dashboard that is used every month to revise all strategic performance indicators at a **Multidisciplinary Committee** formed by leaders, sector heads and area managers. As a result of this routine, we have prepared the action plans to prevent and/or correct the deviations detected and, consequently, maintain a high environmental performance.

6.2 ▶ Efficient Use of Natural Resources

We promote the responsible use of water in our farm, harvest and packing processes.

Responsible resource management and environmental care are embedded in our company's DNA. We work at all our sites for a sustainable and responsible management of water, energy, supplies, raw materials, waste and effluents.

We Take Care of Water in Our Production Origins

Water, as an essential resource for life and food production, is crucial for the sustainable development of our production activities. We understand that its responsible use is not only necessary, but also occupies a preponderant role in our environmental management. Even more, when **operating in countries where the water situation becomes critical as in Peru and South Africa**. This makes us even more aware that it is a scarce resource when we manage it.

Measuring Our Water Footprint

OUR GLOBAL CHALLENGE

We have set the goal of **assessing the water footprint for the production of one kilogram of each product produced for each location** and, based on the results of the water footprint analysis (water consumptions and impacts), we have proposed to:

- Implement actions within the company to reduce its water footprint.
- Develop responsible water management projects to offset and mitigate our water impacts in the basin identified.

Success Story: Water Footprint in Peru

We have analyzed our water footprint in Peru as part of the process to get the *Certificación Azul* (blue certification), recognition from the Government of Peru for the practices applied by companies in the efficient use of water resources in the basins.

We have measured the **Water Footprint for the production of each fruit** over a season through the method proposed by ISO 14046:2014 standard, a system defined as "cradle to gate". The results of this job were as follows:

▶ CHINCHA (SITE)

- Mandarin: 121.99 liters of water/kg of mandarins harvested
- Avocado: 700.11 liters of water/kg of avocado

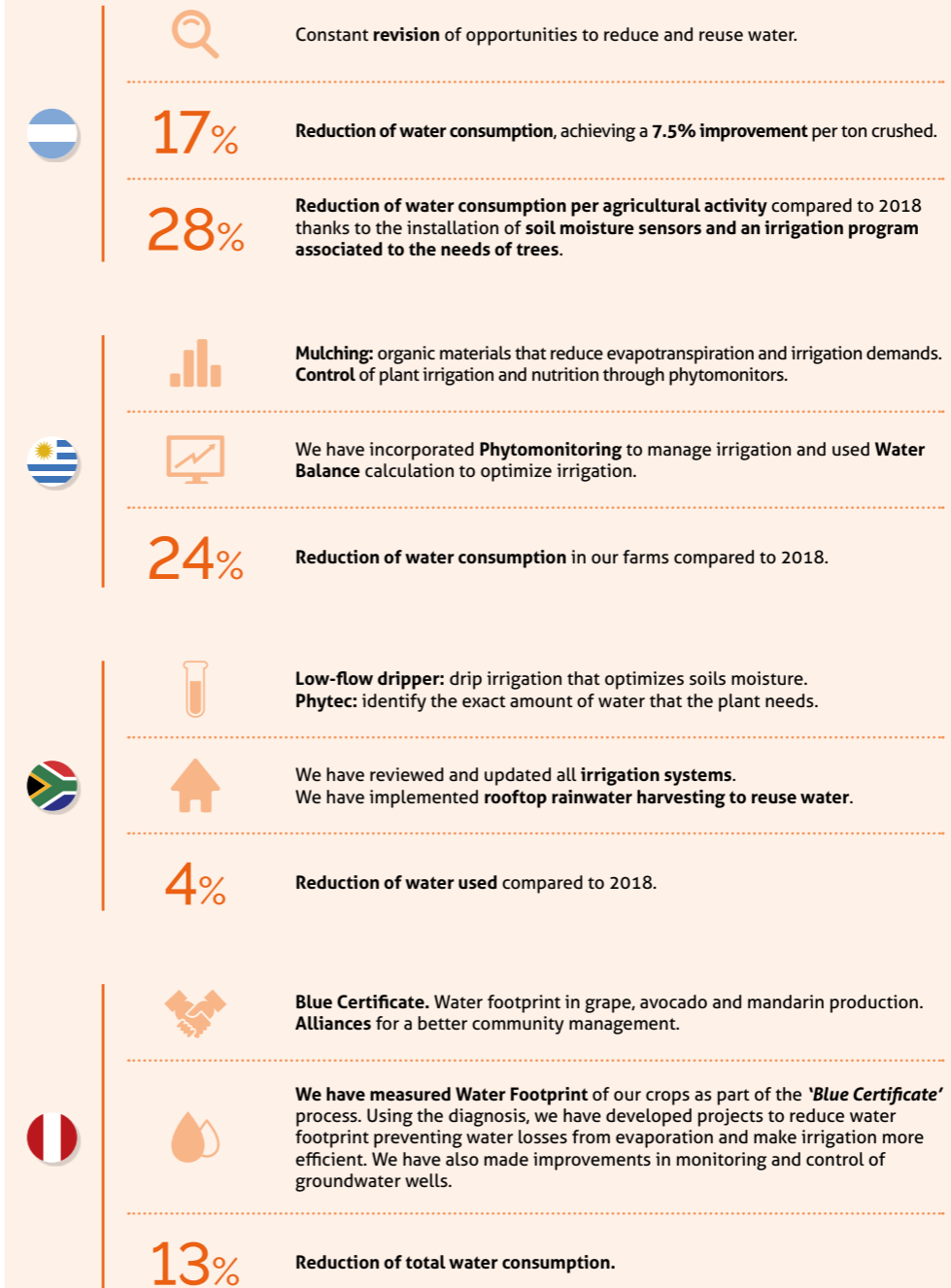
▶ CHEPÉN (SITE)

- Mandarin: 143 liters of water/kg of mandarins
- Avocado: 604 liters of water/kg of avocado
- Grape: 518 liters of water/kg of grapes

The methodology is based on the **life cycle analysis** applied to the use of water, calculating the consumption and quality alteration in the value chain of a product or service, process or organization, in addition to the potential impacts on human health and ecosystem quality.

Aiming to reduce water footprint, we have defined an **interdisciplinary work team** to propose and define the projects to be run in the short and medium term. We proposed **roofing the reservoirs** in the Chincha location and changing the irrigations hoses in the Chepén location, both projects aimed at reducing water loss, due to evaporation in the first case, and due to inefficiencies in the irrigation method in the second case. Besides these measures, we have prepared **projects to raise awareness** of water management in the community.

Water Use and Consumption



The technical assessment on the Water Footprint indicator and the commitments made to local communities show our commitment to be increasingly efficient in the use of water and in processes, and lead this change among associates, partners and suppliers.

6.2 ▶ Efficient Use of Natural Resources



In order to make an increasingly efficient use of natural resources and reduce our footprint, we have decided to incorporate renewable energy sources into our energy matrix.

We Make a Responsible and Efficient Use of Energy

With carbon footprint reduction as one of the central themes of our environmental management, we work in each country to reduce energy consumption and optimize its use through different initiatives.

Carbon Footprint

As part of our Weather Action strategy, in 2019 we started to work to standardize the measurement of our greenhouse gas (GHG) emissions globally, from the processes initiated in our nurseries to the ones of the port of destination.

To such end, we are using the “Greenhouse Gas Protocol”, jointly developed by World Business Council for Sustainable Development (WBCSD) and World Resources Institute (WRI). This emission management standard is the most widely used by companies and governments worldwide, and is aligned with ISO 14064.

The GHG inventory will allow us to standardize the emission calculation and reporting process at a corporate level for all the countries where we operate and will lay the foundations for a **more efficient emission management**, allowing to identify opportunities for emission reduction throughout the value chain, as well as the reliable calculation and reporting of emission management with the relevant indicators.

The development of this custom-made tool is intended to **contribute to reducing emissions through the diagnosis of the entire value chain**, to obtain the calculation of emissions (using 2019 as the baseline year) and based on these metrics establish reduction and efficiency goals for the short, medium and long term. At the time of closing this report, we are completing the corporate emission calculator.

Weather Action Plan: Renewable Sources in Our Energy Matrix



In order to make an increasingly efficient use of natural resources and reduce our footprint, we have decided to incorporate renewable energy sources into our energy matrix. Thus, starting in January 2020, **40% of the energy consumed in Famaillá Industrial Complex in Tucumán, our largest operating unit, will be supplied by renewable energy sources.**

CP Los Olivos S.A.U., a company of Central Puerto group will be supplying wind power for ten years starting in 2020. The volume of electric power from renewable sources will be purchased at the Renewable Energy Forward Market (Mercado a Término de Energía Renovable, “MATER”) and corresponds to **8,700 MWh.**

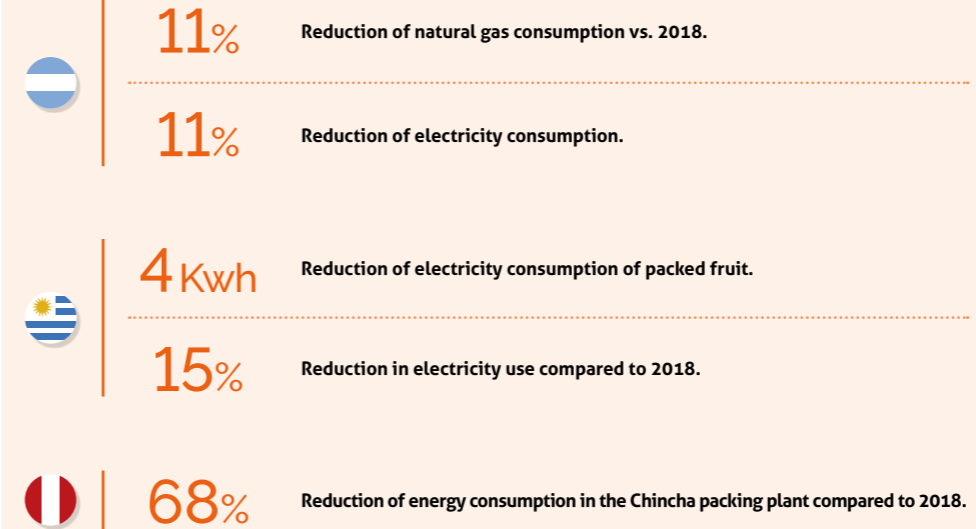
Through this decision we strengthen the commitment to **reduce the carbon footprint of our products** and favor sustainable development in our operations, while we contribute to meeting the **Sustainable Development Goals** proposed by the United Nations.

“ This way, San Miguel will be duplicating five years in advance the goal set by Law No. 27191 on Renewable Energies, which requires that by 2025 20% of electricity demand be supplied by clean sources produced in Argentina”

Paula Marincioni
Global Environment, Health and Safety
Manager for San Miguel.

[For more information, click here.](#)

⚡ Responsible Use of Energy



6.2 ▶ Efficient Use of Natural Resources

As part of our commitment to the Sustainable Development Goals, we have systems and technologies for the treatment of our effluents and environmental monitoring programs to ensure its effectiveness and appropriate final disposal.

We Manage Our Waste and Effluents Responsibly

We manage supplies and raw materials in a responsible manner with initiatives that allow recovering and reusing different types of materials from all our operations.

Through these actions, we get to **reduce, recycle or transform the materials into other useful element by adding value.**

As part of our management system, we monitor waste generation at source and trace all the streams to ensure they are properly managed.

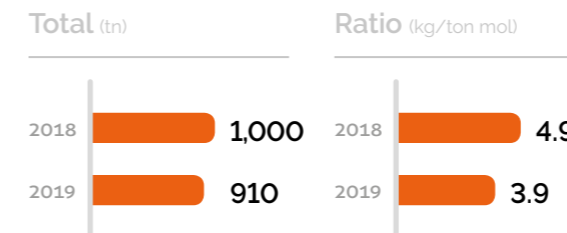
Waste

- We have renovated warehouses at farms and the industrial complex to prevent spills, contain leaks and segregate waste according to categories and risk levels.
- 97%** **Recyclability** in our industrial production supported by the organic fraction generated.
- We have implemented central warehouses for solid waste and by-products to improve classification and segregation.

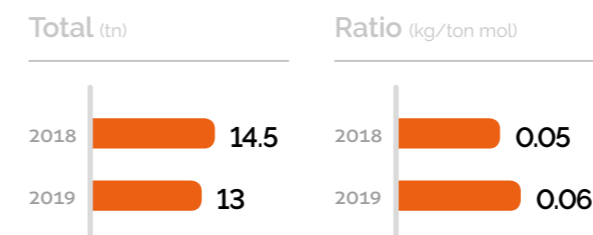
Effluents

- We have made improvements in the Effluent Treatment Plant, reaching efficiency levels higher than the historical ones.
- The project for irrigation using conditioned critical effluents was left operative, and is monitored routinely to ensure that soil is not affected.
- We have implemented a waste water monitoring program for water generated from our packing plant and we applied for permits to dispose of and/or reuse waste water from other processes.
- We have implemented a Monitoring Plan for effluents generated at the Chincha packing plant and have installed biodigesters to treat effluents generated at the Chincha farms.

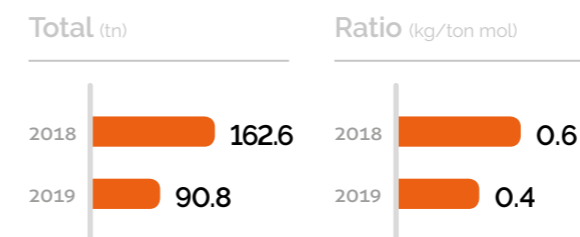
Waste



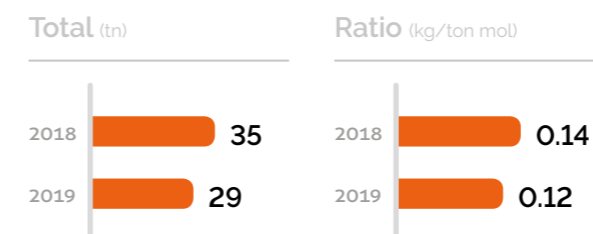
Plastic



Scrap Metal



Cartons



The Responsible Supply and Waste Circuit in Argentina

During 2019 we monitored and assessed our internal management. As a result, we have updated procedures and operating practices, modified responsibilities by sector and storage sites, and applied our procedures to our suppliers through visits and compliance audits of their environmental performance.

- Classification at Source**
The in-house program for waste classification and segregation receptacles at strategic generation points ensures availability based on the needs and internal logistics, to be later stored in warehouses according to their nature and sent to a reusing or recycling circuit.
- Reuse**
Pruning remains from agricultural activity are treated using shredding techniques and then disposed of in the farms, acting as soil conditioners. Organic remains from the industrial process are segregated, conditioned and incorporated -using tillage techniques- into the soil as organic fertilizer. A smaller percentage of these organic remains is used as animal feed.
- Recycling**
During 2019, we reduced the amount of waste similar to municipal waste generated at industrial level, achieving a 3.9 Kg/Ton crushed ratio, 1 Kg less than in 2018. The recyclability of the industrial complex was 97%, mostly driven by the organic fraction, the other by-products generated such as: plastics, cardboard, metal, paper and scrap were either donated or sold to different entities or companies that transformed and reinserted them as raw materials into other production processes or activities.

6.3 Sustainable Soil Management

The proper use of soil and environmental zoning in our operations respond to the distinctive features of each region where we operate, land planning and particular interest areas, each of our operations.

We regulate and rationalize the use of fertilizers and phytosanitary products in order to minimize the impact on soil, on surface or ground water sources and on plant and animal species. We choose the most suitable fertilizers and the latest technology to ensure a better use of nutrients based on fewer losses. Likewise, for crops, we apply chemicals that are approved by the countries of origin and destination of fruit, thus preventing risks for our associates, operators, consumers and the environment.

Some of our initiatives for soil sustainable management in all our operations are:

► We characterize environments and classify units at landscape level.

► We characterize soils in all farms from the agricultural point of view.

► We define the lands suitable for growing citrus, planting site and the variety/rootstock combination used in each case.

► We prepare maps of the farms to make provisions for cover crops and planting and growth programs.

► We consider the topographic features and the watershed through satellite images and planialtimetric maps.

► We have a fallowed field schedule: once the land is suitable for farming, we let it fallow for two years by planting an annual summer crop (fodder sorghum) and an annual winter crop (black barley). This way, we incorporate organic matter that improves soil, reduce the use of phytosanitary products and enhance plant health, as well as its productive potential.

► We use chipping when we renew or prune crops to add chips into the soil as organic matter.

► We incorporate mulching of plant residues to maintain soil moisture and increase organic matter content.

► We maximize water efficiency, generating plant coverage in the area with the highest concentration of the active root system.

► We have created the Pest Monitoring area to minimize the use of chemicals and determine the best time to apply these products, thus increasing application efficiency, replacing the old application practice according to calendar date.

► We manage agrochemical empty containers according to the rules in force through triple washing and perforation and we send them for final disposal through an operator authorized for transportation and operation.

Update on the Current Use and Zoning of Our Farms

In 2019, along with Proyungas, we conducted an analysis of the current use and zoning of four of our farms, which have more than 300 hectares of forest: Taficillo, Monte Grande, Luz María and Caspinchango. This analysis is an update of the report made in 2014.

As shown in the table below, the period under analysis (2014-2019) shows no significant changes in the total values of productive and wild areas for each property.

The differences of a few hectares identified in farms such as Caspinchango, El Naranjo, Luis María or María Luisa, are due to the use of higher resolution images that allowed to define in more detail the limit between the different environmental categories.

The forest area also remains constant. Forests tied to river courses protect the productive system (soil conservation, protection of stream banks, presence in sloping areas, etc.), but also have a role as biological connectors that ensure the transit of the animals that use larger forest patches, but in contact or close to citrus fields. Because of this, some wider protective forests (Caspinchango and Luz María properties) were revised in their preliminary zoning of 2014 and moved to a high conservation value category.

Every farm and nursery at San Miguel has a registration and continuous monitoring system of crops and agricultural operations, and we analyze soils according to the risk and the topographic characteristics of the area.

This is how we seek a long-term sustainable system that enables us to prevent soil degradation and other related problems.



Farm	PRODUCTIVE AREA (HA)		AREAS OF NATIVE FOREST (HA)		Total
	2014	2019	2014	2019	
Angelina	115	115	0	0	115
Caspinchango	1,006	999	6,272	6,285	7,284
Caspinchango II	72	72	0	0	72
Chabela	112	112	0	0	112
Don Alberto	119	119	30	30	149
El Naranjo	229	229	74	74	303
El Sunchal	120	121	26	25	146
Elmira	256	256	0	0	256
José Luis	36	36	0	0	36
La Salina	143	145	46	44	189
Luz María	287	306	414	396	702
María del Milagro	134	142	44	36	178
María Luisa	200	197	21	24	221
María Verónica	260	260	3	3	263
Monte Grande	1,069	1,071	340	340	1,411
Patricia	215	214	53	54	268
Santa Isabel	571	571	18	18	590
Taficillo	301	302	982	981	1,283
Total 2019	5,439	5,269	8,456	8,309	13,577
	39%	39%	61%	62%	100%

Farm	CASPINCHANGO		LUZ MARÍA		MONTE GRANDE		TAFICILLO		Total
	2014	2019	2014	2019	2014	2019	2014	2019	
Yungas	6,286	6,281	363	347	244	241	982	979	7,848
Riverside forest	-	-	51	48	94	88	-	-	136
Open forest	-	4	-	-	-	4	-	2	10
Wetlands (river course)	-	-	-	1	3	8	-	-	9
Deforested	-	-	-	-	-	-	46	46	46
Infraestructure	39	16	4	4	77	77	10	6	103
Service areas	-	31	-	15	-	2	-	5	53
Forest plantations	-	-	-	43	91	90	-	-	133
FP (harvested)	-	-	69	26	-	-	-	-	26
Citrus plantations	954	952	214	218	901	901	245	245	2,316


Area in hectares of environmental units (wild and productive) present in the four properties selected.

6.4 ▶ Biodiversity Protection




We work in nature and assume the responsibility of conducting our activities within a sustainability framework, constantly seeking to harmoniously integrate production into biodiversity conservation.

🌀 Biodiversity Protection

- 


We study the **quality of the aquatic environment and its biodiversity**. Watercourses had a good-excellent ecological quality, hosting a **high diversity of macroinvertebrates** (54 taxons).
- 3**



Years in a row we have achieved the 'Producto Yungas' certification, validating compliance with the certification criteria throughout the different stages of production activity and the progress made in the continuous improvement process at farms and the industrial plant.
- 


62%



Of the total area (**13,577 hectares**) of the environmental units of the properties **are wild areas** and the rest are areas used for agricultural and forest production.
- 10**



Species of large and medium-sized mammals were registered in the 21 sampling stations in farms (least weasel and lutrine opossum, ocelot, Pampas fox and crab-eating fox, eira barbara, South American raccoon, collared peccary, gray brocket and Brazilian guinea pig).
- 1,5**

Hectares preserved of native woodlands for every one productive hectare.
- 

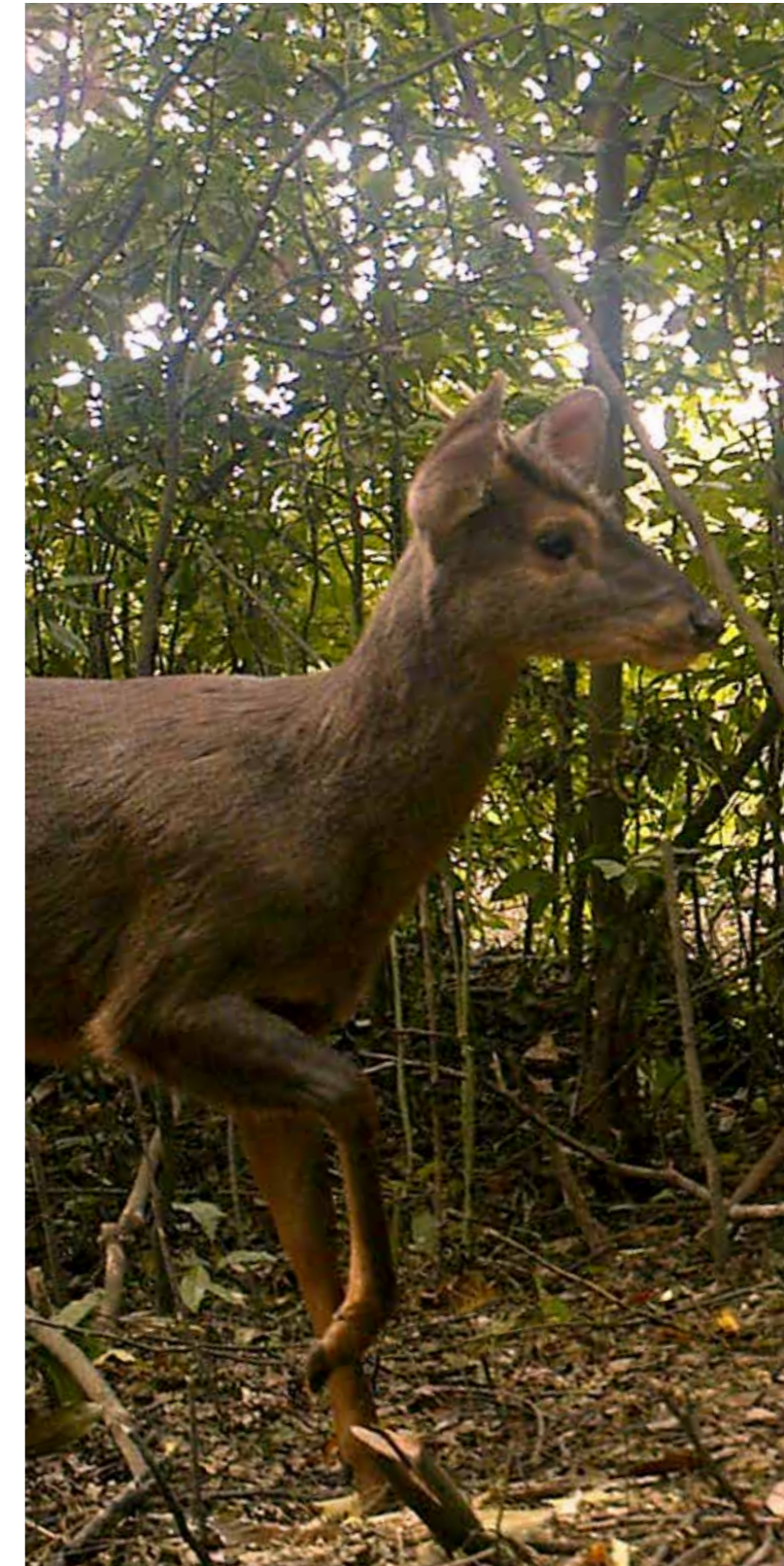
We carry out a **Flora and Fauna Search and Rescue Program**, according to relocation plans.
- 


We have identified and reallocated plants to relocate them in the protected area adjacent to the site.
- 

We undertook an on-foot search for **reptiles, invertebrates, amphibians and mammals** led by a professional team specialized in each habitat.
- 


We held trainings and talks related to **flora and fauna care and protection**.
- 


We put signs for flora and fauna protection in strategic points of our farms.



7

Our Relationship with the Communities



SDG

1



2



3



4



5



6



8



11



17



7.1 Social Investment Strategy

We keep addressing new challenges and seeking to consolidate the social investment program in each of our operations taking into account their needs, to help them thrive.

Our colleagues actively participate in the activities we held with our communities through Corporate Volunteering and Sustainability Committees.

Cornerstones of Our Strategy



Health



Development



Education



For each cornerstone, we have undertaken initiatives in the 4 countries where we are present, prioritizing our more vulnerable associates, their families and the neighbors of the small communities that are closer to our operations.

Executives and associates actively participate in the activities we carry out in our communities, through Volunteering and the Sustainability Committee.



Sustainable Development Goals



Aware of our role as key players in the global agenda, we consider the Sustainable Development Goals of the United Nations as the core guidelines of our actions.

Promoting quality education, contributing to zero hunger, encouraging labor inclusion and being key players of the economic development of the communities adjacent to our operations are some of the main commitments we have made for our management of community relations.

7.2 ▶ Community Actions



Our main aspiration is that the communities with which we relate have more and more opportunities.

III. Development

	<p>GERMINAR PROGRAM We encourage the development of Rural Women Entrepreneurs based on their own capacities and the support of their businesses, to help them consolidate an additional income for their families, as well as personal development.</p>	<p>▶ 32 enterprises underway ▶ 4th stage</p>
	<p>WORK 4 A LIVING We offer training to youth for the active search of a formal job, in Kirkwood, South Africa. Together with Tesco, one of the world's leading supermarkets, we have implemented this program so that unemployed people of Addo receive training in skills, thus contributing to reduce the current high unemployment rate. The 3 phases of the program are: preparing for work and changing mindset as regards poverty, developing administrative skills, learning specific skills.</p>	<p>▶ +68 students graduated ▶ 65% of graduates got their first job ▶ 10 students undertook their own business</p>
	<p>ACCESS TO WATER We have created initiatives for piped and household water connection for neighbors of the locations adjacent to our operations in Argentina, and we have ensured the provision of water tanks to employees in South Africa to ensure continuous supply.</p>	<p>▶ 50 families benefited</p>
	<p>INCLUSIVE PURCHASES We have incorporated NGO CADY, Centro Esperanza in Young, as the exclusive supplier for the food service of internal activities and trainings, to contribute to their development.</p>	
	<p>REFURBISHED HOMES We have refurbished the homes of associates within the farms in Uruguay and Argentina. Additionally, we have initiated a property and land donation for more than 100 families in Argentina.</p>	
	<p>REMODELED CHILDREN'S PLAY AREA We have remodeled the children's play area of Hoja Redonda village and we have improved the homes of the most outstanding associates in the season of each crop in Peru.</p>	<p>▶ +2.100 people benefited</p>
	<p>REMODELED ENTRANCE OF HOJA REDONDA HEALTH POST We have remodeled the entrance of Hoja Redonda Health Post, to facilitate access for people with disabilities and the entry of stretchers for transferring patients from this Health Post that provides primary care in the community.</p>	

Thudana Citrus

As part of the creation of this **new company jointly owned with our associates in South Africa** under the rules of the *Black Economic Empowerment* (BEE) program, where we **assigned 30% of equity interest to the 120 workers of Thudana Citrus**, we have established a **training and development program** for the new shareholders, given the responsibility they have as owners.

In 2019, trainings and support meetings focused on **providing management tools for their new role, leadership skills and more knowledge on the how a citrus industry company works**. Additionally, we support them in the process of nominating and voting for the representatives that would become board members and the logo that will represent the company.

This project takes place within the framework of the **BEE Promotion Law that forms part of South Africa National Development Plan 2030**, which addresses the inequalities affecting South African black citizens as a result of Apartheid. The main challenge considered in the Plan is to roll back poverty and inequality by 2030, which involves a combination of 3 factors: increasing employment, higher incomes through productivity growth and good-quality public services. This initiative is intended to empower these partners and create the opportunities that they or their families had not been able to access before.

Access to Drinking Water

The goal of the program is to provide access to piped and household water to 100% of the homes in the communities of our main farms. In 2019, we started with Santa Isabel, to continue in 2020 in Monte Grande and Caspinchango.

- ▶ **14 household connections made**
- ▶ **20 families benefited**
- ▶ **98 people started to have water in their homes**

We Empower Rural Women Germinar Program: Stage 4

In partnership with Fundación Cultural del Norte and Fundación para el Desarrollo de Tucumán, the purpose of the program is **to transform their skills into productive undertakings that generate an additional income for the family and a future with more opportunities for everyone**.

▶ **IN 2016**
We implemented the **first stage** of this program, where rural women neighbors were called to participate in a training space. They were mostly the wives of agricultural workers and came from communities near our main operation. We prepared a personal and group profile to encourage integration and provided empowerment courses.

▶ **IN 2017**
We implemented the **second phase**, with the objective that each one can develop the tools required to think, create and grow their micro-undertaking.

▶ **IN 2018**
We supported the **36 micro-undertakings** so that they could boost and sustain their development, formulating a business plan more adequate for each undertaking. In a big qualitative leap, 3 women entrepreneurs got seed capital (**\$250,000**) to use in their projects.

▶ **IN 2019**
Support was strengthened for those undertakings that were most affected by the widespread crisis, and the procedures required to form the non-for-profit organization **Asociación Civil Germinar**, integrated by the women entrepreneurs, were completed, thus favoring a path to independence. This formal organization will favor the joint work of all of them, driving their growth in business terms and gathering all efforts under an entity that represents them.

Women in rural communities are the engine of family development, and that is why we work, for the fourth consecutive year, to empower them through their own engagement and leadership.



7.2 ▶ Community Actions



We work to support the communities with which we relate while they grow and encourage capacity so that they can thrive by their own means in a sustainable manner.

Education

TUTTI-FRUTTI PROGRAM
In a joint program with Asociación Conciencia, validated by the Ministry of Education of the Province of Tucumán, we encourage **healthy habits in primary schools** as educational support. Additionally, we work on the contribution offered by new technologies to students, teachers and families.

- ▶ 263 students of 1st and 4th grade
- ▶ 16 teachers trained
- ▶ 4 schools from 2 participating rural areas: Monte Grande and Estación Padilla

OCCUPATIONAL TRAINING PROGRAMS
We provide **occupational courses open to the community** in order to create opportunities for alternative jobs. In 2019, Monte Grande, Chañar and Famaillá locations participated in packing, electricity and air conditioner repair workshops.

- ▶ 70 people benefited

RURAL COMMUNITY SUPPORT PROGRAM
As members of 'Supporters of Rural Schools Association', we collaborate through several initiatives related to the completion of teaching projects or the development of school life like **educational visits** in our farms and the Young plant, **donations** as well as involving in **vegetable garden workshop given with agricultural engineers** from San Miguel.

- ▶ 10 educational institutions benefited
- ▶ 12 children from Santa Isabel school participated in the vegetable garden workshop

▶ Besides, we sponsor **Santa Isabel rural school** in Young, supporting them in their needs throughout the year, from fruit donation to collaboration in the development of infrastructure, and through volunteering activities and facility maintenance.

TRAINING PROGRAM OPEN TO THE COMMUNITY
Together with Sociedad Rural de Río Negro, we initiated a series of open talks on topics of general interest. In the first edition, the topic was "Computer Security at Home", in order to warn about the risks behind connectivity, with an excellent response.

- ▶ 1 meeting for parents
- ▶ 1 talk for teenagers and youth

LIVING A WINNING LIFE
Recreational activities to **provide training in values and social and emotional skills** for associates and neighbors in Sunday River Valley, South Africa, as well as in **money management, labor skills, personal relationships and health and personal safety**. The main activities of this program are:

- ▶ 130 beneficiaries
- ▶ 8 participating companies
- ▶ 3 professional coaches
- ▶ 4 players of the community identified to join professional academies

▶ **Soccer Clinic:** A sport platform where we invite neighboring companies of *Sundays River Valley* to participate and build a good work relationship through soccer and work on subjects such as teamwork, goal setting, personal development, exceeding goals and the role of each individual in a group.

- ▶ 180 beneficiaries
- ▶ 10 participating companies
- ▶ 3 moderating professionals

HOLIDAY CLUB
We provide **healthy meals** to a summer holiday club for the children of *Sundays River Valley*, in a 5-day program with funny **educational and sporting activities** to keep them away from the streets.

- ▶ 400 beneficiaries

Education

SAMI TOUR
We implemented this pilot project intended for **students of the last years of Agronomy studies to visit our facilities** to share the technical experience in our operation. Students from Universidad Nacional de Trujillo, Universidad Nacional Pedro Ruiz Gallo, Instituto de Virú and CEFOP were given talks about crop technical issues and visited the mandarin, grape and avocado fields.

- ▶ 150 students benefited

The depth and scope of the initiatives of each operation varies based on the size of the operation, the context and its needs.

Health

EARLY CHILDHOOD
In order to strengthen early childhood development in rural areas, we carry out a program with Fundación FANN to train families in **early childhood care**.

- ▶ 2 workshops held in Estación Padilla, in coordination with the Municipality of Famaillá.

TEENAGE EDUCATION
We provide **Comprehensive Health advice** for Monte Grande and Estación Padilla secondary schools, in Famaillá. Through workshops, the purpose is to generate a safe space with active and unprejudiced listening for teenagers, providing guidance and information on topics they are interested in and connecting them to formal entities if necessary.

- ▶ 400 beneficiaries
- ▶ 13 workshops held

RURAL NUTRITION: SHARED FLAVORS PROGRAM
We provide educational and professional training **through diet and nutrition workshops** that provide tools to promote a better nutritional development of the participants' families.

- ▶ 61 cooking and healthy habit workshops in 3 rural areas of influence
- ▶ 63 people completed the cycle

CAREGIVERS
We assist **sick people** that lie at home with no possibility of going to a public hospital, through 3 social workers who visit the Valencia location in South Africa on a permanent basis, in partnership with the institution Sisters of Mercy.

- ▶ 50 families benefited
- ▶ 90 patients seen or referred all year round

HEALTH CAMPAIGNS
We conducted **dental and hand-washing campaigns** for students of schools near our farms in Peru.

- ▶ 450 beneficiaries

VACCINATION CAMPAIGN
In order to create a **prevention and health care culture** in associates, we conducted an influenza vaccination campaign in partnership with the Ministry of Health of Chepén.

PSYCHOLOGICAL CARE FOR CHILDREN
We implemented a pilot project to provide psychological care for children of Santa Catalina school located in the Hoja Redonda village, and thus strengthening their educational development and providing customized care for some special cases.

- ▶ 8 group workshops held
- ▶ 2 workshops for teachers
- ▶ 1 parent school

NUTRITION
We promote **healthy eating habits** in families in Argentina, Peru and Uruguay, including the food box subsidy, parent workshops and soup kitchens, and training for mothers in the proper development of early childhood.

- ▶ 1.200 people benefited

7.3 Corporate Volunteering



We promote solidarity and commitment to sustainability among our associates.

Volunteering Activities in 2019

- WE GATHERED FOOD**
 With Banco de Alimentos of Tucumán. Additionally, our proposed **Caring Boxes** project was accepted by this organization as new offer to vulnerable families. **▶ 1,660 kg of food gathered**
- SOLIDARITY DAY**
 Within the framework of **Solidarity Day**, we collected toys, educational kits and food for the Children's Day celebration for institutions of rural areas.
- TUTTI FRUTTI PROGRAM**
 Volunteers participated in the closing activities of the **Tutti Frutti Program**. **▶ 9 volunteers**
- WINTER CAMPAIGN**
 We carried out a **"Winter Campaign"** for Santa Isabel school, which consisted of donating clothes with Sociedad Rural de Rio Negro.
- EDUCATIONAL VISITS TO OUR FARMS**
 Volunteers participated as guides in the **educational visits to our farms**. **▶ 25 volunteers**
- FUND RAISING**
 Volunteers collaborated in a **fund raising initiative** for Santa Isabel rural school. **▶ 50 volunteers**
- CHILDREN'S DAY**
 We celebrated **Children's Day** at Santa Isabel school with a handicrafts workshop. **▶ 3 volunteers**
- HOLIDAY CLUB**
 Volunteers participated in the Holiday Club for children of **Sundays River Valley** in **educational and sporting activities**. **▶ 40 volunteers**
- WHISPERS PROJECT**
 We provided feminine hygiene products to girls of primary schools of Addo who cannot afford them. The lack of these hygiene products undermines their self-esteem, and leads to missed school days and social or sporting activities, limiting their development possibilities. In a monthly campaign, San Miguel's employees donate the products that are later distributed through the Sisters of Mercy. **▶ 4,380 pads distributed**
- CHILDREN'S CHRISTMAS CELEBRATION**
 We participated in the **Children's Christmas celebration** of the educational institution 82197 Kawachi – Pacanga. **▶ 50 children benefited**
- WE DONATED TOYS**
 For a hot coco party coordinated by El Carmen police station. **▶ 50 children benefited**
- DONATION OF READING BOOKS**
 To the Library of Sagrado Corazón de Jesús Parish located in the Hoja Redonda village.

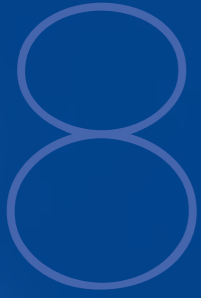
Volunteering Activities in 2019

- WASTE AND ENERGY**
 Environmentally, we define Waste and Energy as the main lines of action. In line with this: we reviewed and improved the recycling circuit, we added instruction signage in the cafeteria where the bin area is.
- CONBECA PROGRAM**
 In social matters, we participate as volunteers in the ConBeca Program, of Asociación Conciencia, oriented to support youth schooling and ensure school completion through comprehensive follow-up and training for the development of social and labor skills. To such end, each of the 12 volunteers from San Miguel was named as mentor of a senior student at School No. 16 of La Lonja Neighborhood in the Province of Buenos Aires. Each couple held individual meetings, and monthly activities were organized at the school, where experiences, tools and practical resources were exchanged to make it easier for young people to enter the labor/university world. **▶ 12 volunteers**
- CHRISTMAS TOUCH CAMPAIGN**
 For the end of the year, we carried out the Christmas Touch campaign intended to give food and presents to families of Buenos Aires so that they could celebrate such special evening. **▶ 12 families benefited**

We encourage teamwork and the coordination with third sector organizations through Corporate Volunteering efforts.

Entities with which we Partner through Alliances, Donations and Sponsorships





Achievements and Challenges

Just like every year, we provide information on our performance based on the challenges established in the previous year Sustainability Report, and we add new challenges for next year. With each stakeholder, we have a commitment to work towards.

The table below shows the progress made in achieving those goals, aligned with the seven core subjects of ISO 26000 standard:

- 👉 GOAL ACHIEVED
- 👈 GOAL PARTIALLY ACHIEVED
- 👇 GOAL NOT ACHIEVED



Corporate Governance		
Goal 2019	Achievement	
Design and implement an environmental and social management improvement plan for the company within the framework of the loan jointly granted by IFC, BID Invest and Rabobank.	We completed the design of the improvement plan, with initiatives to be implemented between 2019 and 2021.	⬆️
Consolidate the BEE (Black Economic Empowerment) project in South Africa, developing the Thudana operation and training all associates that form part of the project.	We made progress on the support and training for the 120 workers that form part of Thudana trust.	⬆️
Carry out an organizational culture-sensitive design and intervention, involving the Board team, the CEO and their reports and associates of the organization as part of this process.	We formed the Culture Core team, who, together with the leadership team, designed a Culture Plan that was reviewed and initiated in coordination with the local culture teams at each site.	⬆️
CHALLENGES 2020: Enhance the integration of the sites under a single P&L (Profit&Loss) applying the SAP management model also in Peru and South Africa • Design and implement Business Continuity Plans to complement the Risk Matrix with action plans related to the most strategic risks • Continue with the implementation of SAVIA and Integra projects at the different sites and teams to achieve a more efficient management focused on achieving our full potential.		




Fair Practices in Our Operations		
Goal 2019	Achievement	
Strengthen the assessment and systematization of the supplier assessment by designing a grid/checklist covering social and environmental aspects.	Sourcing and Sustainability teams have prepared a checklist with the Sustainability area to assess our critical suppliers.	⬆️
Strengthen sustainable management of Suppliers in our operation in Peru, by training the Sourcing team in sustainable procurement and implementing an assessment of critical suppliers as regards the anti-bribery and anti-corruption policies carried out by the top companies in that country and that will allow ensuring greater transparency in Procurement processes.	Corporate sourcing teams organized and provided training sessions to all Procurement teams in Peru (Lima, Chíncha, Chepén).	⬆️
Develop sustainability awareness actions for all the suppliers with whom the company relates.	We drew up concrete guidelines for all Procurement staff, in order to make suppliers aware of the supreme importance our company gives to sustainable management, both in the sourcing processes and during negotiations.	⬆️
CHALLENGES 2020: Analyze the possibility of reusing one way or disposable wood pallets coming from the transportation of our fresh fruit, upon their arrival in Europe and from all our points of origin • Organize an "Innovation Day" with suppliers in Tucumán, which will help us gather new ideas, capture and drive innovative initiatives and novelties, with special emphasis on sustainability • Search for highly skilled consulting service suppliers that enable us to improve energy efficiency and the renewable energy of our Famaillá industrial plant.		

Commitment to Human Rights		
Goal 2019	Achievement	
Align the CSR strategy of the company with its global strategic vision, intending to contribute to each of the pillars the company has defined as key to its future.	We have achieved a better alignment of the CSR strategy with the company's growth vision.	⬆️
Provide the operations with a unified strategy for community relations and social investment in the neighboring locations, prioritizing associates, their families and their own communities.	In line with the above item, we have shared and worked on the social investment strategy in all operations.	⬆️
Consolidate committed teams aligned with the strategy of the area in each operation, to be able to manage projects specific to each location without missing the global idea.	We have made progress on the designation of representatives to lead social investment in all sites.	⬆️
CHALLENGES 2020: Carry out a Human Rights diagnosis as a basis to improve our contribution in this matter • Enhance the alignment of the social investment strategy with the goals and indicators of the Sustainable Development Goals • Continue consolidating the local teams for more effective social investment management consistent with the needs of each context.		




Customers		
Goal 2019	Achievement	
Implement a container tracking and document control tool to optimize customer supply chain service.	We implemented this tool that allowed giving customers visibility of 100% of our deliveries from the 4 points of origin in a single format and with standardized information. Additionally, it served as a streamlined and straight channel to share export documents and provide better traceability and control of the shipping times.	⬆️
Develop projects together with our customers that enable us to leverage our development in sustainability with their requirements.	We advanced on the search of new alliances and project implementation. In 2019, 3 initiatives were carried out and we agreed on a fourth initiative for February 2020: 3 with Fresh Fruit customers and 1 with a Natural Ingredients customer.	⬆️
Continue developing new products focused on meeting the specific needs of our customers.	We continued developing products in the Natural Ingredients business and we implemented lines of work to incorporate new varieties or attributes demanded in fresh fruit (premium and seedless varieties, changes in canopy structure, netting, Low MRL products, etc.)	⬆️
CHALLENGES 2020: Strengthen our offer working to get the quality that customers require, from the field to logistics and sales, and develop differentiated products such as organic, low residue and seedless products (according to the varieties) • Continue developing alliances with customers to promote social, environmental and economic sustainability projects • Encourage a world agreement for the promotion of the lemon category.		

Labor Practices		
Goal 2019	Achievement	
Implement and operate an agile organizational design, which supports the business strategy.	The Human Resources team supported the business in its analysis to streamline and expedite its structures to continue boosting the business and achieve sustainable and scalable growth. This way, we got to improve business indicators and encourage our associates with new challenges and more challenging goals, promoting the development of new roles.	⬆️
Carry out an organizational culture-sensitive design and intervention.	By the end of 2018 and beginning of 2019, we made a Culture diagnosis, revealing the current culture and the one desired for the Company. Throughout the year, we made a deeper analysis of the diagnosis with a group of leaders of the organization to define the culture plan for the next 3 years. The purpose of this transformation is related to the business strategy for the next 5 years.	⬆️
San Miguel Management System, implementation of SAVIA (People Pillar) in Argentina and Peru.	We completed and validated the system design for the packing plants. We advanced on the implementation in the Pilot Site, defined in the packing plant of Chíncha, Peru, and began designing the system for the field and industries.	⬆️
CHALLENGES 2020: Continue working on the organizational design to reach our full potential and support the business strategy • Deepen our culture-sensitive management • Implementation of Savia (Management System-People Pillar) in Argentina, in field and plant. Develop new blocks in Peru and work on continuous improvement.		



Environmental Management	
Goal 2019	Achievement
Standardize and measure the Water Footprint in all operations of San Miguel with a clear action plan and specific reduction objectives.	We used the method established in ISO 14046:2014 to measure the Water Footprint of all mandarin, avocado and grape crops. We proposed reduction projects such as roofing water reservoirs to prevent losses from evaporation and we changed irrigation hoses to improve water efficiency. 
Standardize and measure the Carbon Footprint in all operations of San Miguel with a clear action plan and specific reduction objectives.	At the time of publication of this Report we have finished the standardization of the Greenhouse Gas (GHG) Inventory. 
Implement Basic Blocks for the Environmental Management System in all operations of San Miguel.	We designed Basic Blocks that form the Environmental Management Pillar. As part of this process, in 2019 we implemented a method for mapping and tracking the legal requirements for all operations. 

CHALLENGES 2020: Carry out the complete design stage of the Environmental Pillar under San Miguel Management System (SAVIA) • Develop a Greenhouse Gas Inventory for all operations of San Miguel (baseline year 2019) • Carry out the Biodiversity Plan with Proyungas in Argentina and create alliances with organizations in Uruguay, South Africa and Peru for joint work plans.

Active Participation and Development of Our Communities	
Goal 2019	Achievement
Encourage the development agenda over that of assistance through programs that seek to focus on the long term.	During 2019, we revised and reformulated our projects and programs to align them with the development agenda y participated and led public-private participation programs for local infrastructure projects. 
Accurately identify and define the communities targeted for social investment in each of the company operations.	We continued working on redefining our action focus and we approached more specifically to the communities adjacent to our operations, making our local impact less dispersed. 
Get an updated survey on the social conditions in each of our communities in order to accommodate the current and future programs based on their results.	We completed exhaustive surveys of the Chinchá (Peru) and Young (Uruguay) communities to create new programs starting in 2020 based on those results. 
Strengthen and make the most outstanding programs of our social investment global and boost them through the adequate alliances.	We worked on the Germinar Production Center project in Argentina and we got external investment to carry it out. Additionally, we closed a preliminary agreement with a customer to promote our Soccer Clinic in South Africa.

CHALLENGES 2020: Encourage the development agenda over that of assistance through programs that seek to focus on the long term • Get an updated survey on the social conditions in each of our communities in order to accommodate the current and future programs based on their results • Strengthen and make the most outstanding programs of our social investment global and boost them through the adequate alliances.



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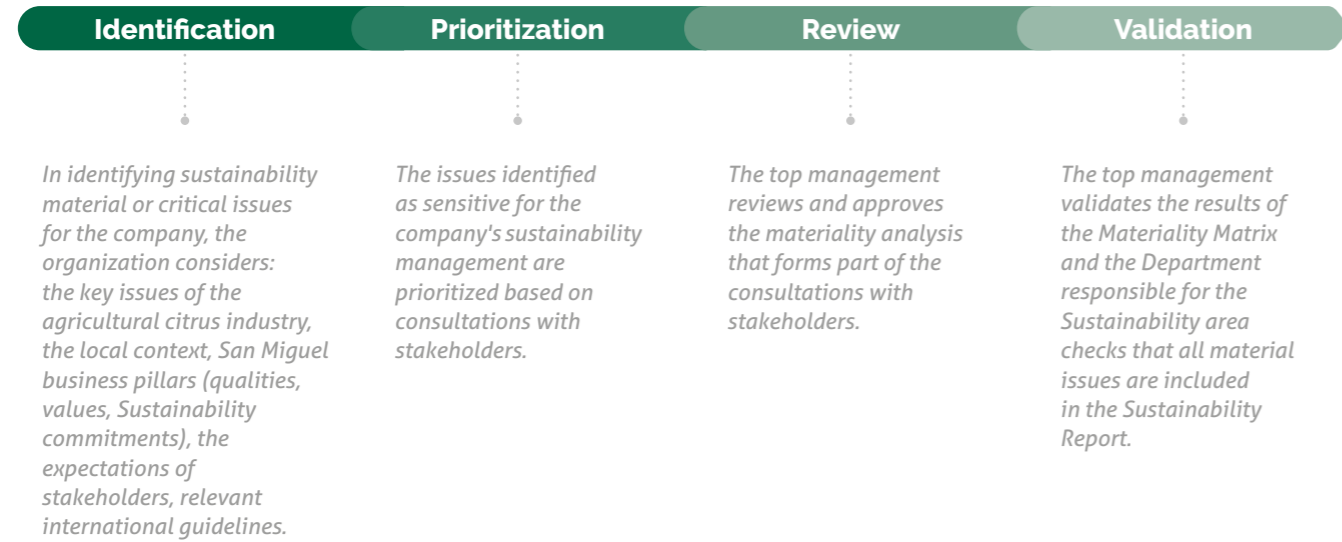
**Technical
Criteria for this
Report**



Materiality Stages

The preparation of this Sustainability Report implies a process within our company that engages all areas to specifically respond on the relevant issues related to our management of the citrus business.

Within this framework, we define the Report contents considering the GRI principles of stakeholder inclusiveness, sustainability context, materiality and completeness, through a process that covers the following Materiality Stages, according to its guidelines:



Coverage of Material Issues

This is our assessment of the impact of each material issue on our stakeholders. Additionally, we present the relationship between our material issues and the GRI topic-specific Standards.

REFERENCES
A: Shareholders and corporate governance
Co: Associates
P: Suppliers
C: Community
CL: Customers and consumers
G: Government, state and public authorities
MA: Environment

Coverage of Material Issues		Stakeholders						
Material issues	Relevant GRI topic-specific standards	A	Co	P	C	CL	G	MA
Business - Promoting responsible business management within the organization								
Ethics and transparency in business management	GRI 205: Anti-corruption 2016	✗	✗	✗	✗	✗	✗	✗
	GRI 419: Socioeconomic Compliance 2016	✗	✗	✗	✗	✗	✗	✗
Long-term business strategy	GRI 201: Economic Performance 2016	✗	✗	✗	✗	✗	✗	✗
Fair competition	GRI 206: Anti-competitive Behavior 2016	✗	✗	✗	✗	✗	✗	✗
	GRI 406: Non-discrimination 2016							
Respect for human rights	GRI 409: Forced or Compulsory Labor 2016	✗	✗	✗	✗	✗	✗	✗
	GRI 407: Freedom of Association and Collective Bargaining 2016							
	GRI 412: Human Rights Assessment							
Suppliers - Contributing to our network of suppliers in the sustainable development of their business								
Supplier assessment and development	GRI 204: Procurement Practices 2016	✗	✗	✗	✗	✗	✗	✗
Fight against child labor	GRI 408: Child Labor 2016	✗	✗	✗	✗	✗	✗	✗
Promoting social responsibility in the supply chain	GRI 414: Supplier Social Assessment 2016	✗	✗	✗	✗	✗	✗	✗
	GRI 308: Supplier Environmental Assessment 2016							
Labor Practices - Developing people in their human and economic aspects								
Talent attraction, development and retention	GRI 401: Employment 2016	✗	✗	✗	✗	✗	✗	✗
	GRI 404: Training and Education 2016							
Work-life balance	GRI 402: Labor/Management Relations 2016	✗	✗	✗	✗	✗	✗	✗
Occupational health and safety	GRI 403: Occupational Health and Safety 2016	✗	✗	✗	✗	✗	✗	✗
Diversity and equal opportunity	GRI 405: Diversity and Equal Opportunity 2016	✗	✗	✗	✗	✗	✗	✗
Temporary employee management	GRI 401: Employment 2016	✗	✗	✗	✗	✗	✗	✗
Customers - Interpreting the needs of our customers and meeting them with integrity								
Encouraging healthy life habits	GRI 416: Customer Health and Safety 2016	✗	✗	✗	✗	✗	✗	✗
Customer service	Customer satisfaction	✗	✗	✗	✗	✗	✗	✗
	GRI 417: Marketing and Labeling 2016							
Food Safety	Healthy and Affordable Food	✗	✗	✗	✗	✗	✗	✗
	GRI 416: Customer Health and Safety 2016							
Environment - Using natural resources responsibly and sparingly								
Efficient use of water	GRI 303: Water 2016	✗	✗	✗	✗	✗	✗	✗
Effluent management	GRI 306: Effluents and Waste 2016	✗	✗	✗	✗	✗	✗	✗
Waste management	GRI 306: Effluents and Waste 2016	✗	✗	✗	✗	✗	✗	✗
Sustainable soil management	GRI 304: Biodiversity 2016	✗	✗	✗	✗	✗	✗	✗
Biodiversity protection	GRI 304: Biodiversity 2016	✗	✗	✗	✗	✗	✗	✗
Energy efficiency	GRI 302: Energy 2016	✗	✗	✗	✗	✗	✗	✗
Climate change and ecosystem conservation	GRI 305: Emissions 2016	✗	✗	✗	✗	✗	✗	✗
	GRI 304: Biodiversity 2016							
Sustainable agriculture	GRI 307: Environmental Compliance 2016	✗	✗	✗	✗	✗	✗	✗
Community - Going along with the development of the communities in our fields of activity								
Education	GRI 413: Local Communities 2016	✗	✗	✗	✗	✗	✗	✗
	GRI 203: Indirect Economic Impacts 2016							
Nutrition	GRI 413: Local Communities 2016	✗	✗	✗	✗	✗	✗	✗
	Healthy and Affordable Food							
Housing	GRI 413: Local Communities 2016	✗	✗	✗	✗	✗	✗	✗
	GRI 203: Indirect Economic Impacts 2016							

GRI Table of Contents

This report has been prepared pursuant to the GRI standards: Core option. The table below shows the responses to the requirements of the Global Reporting Initiative (GRI) standards, additionally including some contents required for the “comprehensive” option.

At the same time, we show our compliance with the Principles of the United Nations Global Compact, ISO 26000:2010 Standard and the Sustainable Development Goals (SDG) presented by the United Nations Organization.

GRI 101: Foundations 2016 - General Disclosures						
GRI Standard	Disclosures	Page Number	Omission	SDG	Global Pact	ISO 26000
Organizational Profile						
102-1	Name of the organization	6				6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.2
102-2	Activities, brands, products and services	8-11, 42-43, Note 1				6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.2
102-3	Location of headquarters	Note 2				6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.2
102-4	Location of operations	10-11				6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.2
102-5	Ownership and legal form	Note 3				6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.2
102-6	Markets served	42				6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.2
102-7	Scale of the organization	9-11, 51, Annex				6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.2
102-8	Information on employees and other workers	Annex		8.5	Principle 6	6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.2
102-9	Supply chain	32-33, 36-37, Annex				6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.2
102-10	Significant changes to the organization and its supply chain	Note 4			Principle 8	6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.2
102-11	Precautionary principle or approach	24-25				6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.2, 7.8
102-12	External initiatives	21, 46, 63, 105				6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.2, 7.8
102-13	Membership of associations	29				6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.2, 7.8
Strategy						
102-14	Statement from senior decision makers	4				4.7, 6.2, 7.2, 7.4.2
102-15	Key impacts, risks and opportunities	2-3, 4, 105				4.7, 6.2, 7.2, 7.4.2
Ethics and Integrity						
102-16	Values, principles, standards and norms of behavior	9, 14, 10, 26			Principle 10	4.4, 6.2, 6.6.3, 7.2, 7.4.3, 7.7.5
102-17	Advisory mechanisms and concerns about ethics	20			Principle 10	4.4, 6.6.3, 7.2
Governance						
102-18	Governance structure	22-23				6.2, 7.2, 7.4.3, 7.4.5
102-19	Delegating authority	22-23				6.2, 7.2, 7.4.3, 7.7.5
102-20	Responsibility at Executive level for economic, environmental and social topics	22-23				6.2, 7.2, 7.4.3, 7.7.5

GRI 102: GENERAL DISCLOSURES 2016

GRI 101: Foundations 2016 - General Disclosures						
GRI Standard	Disclosures	Page Number	Omission	SDG	Global Pact	ISO 26000
Governance						
102-21	Consulting stakeholders on economic, environmental and social topics	Note 5				6.2, 7.2, 7.4.3, 7.7.5
102-22	Composition of the highest governance body and its committees	22-23		5.5, 16.7		6.2, 7.2, 7.4.3, 7.7.5
102-23	Chair of the highest governance body	22-23		16.6		6.2, 7.2, 7.4.3, 7.7.5
102-25	Conflicts of interest	Note 6		16.6		6.2, 7.2, 7.4.3, 7.7.5
102-26	Role of the highest governance body in setting purpose, values, and strategy	22-23				6.2, 7.2, 7.4.3, 7.7.5
102-29	Identifying and managing economic, environmental, and social impacts	22-24				6.2, 7.2, 7.4.3, 7.7.5
102-30	Effectiveness of risk management processes	24-25				6.2, 7.2, 7.4.3, 7.7.5
102-31	Review of economic, environmental, and social topics	22-23				6.2, 7.2, 7.4.3, 7.7.5
102-32	Highest governance body's role in sustainability reporting	22-23				6.2, 7.2, 7.4.3, 7.7.5
102-33	Communicating critical concerns	Note 7				6.2, 7.2, 7.4.3, 7.7.5
102-35	Remuneration Policies	Note 8				6.2, 7.2, 7.4.3, 7.7.5
102-36	Process for determining remuneration	Note 8				6.2, 7.2, 7.4.3, 7.7.5
102-37	Stakeholders' involvement in remuneration	Note 9				6.2, 7.2, 7.4.3, 7.7.5
102-38	Annual total compensation ratio	Annex				6.2, 7.2, 7.4.3, 7.7.5
102-39	Percentage increase in annual total compensation ratio	Annex				6.2, 7.2, 7.4.3, 7.7.5
Stakeholders Engagement						
102-	List of stakeholder groups	16-17				5.3, 7.2
102-41	Collective bargaining agreements	Annex			Principle 3	6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.2
102-42	Identifying and selecting stakeholders	Note 10				5.3, 7.2
102-43	Approach to stakeholder engagement	Note 11				5.3, 6.7.1- 6.7.2, 6.7.6, 7.2
102-44	Key topics and concerns raised	Note 12				5.3, 6.7.1- 6.7.2, 6.7.6, 7.2
Reporting Practice						
102-45	Entities included in the consolidated financial statements	105				5.2, 7.2, 7.3.2, 7.3.3, 7.3.4
102-46	Defining report content and topic Boundaries	92-93				5.2, 7.2, 7.3.2, 7.3.3, 7.3.4
102-47	List of material topics	14-15				5.2, 7.2, 7.3.2, 7.3.3, 7.3.4
102-48	Restatements of information	Note 13				5.2, 7.2, 7.3.2, 7.3.3, 7.3.4
102-49	Changes in reporting	Note 14				5.2, 7.2, 7.3.2, 7.3.3, 7.3.4
102-50	Reporting period	105				7.2, 7.5.3, 7.6.2
102-51	Date of most recent report	Note 15				7.2, 7.5.3, 7.6.2
102-52	Reporting cycle	Note 16				7.2, 7.5.3, 7.6.2
102-53	Contact point for questions regarding the report	105				7.2, 7.5.3, 7.6.2
102-54	Claims of reporting in accordance with GRI Standards	105				7.2, 7.5.3, 7.6.2
102-55	GRI content index	94-104				7.2, 7.5.3, 7.6.2
102-56	External assurance	Note 17				7.2, 7.5.3, 7.6.2

GRI 102: GENERAL DISCLOSURES 2016

Material Topics						
GRI Standard	Disclosures	Page Number	Omission	SDG	Global Pact	ISO 26000
Economic Performance						
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
	103-2 The management approach and its components	12-13			Principle 1 Principle 8	4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	12-13, 24-25				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 201: ECONOMIC PERFORMANCE 2016	201-1 Direct economic value generated and distributed	12-13				6.8.1-6.8.2, 6.8.3, 6.8.7, 6.8.9
	201-2 Financial implications and other risks and opportunities due to climate change	24-25			Principle 7	6.5.5
	201-3 Defined benefit plan obligations and other retirement plans	Note 18				6.8.7
	201-4 Financial assistance received from government	Note 19				
Procurement Practices						
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
	103-2 The management approach and its components	36-37				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	36-37, Annex				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 204: PROCUREMENT PRACTICES 2016	204-1 Proportion of spending on local suppliers	36-37, Annex		8.3		6.4.3, 6.6.6, 6.8.1- 6.8.2, 6.8.7
Anti-Corruption						
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
	103-2 The management approach and its components	20, 24				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	Note 20				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 205: ANTI-CORRUPTION 2016	205-1 Operations assessed for risks related to corruption	10			Principle 10	6.6.1-6.6.2, 6.6.3
	205-3 Confirmed incidents of corruption and actions taken	Note 20				
Unfair Competition						
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
	103-2 The management approach and its components	20-21				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	Note 21				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 206: UNFAIR COMPETITION	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Note 21				6.6.1-6.6.2, 6.6.5, 6.6.7
Materials						
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5

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Materials						
GRI 103: MANAGEMENT APPROACH 2016	103-2 The management approach and its components	62-63, 68				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	68-69				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 301: MATERIALS 2016	301-2 Recycled input materials used	68-69, Annex		8.4, 12.2, 12.5	Principle 8	6.5.4
	301-3 Reclaimed products and their packaging materials	68-69, Annex		8.4, 12.2	Principle 8	6.5.1-6.5.2, 6.5.3, 6.5.4, 6.7.5
Energy						
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
	103-2 The management approach and its components	62-63, 66				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	67, Annex				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 302: ENERGY 2016	302-1 Energy consumption within the organization	67, Annex, Note 22		7.3, 8.4, 12.2	Principle 7 Principle 8	6.5.4
	302-3 Energy intensity	Annex		7.3, 8.4, 12.2	Principle 8	6.5.4
	302-4 Reduction of energy consumption	67, Annex		7.3, 8.4	Principle 8 Principle 9	6.5.4, 6.5.5
	302-5 Reductions in energy requirements of products and services	67		7.3, 8.4	Principle 8 Principle 9	6.5.4, 6.5.5
Water						
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
	103-2 The management approach and its components	62-65				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	64-65, Annex				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 303: WATER 2016	303-1 Water withdrawal by source	64-65, Annex		6.4	Principle 7 Principle 8	6.5.4
	303-2 Water sources significantly affected by withdrawal of water	64-65, Annex		6.4	Principle 8	6.5.4
	303-3 Water recycled and reused	64-65, Annex		6.3, 6.4, 8.4, 12.2	Principle 8	6.5.4
Biodiversity						
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
	103-2 The management approach and its components	62-63, 70-73				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	70-73, Annex				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 304: BIODIVERSITY 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	71-72		6.6, 15.1	Principle 8	6.5.6
	304-2 Significant impacts of activities, products, and services on biodiversity	70-72		6.6, 15.1, 15.5	Principle 8	6.5.6

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Biodiversity						
GRI 304: BIODIVERSITY 2016	304-3 Habitats protected or restored	71-72, Annex		6.6, 15.1		6.5.6
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Annex		6.6, 15.1	Principle 8	6.5.6
Emissions						
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
	103-2 The management approach and its components	62-63, 66-67				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	62				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 305: EMISSIONS 2016	305-1 Direct (scope 1) GHG emissions		Note 23	12.4, 15.2	Principle 7 Principle 8	6.5.5
	305-2 Energy indirect (scope 2) GHG emissions		Note 23	12.4, 15.2	Principle 7 Principle 9	6.5.5
	305-4 GHG emissions intensity	62		15.2	Principle 8	6.5.5
	305-5 Reduction of GHG emissions	62		15.2	Principle 8 Principle 9	6.5.5
Effluents and Waste						
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
	103-2 The management approach and its components	62-63, 68-69				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	68-69, Annex				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 306: EFFLUENTS AND WASTE 2016	306-1 Water discharge by quality and destination	Annex		6.3, 6.4, 6.6, 12.4	Principle 8	6.5.3, 6.5.4
	306-2 Waste by type and disposal method	69, Annex		6.3, 12.4, 12.5	Principle 8	6.5.3
	306-3 Significant spills	Note 24		6.3, 6.6, 15.1	Principle 8	6.5.3
	306-4 Transport of hazardous waste	Note 25		12.4	Principle 8	6.5.3
	306-5 Water bodies affected by water discharges and/or runoff	Annex		6.6, 15.1	Principle 8	6.5.3, 6.5.4, 6.5.6
Environmental Compliance						
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
	103-2 The management approach and its components	62-63				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	Note 26				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 307: ENVIRONMENTAL COMPLIANCE 2016	307-1 Non-compliance with environmental laws and regulations	Note 26			Principle 8	6.5.1-6.5.2
Supplier Environmental Assessment						
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
	103-2 The management approach and its components	34-39				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	38-39, Note 27				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5

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Supplier Environmental Assessment						
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-1 New suppliers that were screened using environmental criteria	38-39			Principle 8	6.3.5, 6.5.1-6.5.2, 6.6.6, 7.3.1
	308-2 Negative environmental impact in the supply chain and actions taken	Note 27			Principle 8	6.3.5, 6.5.1-6.5.2, 6.6.6, 7.3.1
Employment						
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
	103-2 The management approach and its components	50-53, 56-58				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	56-58, Annex				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 401: EMPLOYMENT 2016	401-1 New employee hires and employee turnover	53, Annex		5.1, 8.5, 8.6	Principle 6	6.4.3
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	56-58		8.5		
	401-3 Parental leave	Annex		5.1, 8.5	Principle 6	6.4.4
Labor-Management Relations						
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
	103-2 The management approach and its components	50, 52-53, 56-58				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	58, Note 28				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 402: LABOR-MANAGEMENT RELATIONS 2016	402-1 Minimum notice periods regarding operational changes	Note 28		8.8	Principle 3	6.4.3, 6.4.5
Occupational Health and Safety						
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
	103-2 The management approach and its components	50, 52, 56-57, 59				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	56-57, 59, Annex				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2016	403-1 Workers representation in formal joint management-worker health and safety committees	59		8.8		6.4.6
	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	59		3.8, 8.8		6.4.6, 6.8.8
	403-3 Workers with high incidence or high risk of diseases related to their occupation	59		3.8, 8.8		6.4.6, 6.8.8
	403-4 Health and safety topics covered in formal agreements with trade unions	Note 29		8.8		6.4.6
Training and Education						
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
	103-2 The management approach and its components	50, 52, 54-55				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5

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Training and Education						
GRI 103: MANAGEMENT APPROACH 2016	103-3 Evaluation of the management approach	54-55, Annex				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	404-1 Average hours of training per year per employee	Annex		4.4, 5.1, 8.5		6.2.3, 6.3.7, 6.3.10, 6.4.3, 6.4.4, 6.4.7, 6.8.7
GRI 404: TRAINING AND EDUCATION 2016	404-2 Programs for upgrading employee skills and transition assistance programs	54, Note 30		8.2, 8.5		6.4.7, 6.8.5
	404-3 Percentage of employees receiving regular performance and career development reviews	Annex		5.1, 8.5		6.4.7
Diversity and Equal Opportunities						
	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
GRI 103: MANAGEMENT APPROACH 2016	103-2 The management approach and its components	51, 58				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	Annex				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 405: DIVERSITY AND EQUAL OPPORTUNITIES 2016	405-1 Diversity of governance bodies and employees	22, 51, Annex		5.1, 5.5, 8.5	Principle 6	6.2.3, 6.3.7, 6.3.10, 6.4.3, 6.4.4, 6.8.7
	405-2 Ratio of basic salary and remuneration of women to men	Annex		5.1	Principle 6	6.3.7, 6.3.10, 6.4.3, 6.4.4
Non-Discrimination						
	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
GRI 103: MANAGEMENT APPROACH 2016	103-2 The management approach and its components	20, 26-27, 50				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	Note 31				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 406: NON-DISCRIMINATION 2016	406-1 Incidents of discrimination and corrective actions taken	Note 31		5.1, 5.5, 8.5, 8.7, 8.8	Principle 6	4.8, 6.3.1-6.3.2, 6.3.6, 6.3.7, 6.3.10, 6.4.3
Freedom of Association and Collective Bargaining						
	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
GRI 103: MANAGEMENT APPROACH 2016	103-2 The management approach and its components	20, 26-28, 39, 50-52				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	Note 32				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Note 32		8.8	Principle 3	4.8, 6.3.1-6.3.2, 6.3.3, 6.3.4, 6.3.5, 6.3.8, 6.4.5, 6.6.6
Child Labor						
	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
GRI 103: MANAGEMENT APPROACH 2016	103-2 The management approach and its components	20, 26-28, 39, 50-52				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	Note 33				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 408: CHILD LABOR 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Note 33			Principle 5	4.8, 6.3.1-6.3.2, 6.3.3, 6.3.4, 6.3.5, 6.3.7, 6.3.10, 6.6.6, 6.8.4

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Forced or Compulsory Labor						
	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
GRI 103: MANAGEMENT APPROACH 2016	103-2 The management approach and its components	20, 26-28, 39, 50-52				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	Note 34				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 409: FORCED OR COMPULSORY LABOR 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Note 34			Principle 4	4.8, 6.3.1-6.3.2, 6.3.3, 6.3.4, 6.3.5, 6.3.10, 6.6.6
Human Rights Assessment						
	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
GRI 103: MANAGEMENT APPROACH 2016	103-2 The management approach and its components	20, 26-28, 39, 50-52				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	Note 35				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 412: HUMAN RIGHTS ASSESSMENT 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	Note 35			Principle 1	4.8, 6.3.1-6.3.2, 6.3.3, 6.3.5
Local Communities						
	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
GRI 103: MANAGEMENT APPROACH 2016	103-2 The management approach and its components	76-77				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	78-83				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 413: LOCAL COMMUNITIES 2016	413-1 Operations with local community engagement, impact assessments, and development programs	78-83			Principle 1	6.3.9, 6.5.1-6.5.2, 6.5.3, 6.8
Supplier Social Assessment						
	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
GRI 103: MANAGEMENT APPROACH 2016	103-2 The management approach and its components	34-39				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	38-39, Note 36				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	414-1 New suppliers that were screened using social criteria	38-39		8.8, 16.1	Principle 2	4.8, 6.3.1-6.3.2, 6.3.3, 6.3.4, 6.3.5, 6.4.1-6.4.2, 6.4.3, 6.6.1-6.6.2, 6.6.6, 6.8.1-6.8.2, 7.3.1
	414-2 Negative social impacts on the supply chain and actions taken		Note 36	8.8	Principle 2	4.8, 6.3.1-6.3.2, 6.3.3, 6.3.4, 6.3.5, 6.4.1-6.4.2, 6.4.3, 6.6.1-6.6.2, 6.6.6, 6.8.1-6.8.2, 7.3.1
Customer Health and Safety						
	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
GRI 103: MANAGEMENT APPROACH 2016	103-2 The management approach and its components	46-47				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5

		Material Topics				
GRI Standard	Disclosures	Page Number	Omission	SDG	Global Pact	ISO 26000
Customer Health and Safety						
GRI 103: MANAGEMENT APPROACH 2016	103-3 Evaluation of the management approach	Note 37, Note 38				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 416: CUSTOMER HEALTH AND SAFETY 2016	416-1 Assessment of the health and safety impacts of product and service categories	Note 37				6.7.1-6.7.2, 6.7.4, 6.7.5, 6.8.8
	416-2 Incidents of non compliance concerning the health and safety impacts of products and services	Note 38				4.6, 6.7.1-6.7.2, 6.7.4, 6.7.5, 6.8.8
Marketing and Labeling						
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
	103-2 The management approach and its components	44-47				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	46, Note 39, Note 40, Note 41				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	417-1 Requirements for product and service information and labeling	Note 39		12.8		6.7.1-6.7.2, 6.7.3, 6.7.4, 6.7.5, 6.7.9
GRI 417: MARKETING AND LABELING 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	Note 40				4.6, 6.7.1-6.7.2, 6.7.3, 6.7.4, 6.7.5, 6.7.9
	417-3 Incidents of non-compliance concerning marketing communications	Note 41				4.6, 6.7.3,
Socioeconomic Compliance						
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
	103-2 The management approach and its components	20-23				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	Note 42				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
GRI 419: SOCIOECONOMIC COMPLIANCE 2016	419-1 Non-compliance with laws and regulations in the social and economic area	Note 42				4.6, 6.7.1- 6.7.2
Healthy and Affordable Food						
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	14-15, 92-93				5.2, 6, 7.2, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.4.3, 7.7.3, 7.7.5
	103-2 The management approach and its components	46-47, 76-77				4.8, 6, 6.3.1- 6.3.2, 6.3.6, 6.4.1-6.4.2, 6.5.1-6.5.2, 6.6.1-6.6.2, 6.8.1-6.8.2, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	103-3 Evaluation of the management approach	80-81				6, 7.3.1, 7.4.3, 7.7.3, 7.7.5
	Programs that promote healthy lifestyles, prevention of chronic diseases, access to healthy, nutritious and accessible food; improvement of community welfare	80-81				
Customer Satisfaction						
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	14-15, 92-93				
	103-2 The management approach and its components	42-45				
	103-3 Evaluation of the management approach	45				
	Results of surveys measuring customer satisfaction.		Note 43			

Notes

NOTE 1

There are no prohibited products, but markets not yet open for some of our products. For various reasons (commercial, diplomatic, phytosanitary, etc.) some of them are closed export of certain citrus fruits. San Miguel actively participates together with official bodies and sectoral chambers to promote the opening of new markets that are now closed.

NOTE 2

San Miguel headquarters are located in Buenos Aires, Argentina.

NOTE 3

Legal Structure: S.A. San Miguel A.G.I.C.I y F. (Agrícola, Ganadera, Industrial, Comercial, Inmobiliaria y Financiera). (Limited Liability Company dedicated to Agricultural, Livestock, Industrial, Commercial, Real Estate and Financial Activities)

NOTE 4

There have been no changes in the size, structure, ownership or supply chain of the company.

NOTE 5

Stakeholder inquiries are referred to the highest governance body of the company, where the steps to be followed are resolved, defined or delegated.

NOTE 6

Conflicts of interest are managed through the processes established in the Code of Ethics. Their prevention is linked to the dissemination of said Code among employees and other stakeholders such as suppliers and customers. The Code of Ethics requires that decision-making be carried out according to professional criteria, ensuring that hierarchy and influence are not used to achieve personal benefits. The external work activities performed by the employees in a personal way should not conflict with the responsibilities they have in the Company and with the interests of San Miguel. Collaborators cannot be employees, or provide services, or receive payments from any supplier, customer or competitor of the Company. Likewise, collaborators may not directly or indirectly supervise

another collaborator with whom they have a commercial, family or sentimental relationship (close relatives and friends). It is the responsibility of the collaborator to communicate the link to the Human Resources Direction and to their direct superior.

NOTE 7

Critical concerns are raised to the highest governance body through the Executive Committee regular meetings.

NOTE 8

The Board compensation is set according to the responsibilities undertaken, the time dedicated, the professional competence and the professional reputation and value of the services in the market. It has a fixed component, a performance component and is in line with market remunerations. External consultants we work with only provide salary structures and comparative data of other companies and of the general market. They are not involved in salaries determination and are independent from the management.

NOTE 9

The Compensation and Benefits Area prepares the different compensation scenarios, including information on: surveys, studies, independent consultants' analysis, official indexes, etc. and the HR Director together with the General Manager, present these scenarios to the Shareholders and substantiate each of them. Shareholders evaluate the data submitted and make a decision to choose one strategy or another taking into account the continuous movement of the market and the indicators related to production, sales, costs, etc.

NOTE 10

For the identification and selection of stakeholders we base on our sustainability commitments. Likewise, the responsibility, influence and closeness with San Miguel constitute the defining characteristics thereof.

NOTE 11

We promote dialogue, because we consider it essential to perform well as a company. We establish the most appropriate communication channels to answer the questions made and actively integrate them in the development of our sustainability management.

NOTE 12

We have a procedure for the systematization of suggestions and/or complaints, with clearly defined steps and parties responsible for each operation.

NOTE 13

No significant restatements of the information from previous reports have been made. In those cases in which the restatement of the information affected the inter-annual comparability of the information presented throughout the Report, the modification thereof is detailed in a Note.

NOTE 14

No changes regarding the material issues and coverage thereof with respect to previous reports have been made.

NOTE 15

The previous Sustainability Report published corresponds to the year 2018.

NOTE 16

We publish the Sustainability Report on an annual basis.

NOTE 17

This Report does not resort to external verification.

NOTE 18

We comply with the legal requirements of each country in relation to Social Security and other contributions. Likewise, we do not have special pension plans in any country and we do not have funds intended to retirement plans. We have the Beneficio de Retiro Previo, BRP (Prior Retirement Benefit), a tool that offers employees close to retirement the possibility of a consensual and assisted retirement. The main benefits are related to the possibility of improving conditions in the last stage of the professional career and reducing the professional risks related to the workplace.

NOTE 19

No significant financial aid was received from governments in any of the countries where San Miguel operates. Likewise, the Argentine Government, represented by ANSES, is present in the shareholding structure by 26.1%, there being no participation of other governments in our operations.

NOTE 20

No corruption incidents have been recorded in 2019.

NOTE 21

No complaints were filed for unfair competition, monopolistic or against free competition practices.

NOTE 22

In Argentina, in the industry, we do not have direct heating equipment, only steam is used for some

heating process. Refrigeration consumption: the maximum measured power consumption in the Machine Room was 3,398,004 kW/year. Steam consumption: it is estimated considering that 35% of gas consumption is for steam generation, with 5,491,620.75 Nm³/year. In 2020 gas flow meters will be placed in boilers in order to monitor exact consumption.

NOTE 23

So far we do not have this information, but we are working to provide it.

NOTE 24

No significant spills have occurred in any of our operations.

NOTE 25

Hazardous waste has not been transported outside the limits established by local, provincial and/or national regulations.

NOTE 26

USD 6,000 were recorded for non-compliance with environmental legislation and regulations.

NOTE 27

We have not detected suppliers with significant negative impacts on the environment. Anyway, starting gradually, this measurement will be carried out systematically in all countries by 2020 together with the Environment area with critical suppliers.

NOTE 28

The minimum period of advanced notice to employees and their representatives in case of significant operational changes that could affect them are those agreed upon by each collective bargaining agreement. In Argentina: one month if seniority is less than or equal to 5 years and 2 months if seniority is greater than 5 years. Likewise, before the harvest season starts, beginning thereof is reported with one month advanced notice through the provincial newspaper. Uruguay: Bi-weekly meetings are held with unions in order to inform them of the changes taking place in the operation. South Africa: employees with less than 6 months seniority: 1 week in advance; from 6 months to 1 year: 2 weeks in advance, more than 1 year: 4 weeks. Peru: There is no notice policy in the event of operational changes (short-term in management meetings).

NOTE 29

Only in Argentina and Uruguay agreements with unions cover health and safety.

Notes

NOTE 30

We do not carry out programs to facilitate continued employability and management of the end of professional careers due to retirement or dismissal.

NOTE 31

No discrimination cases have been registered during the period covered by the Report.

NOTE 32

No suppliers with potential risk in which freedom of association and the right to adhere to collective bargaining agreements may be infringed or threatened were registered.

NOTE 33

No suppliers with potential risk of child exploitation incidents were registered.

NOTE 34

Suppliers with risk of being the origin of episodes of forced or compulsory labor were not registered.

NOTE 35

Through the audits of the Ethical Trading Initiative in the countries where we operate, 100% of the operations are subject to human rights evaluations. The entire organization is reached by the Human Resources Policy and the Code of Ethics in Argentina, Uruguay, Peru and South Africa.

NOTE 36

This indicator is not available because it is a future project to be implemented in 2020-2021. In any case, we have not yet detected suppliers with negative social impacts.

NOTE 37

In all our points of origin, 100% of the products are evaluated with respect to their impact on the health and safety of consumers.

NOTE 38

No breaches of the regulation regarding the impacts of the products on the health and safety of the customer have been recorded.

NOTE 39

100% of our products are marketed with their corresponding label, in compliance with the applicable regulations in force. Additionally, we comply with the Globally Harmonized System of Classification and Labeling of Chemical Products-GHS, for certain products, such as essential oils. The information included in the labels of packaged foods arises from provisions stated in the legal framework and includes issues such as the origin of its components and the safe use, in all the required languages. In the case of fresh fruit, the phytosanitary authority requires information on traceability, registration of the production unit, the post-harvest additives used, if applicable, and labels that detail the final destination of the fruit.

NOTE 40

There were no breaches of regulations and voluntary codes regarding information and labeling of products and services.

NOTE 41

There were no breaches of the regulation and of voluntary codes related to marketing and advertising communications.

NOTE 42

No breaches, fines or penalties for non-compliance with laws and regulations were recorded

NOTE 43

In 2018 a customer satisfaction survey was carried out within the framework of an analysis of the company's strategy. Its results are confidential at this time.

GENERAL NOTE

The definition used throughout this Report when referring to the term "premises" and "facilities or locations with significant operations" covers all locations in San Miguel in all countries. If there are cases in which this definition is not respected, a clarification with the corresponding scope will be provided.

Scope and Guidelines of this Sustainability Report

Issue: 8

Period covered: 2019

Scope: Argentina (S.A San Miguel A.G.I.C.I Y F), Uruguay (S.A. San Miguel Uruguay, San Miguel Internacional Investments S.A., Samifruit Uruguay S.A.), South Africa (San Miguel Fruits South Africa Limited), Peru (Agricola Hoja Redonda), Holanda (Coop. Fruit NL Coöperatief U.A).

More Information

- **ISO 26000**
www.iso.org/iso/social_responsibility
- **GRI Standards**
www.globalreporting.org
- **United Nations Global Compact**
www.pactoglobal.org.ar
- **Sustainable Development Goals**
www.un.org/sustainabledevelopment/es/

International Guidelines Used

- **GRI Standards (Global Reporting Initiative)**
This report has been prepared according to the Core option of GRI Standards.
- **ISO 26000 International Standard for Social Responsibility**
As a guideline to integrate social responsibility in our values and practices.
- **United Nations Global Compact**
Valid as annual presentation of the Communication on Progress (Active COP).
- **Sustainable Development Goals**
We apply the SDG Compass tool, jointly developed by the Global Compact, GRI and WBCSD.

Contact Us

We welcome your opinions, suggestions, concerns or any other comment related to the management presented in this Report. Please write to: sustentabilidad@sanmiguelglobal.com

*The company's sustainability management in its six core dimensions is based on the Core Subjects of ISO 26000 Standard for Social Responsibility; For the first time, the structure of the Sustainability Report reflects the **Sustainability Commitments** in its chapters.*



Our Sustainability Reports



Sustainability Report 2019

Is freely distributed and available to all stakeholders upon request. A digital version is available at www.sanmiguelglobal.com
Prepared by San Miguel's Sustainability, Quality and Institutional Relations area.
External Facilitator: ReporteSocial www.reportesocial.com

Our Website

www.sanmiguelglobal.com

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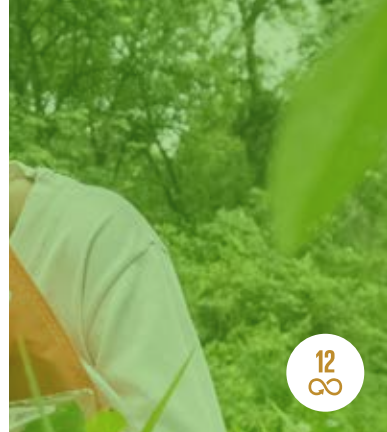
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2019



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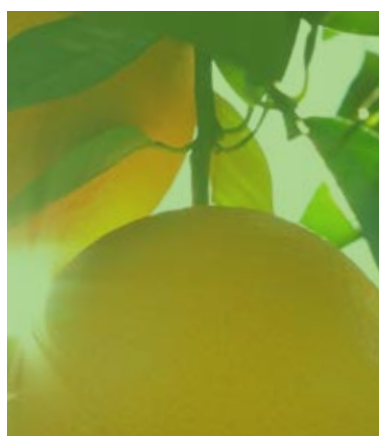
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We
Are Part
Of It



2
☺

2019 Sustainability Report
Annex

1 ▶ We Are San Miguel

GRI 102-7

Financial Information					
	2019	2018	2017	2016	2015
Net income for the year	-362.7	-1,103	456.9	363.9	348.8
Total capitalization*	12,421	12,649	11,212	8,706.5	4,192.1
Shareholders' equity	16,108	10,621	2,432.7	1,369.2	1,467.2
Non-current loans	9,066	4,930	1,215.3	1,216.3	723.6
Current loans	5,696	1,752	1,848.1	424.6	816

Pesos in millions. * Share value (Market) x number of shares as of 31/12 of each year + loans (short term and long term) – Cash – Other financial assets. Significant changes from year to year are due to the inflation adjustment established in IAS 29. For more information, see reports and balance sheets available at <http://sanmiguelglobal.com/estados-contables-y-documentos-publicos>

Data by Site																
	Argentina				Uruguay				South Africa				Peru			
	2019	2018	2017	2016	2019	2018	2017	2016	2019	2018	2017	2016	2019	2018	2017	
Assets	32	19	5.2	3.2	5.31	2.97	2.9	0.8	4.36	2.4	1.1	0.8	8.38	4.8	0.1	
Sales	5	7.2	2.5	2.9	0.96	0.01	0.5	0.3	2.42	1.4	0.9	0.8	2.65	0.9	0.01	
Costs	4	4.3	2.1	1.7	0.85	0.02	0.5	0.3	2.04	1.4	0.7	0.6	2.42	1.3	0.01	

Pesos in billions. * Significant changes from year to year are due to the inflation adjustment established in IAS 29. For more information, see reports and balance sheets available at <http://sanmiguelglobal.com/estados-contables-y-documentos-publicos>

GRI 102-45

Companies That Form Part of San Miguel Financial Statements	
S.A. San Miguel Uruguay	100%
San Miguel Internacional Investments S.A	100%
Samifruit Uruguay S.A	100%
San Miguel Fruits South Africa Limited	100%
Agrícola Hoja Redonda	100%
Coop. Fruit NL Coöperatief U.A	100%
Novacore S.A.	50%
Andean Sun Produce	40%
Venco Fruit Processors Pt.& Ltd.	35%
Thudana Citrus	49%

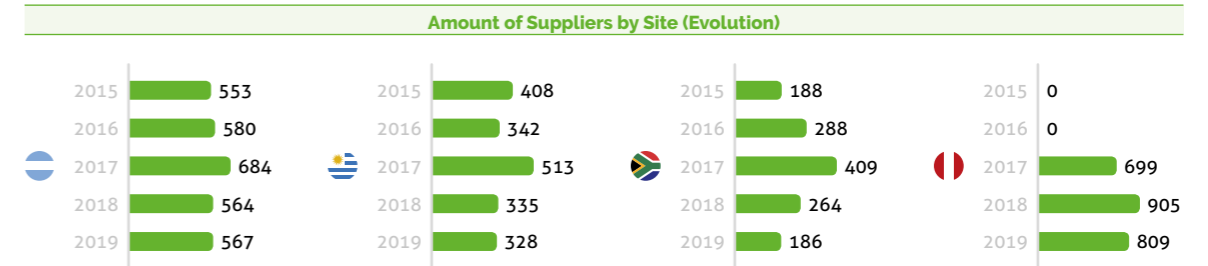


3 ▶ Sustainable Development In Our Value Chain

GRI 102-9

Local Suppliers					
	2019	2018	2017	2016	2015
Argentina	96.80%	93.26%	94.31%	93.79%	93.7%
Uruguay	93.30%	92.2%	86.10%	96.20%	95.4%
South Africa	100%	100%	100%	99.65%	100%
Peru	98.50%	96.68%	91.70%	-	-

We define as "local" to the countries in which San Miguel has operations.



Purchases from Suppliers by Country in USD				
	Argentina	Uruguay	South Africa	Peru
2019	32,965,527	8,378,210	22,720,263	30,517,011
2018	41,261,365	9,447,908	11,815,195	30,009,044
2017	44,414,395	9,114,898	11,278,024	30,165,506
2016	50,450,077	6,427,107	9,788,566	-

Purchases from Suppliers by Country of Business in USD (Suppliers + Growers)					
	Argentina	Uruguay	South Africa	Peru	Total
2019	54,311,032	9,878,210	47,969,803	30,517,011	142,676,056
2018	66,022,211	10,889,908	41,308,195	30,009,044	148,229,358
2017	71,969,325	10,315,898	37,498,404	30,165,506	149,949,133

Purchases from Suppliers by Type of Business in USD				
	2019	2018	2017	2016
Natural ingredients	7,138,699.00	11,162,656	16,909,097	19,761,722
Fresh fruit	20,930,354.62	17,945,505	26,531,690	12,623,032
Indirect materials	40,593,028.41	25,287,258	26,475,715	14,859,553
Agricultural operations	25,918,928.78	36,595,896	25,056,321	19,421,433
Total	94,581,011	90,991,315	94,972,823	66,665,750

GRI 102-9

GRI 203-2

Number of Strategic Growers by Country					
	Argentina	Uruguay	South Africa	Peru	Total
2019	60	5	26	0	91
2018	63	3	26	0	92
2017	97	7	27	0	131

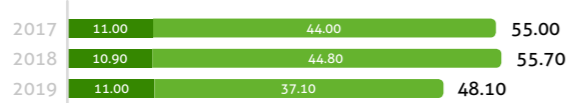
3 Sustainable Development In Our Value Chain

GRI 102-9

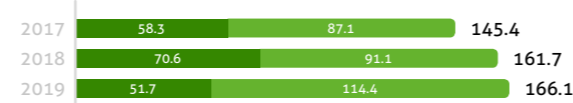
Purchases from Strategic Growers by Country in USD					
	Argentina	Uruguay	South Africa	Peru	Total
2019	21,345,505	1,500,000	25,249,540	0	48,095,045
2018	24,760,846	1,442,000	29,493,000	0	55,695,846
2017	27,554,930	1,201,000	26,220,380	0	54,976,310

Purchases from Strategic Growers in Thousand Tons by Country					
	Argentina	Uruguay	South Africa	Peru	Total
2019	109.6	4.9	51.6	0	166.1
2018	111.4	4.5	46.0	0	161.7

Purchases from Strategic Growers by Type of Business In MUSD



Purchases from Strategic Growers by Type of Business In thousand tons



Suppliers by Type of Supply by Country										
Supply	2019		2018		2017		2016		2015	
	Number ¹	Purchases ²	Number	Purchases	Number	Purchases	Number	Purchases	Number	Purchases
Argentina*										
Production materials	134	16,712,483	151	16,952,150	147	20,876,665	165	21,488,152	150	21,583,967
Indirect materials	186	3,547,465	177	5,092,499	181	5,230,893	302	8,169,789	265	7,493,700
Assets and services	304	11,587,568	288	15,718,644	247	17,226,794	291	20,792,136	307	13,823,583
Other ³	135	1,118,011	135	3,498,072	109	1,080,043	-	-	-	-
Total	759	32,965,527	564	41,261,365	684	44,414,395	758	50,450,077	722	42,901,251
Uruguay*										
Production materials	49	3,551,408	49	3,456,246	51	3,889,860	47	3,309,091	52	2,927,377
Indirect materials	98	941,515	94	685,976	142	1,088,376	274	1,670,855	152	885,426
Assets and services	167	2,697,428	174	2,897,331	161	2,559,890	140	1,447,161	204	3,525,209
Other ³	155	1,187,859	168	2,408,356	159	1,576,772	-	-	-	-
Total	328	8,378,210	335	9,447,908	513	9,114,898	461	6,427,107	408	7,338,325
South Africa*										
Production materials	19	4,878,043	20	3,622,717	27	3,110,884	29	3,375,644	21	1,877,516
Indirect materials	43	507,863	44	601,384	66	590,928	188	2,264,282	41	423,790
Assets and services	174	17,214,434	250	7,532,539	231	6,527,837	225	4,148,640	126	1,895,791
Other ³	31	119,923	34	58,555	85	1,048,375	-	-	-	-
Total	186	22,720,263	264	11,815,195	409	11,278,024	442	9,788,566	188	4,197,096
Peru*										
Production materials	145	12,696,909	155	14,574,688	114	12,968,448	-	-	-	-
Indirect materials	182	4,366,646	190	3,496,132	134	4,009,818	-	-	-	-
Assets, services and other	482	13,453,455	560	11,938,222	451	13,187,240	-	-	-	-
Total	809	30,517,011	905	30,009,043	699	30,165,506	-	-	-	-

*The same supplier may provide more than one supply. ¹Includes local and foreign suppliers. ²In dollars. ³Materials or services with no SAP code associated in our computer system as they are occasional or one-time purchases.

5 Development of Our Employees

GRI 102-8

	In Numbers*											
	2019			2018			2017			2016		
	♂	♀	Total	♂	♀	Total	♂	♀	Total	♂	♀	Total
Argentina - Tucumán												
By Type of Job												
Full-time	652	75	727	565	50	615	893	111	1,004	985	139	1,124
Part-time	1	0	1	1	0	1	1	0	1	1	0	1
Total	653	75	728	566	50	616	894	111	1,005	986	139	1,125
By Type of Contract												
Indefinite period or permanent ¹	333	45	378	333	44	377	391	46	437	444	63	507
Fixed-term or temporary ²	320	29	349	233	6	239	503	65	568	541	75	616
Total	653	29	349	566	50	616	894	111	1,005	986	139	1,125
By Type of Employee												
Company employees	653	75	728	566	50	616	894	111	1,005	987	138	1,125
Outsourced ³	0	0	0	0	0	0	162	3	165	157	1	158
Total	653	75	728	566	50	616	1,056	114	1,170	1,144	139	1,273
By Seasonal Variation ⁴												
As of July	-	-	-	-	-	-	-	-	1,093	-	-	1,213
As of December	-	-	-	-	-	-	-	-	1,005	-	-	1,125
Total			3,123			3,000			-			-
Argentina - Buenos Aires												
By Type of Job												
Full-time	54	37	91	60	45	105	65	35	100	60	31	91
Part-time	0	0	0	0	0	0	0	0	0	0	0	0
Total	54	37	91	60	45	105	65	35	100	60	31	91
By Type of Contract												
Indefinite period or permanent	52	36	89	59	44	103	65	34	99	58	29	87
Fixed-term or temporary	2	0	2	1	1	2	0	1	1	2	2	4
Total	54	36	91	60	45	105	65	35	100	60	31	91
By Type of Employee												
Company employees	54	37	91	60	45	105	65	35	100	60	31	91
Outsourced	0	0	0	0	0	0	0	0	0	0	0	0
Total	54	37	91	60	45	105	65	35	100	60	31	91
Uruguay												
By Type of Job												
Full-time	133	72	205	194	84	278	425	114	539	415	128	543
Part-time	0	0	0	0	0	0	0	0	0	0	0	0
Total	133	72	205	194	84	278	425	114	539	415	128	543
By Type of Contract												
Indefinite period or permanent	70	37	107	70	37	107	76	39	115	88	42	130
Fixed-term or temporary	63	35	98	124	47	171	349	75	424	327	86	413
Total	133	72	205	194	84	278	425	114	539	415	128	543
By Type of Employee												
Company employees	133	72	205	194	84	278	425	114	539	415	128	543
Outsourced	0	0	0	0	0	0	0	0	0	0	0	0
Total	133	72	205	194	84	278	425	114	539	415	128	543
By Seasonal Variation ⁴												
As of July	-	-	-	-	-	-	-	-	1,520	-	-	1,445
As of December	-	-	-	-	-	-	-	-	539	-	-	543
Total			1,700			1,500			-			-

5 Development of Our Employees

GRI 102-8

	In Numbers*											
	2019			2018			2017			2016		
	♂	♀	Total	♂	♀	Total	♂	♀	Total	♂	♀	Total
South Africa												
By Type of Job												
Full-time	188	44	232	198	77	274	251	97	348	334	128	472
Part-time	0	0	0	0	0	0	0	0	0	0	0	0
Total	188	44	232	198	77	274	251	97	348	334	128	472
By Type of Contract												
Indefinite period or permanent	72	17	89	79	37	117	135	76	211	140	85	225
Fixed-term or temporary	116	27	143	118	39	158	116	21	137	204	43	247
Total	188	44	232	198	77	274	251	97	348	344	128	472
By Type of Employee												
Company employees	188	44	232	198	77	274	251	97	348	140	85	225
Outsourced	0	0	0	0	0	0	23	3	26	204	43	247
Total	188	44	232	198	77	274	274	100	374	344	128	472
By Seasonal Variation*												
As of July	-	-	-	-	-	-	-	-	1,256	-	-	1,248
As of December	-	-	-	-	-	-	-	-	348	-	-	472
Total			1,068			900						
Peru												
By Type of Job												
Full-time	1,453	1,063	2,516	1,758	993	2,751	783	1,225	2,008	-	-	-
Part-time	0	0	0	0	0	0	0	0	0	-	-	-
Total	1,453	1,063	2,516	1,758	993	2,751	783	1,225	2,008			
By Type of Contract												
Indefinite period or permanent	474	188	662	457	105	563	78	354	432	-	-	-
Fixed-term or temporary	979	875	1,854	1,300	888	2,188	705	871	1,576	-	-	-
Total	1,453	1,063	2,516	1,758	993	2,751	783	1,225	2,008			
By Type of Employee												
Company employees	1,453	1,063	2,516	1,758	993	2,751	783	1,225	2,008	-	-	-
Outsourced ⁵	0	0	0	0	0	0	0	0	0	-	-	-
Total	1,453	1,063	2,516	1,758	993	2,751	783	1,225	2,008			
By Seasonal Variation*												
As of July	-	-	-	-	-	-	-	-	-	-	-	-
As of December	-	-	-	-	-	-	-	-	2,008	-	-	-
Total			2,172			3,000						

*People that holds a work relation to the organization according to national regulations. - ¹A contract entered into with an employee to work full or part time for an indefinite period of time. Considered annual total as of December. - ²A contract entered into with an employee, which ends upon the expiration of a predefined period of time or when a specific task for which duration has been calculated is finished. - ³Workers that are not directly employed by San Miguel. - ⁴As from 2018, we have changed the calculation method, considering the average season peak according to the location. - ⁵We do not have outsourced staff in Compliance to local regulations.

GRI 102-38

Ratio Between Total Annual Compensation of the Highest-Paid Associate and the Mean Annual Compensation for all Employees

	2019	2018	2017	2016
Argentina - Tucumán	6.57	10.92	9.86	10.6
Argentina - Buenos Aires*	6.80	11.03	4.97	6.0
Uruguay	8.51	9.73	3.41	6.0
South Africa	6.89	8.22	6.48	-
Peru	6.74	9.48	10.69	-

*Including CEO + Officers. - As from 2018, the target bonus is calculated within the total annual compensation.

GRI 102-39

Ratio Between the Percentage Increase of Total Compensation of the Highest-Paid Associate and the Average Percentage Increase of Total Annual Compensation for all Employees

	2019	2018	2017
Argentina - Tucumán	0.88	0.75	0.81
Argentina - Buenos Aires	0.84	1.47	1.12
Uruguay	0.85	0.76	0.99
South Africa	1.0	1.0	0.72
Peru	0.17	0.0	-

GRI 102-41

Employees Under Collective Bargaining Agreement

	2019	2018	2017	2016
Argentina	81.20%	82.25%	74.06%	80.89%
Uruguay	87%	87.00%	67.00%	97.00%
South Africa	29%	0%	0%	7.00%
Peru	0%	0%	0%	-

GRI 401-1

New Hires by Age and Gender

	2019		2018		2017	
	Amount	%*	Amount	%*	Amount	%*
Argentina - Tucumán						
Total employees	378	100	377	100	1,005	100
Total new hires	9	2.38	15	3.98	24	2.39
By Gender						
Women	3	33.33	7	46.67	0	0
Men	6	66.67	8	53.33	24	100
By Age						
Younger than 30 years old	4	44.44	7	46.67	2	8
30-50 years old	5	55.56	7	46.67	13	54
Older than 50 years old	0	0	1	6.66	9	38
Argentina - Buenos Aires						
Total employees	89	100	103	100	100	100
Total new hires	18	20.28	24	23.76	23	23
By Gender						
Women	13	72.22	17	70.83	9	39
Men	5	27.78	7	29.17	14	61
By Age						
Younger than 30 years old	7	38.89	11	45.83	11	48
30-50 years old	10	55.56	13	54.17	11	48
Older than 50 years old	1	5.56	0	0	1	4
Uruguay						
Total employees	107	100	107	100	539	100
Total new hires	1	0.93	2	1.86	5	0.93
By Gender						
Women	1	100	2	100	3	60
Men	0	0	0	0	2	40
By Age						
Younger than 30 years old	1	100	0	0	3	60
30-50 years old	0	0	2	100	2	40
Older than 50 years old	0	0	0	0	0	0
South Africa						
Total employees	89	100	117	100	348	100
Total new hires	7	7.87	11	9.40	12	3.45
By Gender						
Women	1	14.29	2	18.19	3	25
Men	6	85.71	9	81.81	9	75
By Age						
Younger than 30 years old	2	28.58	4	36.36	6	50
30-50 years old	5	71.42	7	63.64	6	50
Older than 50 years old	0	0	0	0	0	0

5 ▶ Development of Our Employees

GRI 401-1

	New Hires by Age and Gender					
	2019		2018		2017	
	Amount	%*	Amount	%*	Amount	%*
Peru						
Total employees	662	100	563	100	2.008	100
Total new hires	67	10	84	14	86	4.28
By Gender						
Women	19	28	28	33.33	15	17
Men	48	72	56	66.67	71	83
By Age						
Younger than 30 years old	35	53	32	38.09	46	44
30-50 years old	31	46	52	61.91	32	29
Older than 50 years old	1	1	0	0	8	9

*Calculated as the ratio between total new hires and total number of employees taking permanent employees as a basis.

	Turnover by Age and Gender					
	2019		2018		2017	
	Amount	%*	Amount	%*	Amount	%*
Argentina - Tucumán						
Total employees	378	100	377	100	1.005	100
Total turnover	78	20.63	64	16.98	79	18.1
By Gender						
Women	8	10.26	13	20.31	14	30.40
Men	70	89.74	51	79.69	65	16.60
By Age						
Younger than 30 years old	2	2.56	5	7.81	7	38.90
30-50 years old	39	50	25	39.06	21	11.50
Older than 50 years old	37	47.44	34	53.13	51	21.50
Argentina - Buenos Aires						
Total employees	89	100	103	100	100	100
Total turnover	30	33.80	23	22.33	18	18.20
By Gender						
Women	9	30	11	47.83	7	20.60
Men	21	70	12	52.17	11	16.90
By Age						
Younger than 30 years old	8	26.67	6	26.09	6	37.50
30-50 years old	22	73.33	15	65.22	8	11.80
Older than 50 years old	0	0	2	8.69	4	26.70
Uruguay						
Total employees	107	100	107	100	539	100
Total turnover	13	12.14	12	11.21	18	0.16
By Gender						
Women	5	38.46	5	41.67	5	0.04
Men	8	61.53	7	58.33	13	0.11
By Age						
Younger than 30 years old	0	0	0	0	3	0.02
30-50 years old	9	70	4	33.33	9	0.08
Older than 50 years old	4	30	8	66.67	6	0.05

GRI 401-1

	Turnover by Age and Gender					
	2019		2018		2017	
	Amount	%*	Amount	%*	Amount	%*
South Africa						
Total employees	89	0	117	100	348	100
Total turnover	30	33.71	44	37.61	21	9
By Gender						
Women	19	63.33	9	20.45	5	2
Men	11	36.67	35	79.55	16	7
By Age						
Younger than 30 years old	1	3.33	4	9.09	5	2
30-50 years old	24	80.00	29	65.91	9	4
Older than 50 years old	5	16.67	11	25.00	7	3
Peru						
Total employees	662	100.00	563	100	2.008	100
Total turnover	40	6.00	60	10.65	21	13.91
By Gender						
Women	12	30.00	18	30.00	9	5.96
Men	28	70.00	42	70.00	12	7.95
By Age						
Younger than 30 years old	12	30.00	19	31.66	2	1.32
30-50 years old	23	58.00	40	66.67	12	7.95
Older than 50 years old	5	12.00	1	1.67	7	4.64

*Calculated as the quotient between the number of permanent employees who voluntarily and involuntarily left the company and total permanent employees at each year end*100.

	Type of Turnover					
		Argentina		Uruguay	South Africa	Peru
		Tucumán	Buenos Aires			
2018	Voluntary turnover ¹	12%	14%	9%	2%	6%
	Involuntary turnover ²	4%	9%	2%	15%	5%
2019	Voluntary turnover ¹	14.28%	30.42%	6.5%	3.37%	2.27%
	Involuntary turnover ²	6.35%	3.38%	5.6%	30.34%	4.54%

¹Permanent employees who voluntarily left the company/total permanent employees at 2019 year end*100. ²Permanent employees who involuntarily left the company (retirement, dismissal or death in service) /total permanent employees at 2019 year end*100.

GRI 401-3

	2019 Parental Leave										
		Tucumán		Buenos Aires		Uruguay		South Africa		Peru	
		♀	♂	♀	♂	♀	♂	♀	♂	♀	♂
Number of employees who have been entitled to parental leave ¹	653	75	54	37	37	70	72	17	1,453	1,063	
Number of employees who took the parental leave	3	3	2	0	0	1	0	0	5	41	
Number of employees who returned to work after their leave ended	3	3	2	0	0	1	0	0	4	41	
Number of employees who returned to work after their leave ended and remained employees after a year of its expiration	3	3	2	0	0	1	0	0	3	21	
Return to work and retention rates of employees who took the leave ²	100	100	100	0	0	100	0	0	80	100	

¹“Employees entitled to parental leave” means employees covered by policies, agreements or contracts of the organization that include rights to parental leave. It only considers permanent and company employees. ²Return to work rate = Total number of employees who have returned to work after parental leave/Total number of employees who have to return to work after parental leave x 100. It considers permanent and company employees.

5 Development of Our Employees

GRI 404-1

Health and Safety Indicators								
	2019		2018		2017		2016	
	♂	♀	♂	♀	♂	♀	♂	♀
Argentina								
Accident injuries rate (AIR) ²	1.86	0.10	2.15	0.27	1.73	0.17	4.10	0.20
Number of fatalities	0	0	0	0	0	0	0	0
Rate of occupational diseases	0	0	0	0	0.50	0	0	0
Rate of absenteeism due to occupational diseases	0	0	0	0	0	0	0	0
Rate of days lost due to occupational diseases	0	0	0	0	0	0	0	0
Rate of days lost ³	0.21	0.00	1.45	0.06	0.69	0.12	0.9	0.1
Uruguay⁴								
Absenteeism rate (AR) ¹	0	0	0	0	0	0	2.1	0.3
Accident injuries rate (AIR) ²	0	0	0.38	0.15	0.50	0.05	4.1	0.2
Number of fatalities	0	0	0	0	0	0	0	0
Rate of occupational diseases	0	0	0	0	0	0	0	0
Rate of days lost due to occupational diseases and accident ⁴	0	0	0.14	0.48	0.04	0.05	0.9	0.1
South Africa								
Absenteeism rate (TA) ¹	3	2	5.59	6.11	6.5	3.4	0.24	0.52
Accident rate (TLA) ²	0.47	0.18	0.003	0.22	1.3	3.7	1.8	0
Mortal Victims	0	0	0	0	0	0	0	0
Professional diseases index	0	0	0	0	0	0	0	0
Lost days rate for profesional including diseases and accidents	0.47	0.18	0.003	0.22	0.13	0.18	0.16	0
Peru								
Absenteeism rate (AR) ¹	0.009	0.017	0.034	0.018	-	-	-	-
Accident injuries rate (AIR) ²	0.034	0.018	3.13	3.13	-	-	-	-
Number of fatalities	0	0	0	0	-	-	-	-
Rate of occupational diseases	0	0	0	0	-	-	-	-
Rate of days lost due to occupational diseases and accident ⁴	36.52	31.48	63.7	63.76	-	-	-	-

¹Information about permanente employees. ²Number of absences/number of days worked*100. ³Number of absences/average number of workers*100. ⁴Males and females, including days lost due to occupational diseases and accident. ⁵Calculation method has changed: Number of days lost/average number of workers*100.

GRI 404-1

Average Hours of Training						
	Tucumán	Buenos Aires	Uruguay	South Africa	Peru	⊕ Average
	Average hours of training per employee¹	8.20	17.98	7.02	2.76	-
By Gender						
Men	5.42	6.70	10.03	0.38	-	5.63
Women	4.24	5.82	23.42	2.31	-	8.95
By Category						
Country Manager	36.00	-	-	2.00	-	19.00
Director	74.00	29.75	-	-	-	47.38
Manager	103.91	20.09	44.6	15.78	-	46.10
Head	70.41	19.40	47.2	-	-	45.67
Supervisor/coordinator/officer in charge	22.12	5.52	28.16	4.16	-	14.99
Person in charge	13.92	-	4.21	-	-	9.06
Foreman	8.28	-	35.8	-	-	22.04
Analyst/Adm./Assist./Clerk	29.39	27.46	14.08	36.55	-	26.87
Operator	5.06	-	5.31	45.33	-	18.57

GRI 404-1

Average Hours of Training						
	Tucumán	Buenos Aires	Uruguay	South Africa	Peru	⊕ Average
	Average hours of training per employee	4.67	4.74	3	6.32	2.02
By Gender²						
Men	4.60	6.13	3	5.99	-	4.93
Women	4.97	3.85	2	3.07	-	3.47
By Category³						
Country Manager	67.50	-	-	4	78	49.83
Director	-	25.75	-	-	-	25.75
Manager	45.78	49.65	-	17.76	107	55.04
Head	26.27	18.91	19	25.23	15	5.00
Supervisor/coordinator/officer in charge	14.59	21.70	793	-	8.9	209.55
Person in charge	4.66	-	10	-	-	7.33
Foreman	3.86	-	-	-	-	3.86
Analyst/Adm./Assist./Clerk	10.17	24.14	5	11.88	4.1	11.05
Operator	2.91	-	2	5.43	1.7	3.01
Average hours of training per employee	3.97	9.38	13.70	15.06	32.32	14.89
By Gender						
Men	4.43	6.62	12.90	14.46	21.30	11.94
Women	8.56	4.75	15.21	16.43	15.20	12.03
By Category						
Country Manager	-	16.00	4.0	-	-	10
Director	-	12.25	-	-	-	12.25
Manager	10.34	0.9	4.60	-	47.65	15.87
Head	7.54	6.0	51.30	2.43	61.64	25.78
Supervisor/coordinator/officer in charge	9.39	6.0	17.08	2.92	26.55	12.39
Person in charge	6.54	-	15.58	4	-	8.71
Foreman	3.69	-	-	-	-	3.69
Analyst/Adm./Assist./Clerk	5.64	9.38	18.53	2.32	10.02	9.18
Operator	3.47	-	3.92	4.33	15.75	6.87
Average hours of training per employee	1.59	13.84	17.20	9.57	32.32	11.51
By Gender						
Men	1.37	25.12	13.50	4.90	21.30	13.24
Women	2.53	30.25	19.32	9.75	15.20	15.41
By Category						
Country Manager	-	-	-	-	-	-
Director ⁴	1	1.41	-	-	-	1.21
Manager	1.47	10.25	4.10	15.62	47.65	15.82
Head	2.08	11.80	48.30	9.34	61.64	26.63
Supervisor/coordinator/officer in charge	2.48	-	20.20	15.78	26.55	16.25
Person in charge	1.28	-	17.40	4	-	7.56
Foreman	1.30	-	8.33	-	-	4.82
Analyst/Adm./Assist./Clerk	1.81	31.91	16.38	6.15	10.02	13.25
Operator	1.33	-	5.72	3.49	15.75	6.57

Cells in blank do not apply to the location based on its structure. ¹Peru: data was taken as from August 2017 and making no gender distinction. ²Argentina: the average hours for Country manager are high due to the implementation of the IBP system. ³Uruguay: the high average hours in the Supervisor category are due to the participation of one of them in an MBA.

¹Mean hours of training per employee = Total hours of training provided to employees/Total number of employees. It only considers permanent employees. ²Mean hours of training per woman = Total hours of training provided to women employees/Total number of women employees. Mean hours of training per man = Total hours of training provided to men employees/Total number of men employees. ³Mean hours of training by job category = Total hours of training provided to each job category/Total number of employees in each category. ⁴In Buenos Aires (Global), CEO is included in this category that we call Leadership Team.

5 ▶ Development of Our Employees

GRI 404-2	Investment in Training - All Countries			
	2019	2018	2017	2016
Allocated funds	USD 653,808	USD 347,587	\$2,138,563	USD 202,407.36
San Miguel revenues	USD 225,847,181	USD 373,441,312.5	\$3,862,791	USD 185,000,000
Percentage invested	0.26%	0.09%	0.0553%	0.11%

GRI 404-3	Performance Assessment	
	2019	2018
Argentina - Tucumán¹		
By Job Category		
Manager	100%	100%
Head	100%	100%
Employees	70%	86%
By Gender		
Women	20%	-
Men	80%	-
Argentina - Buenos Aires		
By Job Category		
Director	12%	²
Manager	30%	35%
Head	25%	17%
Employee	33%	46%
By Gender		
Women	38%	42%
Men	56%	58%
Uruguay³		
By Job Category		
Manager	14%	12%
Head	64%	27%
Employees	21%	61%
By Gender		
Women	39%	36%
Men	61%	63%

Performance Assessment	
2019	2018
South Africa	
By Job Category	
Manager	12.9%
Head	32.26%
Employees	54.84%
By Gender	
Women	24.19%
Men	75.81%
Peru⁴	
By Job Category	
Manager ⁵	8%
Head	15%
Employees	77%
By Gender	
Women	34%
Men	66%

For all countries: participants have more than 6 months of service.

¹40% of operators participated in the performance assessment process. * ²Directors is a category included as from 2018. * ³Uruguay has no assessment for operating staff and/or staff under collective agreement. * ⁴Peru has no assessment for operating staff and/or staff under collective agreement. * ⁵Includes sub-managers.

GRI 405-1	Job Category and Gender							
	2019		2018		2017		2016	
	♂	♀	♂	♀	♂	♀	♂	♀
Argentina - Tucumán								
Director	100%	0%	100.00%	0.00%	100.00%	0.00%	100.00%	0.00%
Manager	86%	14%	100.00%	0.00%	100.00%	0.00%	90.91%	9.09%
Head	81%	19%	83.00%	17.00%	82.22%	17.78%	75.00%	25.00%
Employee	71%	29%	68.00%	32.00%	68.18%	31.82%	75.23%	24.77%
Operator	96%	4%	97.00%	3.00%	91.75%	8.25%	91.19%	8.81%
Argentina - Buenos Aires								
Director	88%	13%	86.00%	14.00%	100.00%	0.00%	100.00%	0.00%
Manager	64%	36%	74.00%	26.00%	76.92%	23.08%	73.68%	26.32%
Head	70%	30%	59.00%	41.00%	60.71%	39.29%	53.33%	46.67%
Employee	46%	54%	38.00%	62.00%	55.00%	45.00%	61.22%	38.78%
Operator	0%	0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Uruguay								
Director	100%	0%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Manager	100%	0%	100.00%	0.00%	100.00%	0.00%	100.00%	0.00%
Head	67%	33%	67.00%	33.00%	78.13%	21.88%	80.00%	20.00%
Employee	45%	55%	47.00%	53.00%	36.36%	63.64%	61.67%	38.33%
Operator	68%	32%	71.00%	29.00%	80.58%	19.42%	77.94%	22.06%
South Africa								
Director	100%	0%	100.00%	0.00%	100.00%	0.00%	100.00%	0.00%
Manager	76%	24%	62.00%	38.00%	91.30%	8.70%	87.50%	12.50%
Head	90%	10%	82.00%	18.00%	60.71%	39.29%	63.33%	36.67%
Employee	76%	24%	56.00%	44.00%	45.45%	54.55%	68.21%	31.79%
Operator	100%	0%	77.00%	23.00%	76.28%	23.72%	100.00%	0.00%
Peru								
Director	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-
Manager	100.00%	0.00%	83.00%	17.00%	0.00%	100.00%	-	-
Head	87.00%	13.00%	67.00%	33.00%	14.81%	85.19%	-	-
Employee	54.00%	46.00%	74.00%	26.00%	41.67%	58.33%	-	-
Operator	74.00%	26.00%	62.00%	38.00%	39.26%	60.74%	-	-

Calculated on the total number of permanent employees.

	Job Category and Age											
	2019			2018			2017			2016		
	< 30	30-50	> 50	< 30	30-50	> 50	< 30	30-44	> 45	< 30	30-44	> 45
Argentina - Tucumán												
Director	0%	0%	100%	0.00%	0.00%	100.00%	0.00%	0.00%	100.00%	0.00%	0.00%	100.00%
Manager	0%	93%	7%	0.00%	92.00%	8.00%	0.00%	53.85%	46.15%	0.00%	45.45%	54.55%
Head	9%	70%	21%	11.00%	69.00%	20.00%	3.33%	56.67%	40.00%	5.56%	61.11%	33.33%
Employee	26%	60%	14%	22.00%	68.00%	10.00%	29.55%	52.27%	18.18%	13.55%	50.47%	35.98%
Operator	0%	53%	47%	3.00%	64.00%	33.00%	8.50%	45.32%	46.18%	8.00%	43.34%	48.67%
Argentina - Buenos Aires												
Director	0%	75%	25%	0.00%	71.00%	29.00%	0.00%	66.67%	33.33%	0.00%	50.00%	50.00%
Manager	5%	86%	9%	0.00%	85.00%	15.00%	0.00%	80.77%	19.23%	0.00%	84.21%	15.79%
Head	17%	78%	4%	9.00%	81.00%	9.00%	7.14%	78.57%	14.29%	0.00%	60.00%	40.00%
Employee	51%	46%	3%	49.00%	46.00%	5.00%	37.50%	52.50%	10.00%	26.53%	63.27%	10.20%
Operator	0%	0%	0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%



5 ▶ Development of Our Employees

GRI 405-1

	Job Category and Age											
	2019			2018			2017			2016		
	< 30	30-50	> 50	< 30	30-50	> 50	< 30	30-44	> 45	< 30	30-44	> 45
Uruguay												
Director	0%	0%	100%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Manager	0%	25%	75%	0.00%	25.00%	75.00%	0.00%	33.33%	66.67%	0.00%	33.33%	66.67%
Head	0%	83%	17%	0.00%	83.00%	17.00%	3.13%	37.50%	59.38%	0.00%	60.00%	40.00%
Employee	27%	67%	7%	27.00%	67.00%	7.00%	13.64%	72.73%	13.64%	25.00%	50.00%	25.00%
Operator	27%	57%	16%	29.00%	55.00%	16.00%	41.54%	38.00%	20.88%	40.47%	40.26%	19.27%
South Africa												
Director	0%	100%	0%	0.00%	100%	0.00%	0.00%	100.00%	0.00%	0.00%	100.00%	
Manager	8%	88%	4%	0.00%	100%	0.00%	30.43%	52.17%	17.39%	25.00%	45.83%	29.17%
Head	0%	70%	30%	30.00%	63.00%	7.00%	3.57%	57.14%	39.29%	3.45%	58.62%	37.93%
Employee	39%	53%	8%	32.00%	54.00%	14.00%	43.18%	40.91%	15.91%	21.24%	51.33%	27.43%
Operator	0%	73%	27%	32.00%	56.00%	12.00%	25.30%	48.22%	26.48%	5.08%	47.46%	47.46%
Peru												
Director	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
Manager	0.00%	100.00%	0.00%	0.00%	92.00%	8.00%	0.00%	50.00%	50.00%	-	-	-
Head*	8.00%	89.00%	3.00%	21.00%	75.00%	4.00%	18.52%	66.67%	14.81%	-	-	-
Employee	44.00%	55.00%	1.00%	45.00%	51.00%	4.00%	45.00%	51.67%	3.33%	-	-	-
Operator	18.00%	61.00%	21.00%	37%	50.00%	14.00%	36.67%	39.47%	23.86%	-	-	-

Calculated on the total number of permanent employees. * As from 2018 age categories change. * Includes sub-managers.

	Governance Bodies by Age								
	2019			2018			2017		
	< 30	30-50	> 50	< 30	30-50	> 50	< 30	30-50	> 50
Board of Directors	0%	73%	27%	0%	73%	27%	0%	73%	27%
Executive Directors / Leadership Team	0%	58%	42%	0%	92%	8%	0%	92%	8%

GRI 405-2

	Men/Women Salary Ratio by Job Category			
	2019	2018	2017	2016
Argentina - Tucumán				
Manager	-	-	1.00	1.18
Head	1.04	1.02	0.85	1.06
Employees	1.02	0.99	0.98	1.03
Argentina - Buenos Aires				
Manager	1.17	1.05	0.98	1.30
Head	1.07	1.05	0.92	1.09
Employees	0.88	1.05	0.80	1.08
Uruguay				
Manager*	-	-	-	-
Head	0.68	0.68	1.20	1.12
Employees	1.01	1.01	0.91	1.57

In 2018 the calculation method changes: the mean base salary for men/mean base salary for women is considered, replacing the average. * Data cannot be calculated since there are no manager that are women.

6 ▶ Committed with Nature

GRI 303-1

🌿 We Take Care of Water in our Points of Origin

ARGENTINA

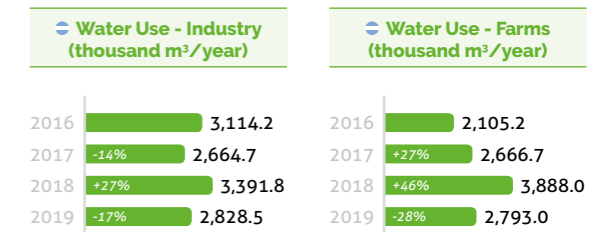
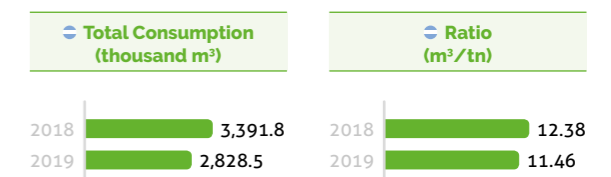
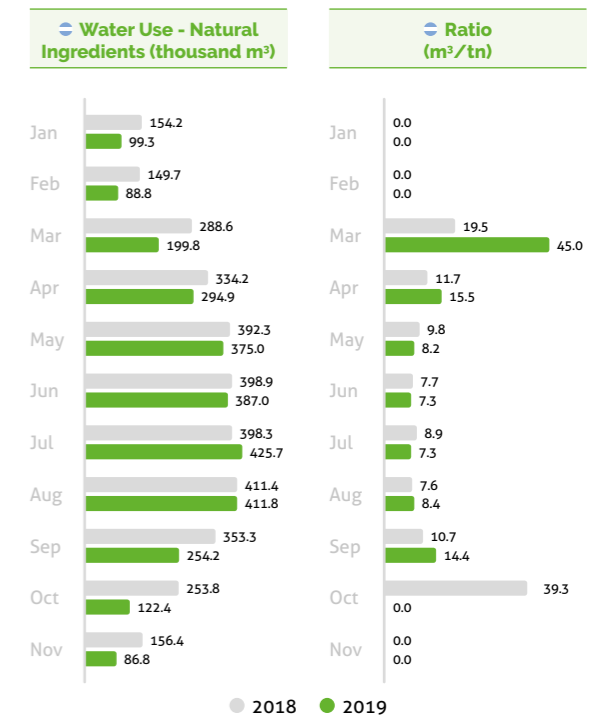
Our Natural Ingredients plant at the Famailla Industrial Complex is supplied only by ground water. **Each of the wells have flowmeters that transmit the extraction online, thus guaranteeing a reliable water consumption control system.**

Regarding our **agricultural activities**, plantations located at the south of Tucuman province are developed with rain water while the farms distributed at the north use irrigation both from ground and surface water.

During 2019, we have achieved a 28% reduction in water use compared to 2018. In order to have a more rational use of this resource, we have implemented a **watering program strictly associated with the needs of citrus**. It is expected to increase accuracy through information from humidity control sensors, and other variables such as fruit growth, evapotranspiration, etc. For this purpose, soil moisture control sensors were also installed in order to determine the optimal irrigation sheet.

The decrease in water consumption was also driven by the meteorological conditions presented in the period of this report and by changes in the land ownership regime (sale of farms and return of rents) that favored the reduction of water demand.

The search for improvements is aimed at installing an agriculture of environmental competence, reducing the water and carbon footprint, for example, by replacing drip irrigation with micro-sprinkler irrigation systems.



Year	Water Use (m³/year)		
	Natural Ingredients	Farms	Nursery
2019	2,828,595	2,793,000	4,754
2018	3,391,870	3,888,005	4,200
2017	2,664,760	2,666,777	3,789
2016	3,114,250	2,105,237	4,578

6 ▶ Committed with Nature

GRI 303-1

URUGUAY

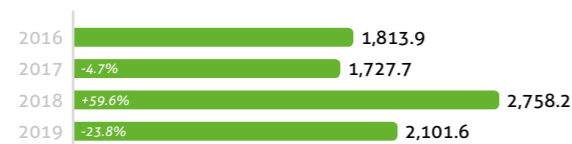
In our farms, we use drip irrigation through a system of self-compensating belts in order to achieve an **even distribution of water** at different points. We also have the **"Adjusted Water Balance" calculation program** to determine when and how much to water. At the same time, this program defines the water needs of the crops for the next seven days and evaluates what was irrigated in previous periods.

Aiming at having a more rational use, we have incorporated irrigation with **Phyto monitoring** that indicates, not only the soil moisture through tensiometers, but also the growth of the fruit, steam and their relationship with environmental conditions. It uses a weather station connected to a software that links all vital parameters with online monitoring.

All registers are followed individually in each farm and controlled by the regional technical supervisor. **Water sources** for irrigation are authorized by the local authority called DINAGUA (Dirección Nacional Aguas).

We have different water sources: ground water, the river and cutwaters. One of the cutwaters has a **reserve capacity of 482.125 m³** and a mirror surface of more than 19 hectares. This water reserve can supply the irrigation of more than 48 hectares with 210 days without rain, much more than what is assumed as a safety factor in similar irrigation projects (90 days).

Water Use in Farms (thousand m³/year)



SOUTH AFRICA

We cultivate, pack and process citrus fruit under good -but relatively dry- weather conditions, which require irrigation water. As water is scarce, its appropriate and careful administration is vital.

In the Eastern Cape, water comes from a mayor river located 250 km away. This water is bulk reticulated in the cultivated region and then managed through a canal system to all the farms in the region.

Water is managed on a volume basis by the Government and on a regional basis by Water User Associations (AUA, for its Spanish acronym). The Eastern Cape has a similar structure, but water comes from a local river. They have different conditions, as the regions are highly separated and must adapt to different needs.

The amount of water delivered is managed by the AUA. We accurately measure the amount of water we receive in order to guarantee its proper use.

Besides, the amount of soil humidity is measured to guarantee the right levels required. The amount of water that evaporates is also measured to guarantee the appropriate levels.

The water used in packing machines comes from the same systems, but the volumes are not significant. There the goal is to ensure efficiency, as this practice discharges more water for the orchards nearby.

Water and continuous pressure on the availability thereof have been noted as a megatrend for San Miguel South Africa and, consequently, we dedicate much time and effort to guarantee a maximized and efficient use of every drop of water.

▶ WATER USE

Our trial to test the effect of plastic mulch has shown a significant increase in tree size and we have now been able to reduce irrigation in that orchard by 40% compared with uncovered orchards. We will harvest our first fruit from the trial block this season and current yield estimates suggest a higher yield than the comparative orchards.

In some areas, windbreak trees that were using excessive water were removed, chipped and then applied as a mulch in orchards where the soil has a poor water-holding capacity. This has reduced water requirements to sustain the windbreaks as well as water requirements in the mulched orchards.

GRI 303-1

▶ PRACTICES WE CARRY OUT

- We collect rainwater from shed roofs to obtain fresh drinkable water.
- We count on carbon mulching programs in order to enhance soil humidity retention.
- We constantly measure and map our soils, since too much water, as well as too little water in the soil has a negative impact.
- We are trying shade nets to see their effect on water requirements.
- We constantly try new irrigation equipment to see how to provide the right amount of water with minimum waste.
- Water usage decreased by approximately 4.4 % from 2017/ 2018 usage (July 2017 – July -2018) as compared to 2018 / 2019 usage (July 2018 – July 2019).

Water Use (m³/year)

Year	Water supply	Water use	% used
2018/2019	7,016,400	5,567,020	75%
2017/ 2018	6,116,400	5,823,041	95%

GRI 302-1

GRI 302-3

GRI 302-4

⚡ We Use Energy in a Responsible and Efficient Way

ARGENTINA

Electricity and natural gas are the main energy sources used in our Famaillá Industrial Complex. To make a rational use, we have a system that measures the consumption of natural gas and the steam generated in the boiler. This allows us to optimize energy consumption in lemon peel dryers.

2019 Natural Gas ratio was 63.5 Nm³/Processed Tn whiel in 2018 we obtained 64.3 Nm³/Processed Tn. If we compare this values with 2017, we see that the improvement has been sustained, reaching a decrease of 6.6 Nm³ in the consumption of natural gas / Processed Tn.

2019 Electric energy ratio was 89.9 Kw/Processed Tn, while in 2018 was 94.9 Kw/Processed Tn, leading to a reduction of 5Kw/Processed Tn. If we consider the improvement during 2019-2017 period, the reduction reached 22.9 Kw/Processed Tn (20% less).

PERU

Our packing plant in Chinchá is supplied with ground water. In order to meet the quality needs of the product, the water is treated by reverse osmosis to remove ions, unwanted molecules and larger particles from drinking water.

Evolution of Water Use - Total (thousand m³/year)



Water Use (m³/year)

	2019	2018	2017	2016
Chinchá	5,807,507	7,679,682	7,565,396	6,307,392
Chepén	8,134,980	8,205,890	6,305,938	6,005,240

Natural Gas Consumption (Nm³/Processed ton)

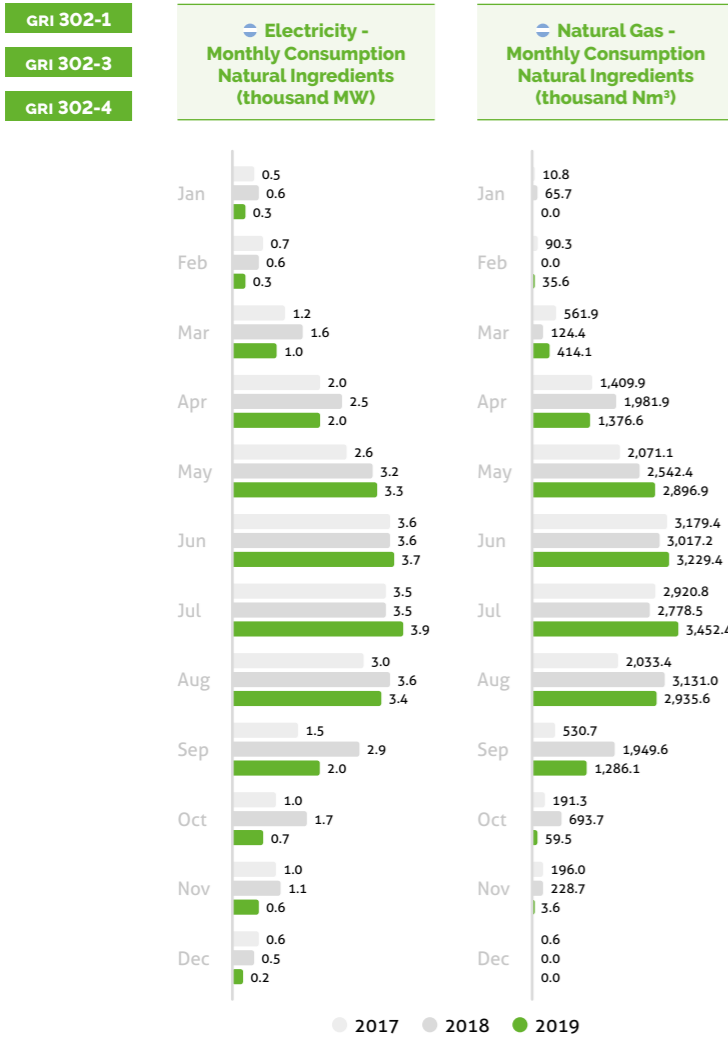


Energy Consumption - Natural Ingredients

Source	2019	2018	2017	2016	2015
Gas oil ¹	34,282	29,617	36,254	49,960	6,205
Gasoline ¹	1,996	6,246	3,782	0	0
LPG ¹	86,700	100,214	39,541	0	0
Natural gas ²	15,690,346	17,634,042	13,317,305	14,937,575	15,168,952
Electricity ³	22,207	26,001	21,828	23,508	21,860

¹liters • ²m³ • ³MWh.

6 ▶ Committed with Nature



URUGUAY

Electricity Consumption (KWh)			
	2019	2018	2017
Farm	1,260,586	1,692,791	1,405,899
Administration	40,205	43,928	45,907
Packing	795,400	723,738	631,682
Total	2,096,191	2,460,457	2,083,488

Energy Consumption 2019		
Source	Packing	Farm
Gas oil (litres)	-	463,501
Gasoline (litres)	1,200	18,752
Glp (kg)	23,140	-

Energy Efficiency - Packing		
	2019	2018
Energy	795,400 Kw/h	723,738 Kw/h
Harvest	35,565 Tn	27,705.9 Tn
Ratio	22 Kwh/Tn	26 Kwh/Tn

The energy that we use comes from renewable sources and is distributed by the National Electricity Authority (Administración Nacional de Usinas y Trasmisiones Eléctricas - UTE), a public company of Uruguay that has as hydro, wind and thermal power plants.

GRI 302-1
GRI 302-3
GRI 302-4

▶ TO MAKE A RATIONAL USE OF ENERGY IN ALL OUR OPERATIONS, WE CARRY OUT THE FOLLOWING ACTIONS

- We monitor and evaluate of our equipment and its consumption.
- We plan the tasks and functions of the equipment according to the schedules set by our energy supplier to optimize the use.
- We compensate reactive energy¹ by incorporating capacitors² in the boards of medium and large equipment.

When we analyze the ratio of electricity consumption in the industry, we obtained an improvement of 4Kwh / Tn packed. Eventhough this doesn't indicates an improvement in terms of annual consumption, it is concluded that the activity is more efficient in the use of energy per Tn compared to 2018.

¹A type of electric energy that some electrical equipment absorbs from the network but which it subsequently returns, therefore it does not entail consumption, although it must be generated and transported to the equipment. To that aim, electric companies penalize, in customers' bills, reactive energy consumption above a certain value. ²Some benefits of condensing equipment: correcting the Power Factor, reducing line loss, promoting voltage support, enhancing the system power transfer capacity, protecting machinery and electric devices from voltage surges and drops and releasing the system's Kvar capacity to supply other charges, which is translated into savings in the energy bill, among others.

SOUTH AFRICA

Electricity (KWh)			
	2019	2018	2017
Eastern Cape	2,555,508	2,600,267	2,135,924

Electricity Consumption per Month		
Month	2019	2018
January	227	175.47
February	210	384.87
March	184	666.74
April	163	502.00
May	142	95.87
June	170	550.89
July	162	387.69
August	233	524.63
September	207	45.94
October	146	722.96
November	190	147.00
December	217	304.00
Total	2,255	508.05

PERU

In our operations located in Chincha and Chepen, we use gasoline, diesel and mostly, electric power from the Hydroelectric Power Plant. In order to reduce the amount of energy required for the production of our products, year after year we measure the energy consumed per ton produced and per ton exported.

In Peru, we monitor the amount of energy consumed in a general way, differentiating the consumption of electricity, but not that of heating and cooling.

Total Energy Consumption			
	2017	2018	2019
Electricity (KWh)	9,075,686	4,179,207	3,767,806
GLP (m³)	10,879	65,570	9,967
Gasoline (l) ¹	-	2,204,239,020	2,620,136,499
Oil (l) ²	-	7,418,429,230	8,379,311,917

¹90 octane. ²Gas oil UV diesel B5 S50.

Energy Consumption			
	2017	2018	2019
Chincha			
Electricity (KWh)	2,304,041	2,485,188	1,682,791
GLP (m³)	10,879	65,570	9,967
Gasoline (l) ¹	-	914,400,161	953,055,033
Oil (l) ²	-	4,366,774,700	3,891,027,473

Chepén			
	2019	2018	2017
Electricity (KWh)	6,71,645	1,694,019	2,085,015
Gasoline (l) ¹	-	1,289,838,859	1,667,081,466
Oil (l) ²	-	3,051,654,530	4,488,284,444

¹90 octane. ²Gas oil UV diesel B5 S50.

Energy Efficiency (KWh/Tn)		
Year	Annual average	Year-on-year variation

Fruit that Enters the Plant		
Year	Annual average	Year-on-year variation
2016	464.36	-
2017	791.72	+70.50%
2018	121.87	-84.61%
2019	121	-0.7%

Fruit that Exits the Plant or is Exported		
Year	Annual average	Year-on-year variation
2016	631.63	-
2017	998.54	+58.09%
2018	195.37	-80.43%
2019	165	-15%



6 ▶ Committed with Nature

GRI 306-2

🗑️ We Manage our Waste and Effluents in a Responsible Way

Supply & Waste

🇦🇷 ARGENTINA

Within the framework of the **Environmental Improvement annual plan**, we have renovated the storage in farms and our Industrial Complex, assuring control measures to avoid spills, contain leaks and segregate waste according to categories and risk level.



▶ **HAZARDOUS WASTE STORAGE (FAMAILLÁ INDUSTRIAL COMPLEX)**
Acquisition of anti-spill kits and containment rafts.



▶ **HAZARDOUS WASTE**
A new space for Hazardous waste was built, allowing an adequate segregation of waste, containment of possible spills and compliance with safety measures.



▶ **AGROCHEMICAL DEPOSITS (MONTE GRANDE FARM)**
We have increased the capacity of the agrochemical deposit and made modifications to the storage of empty containers applying control measures.

🇺🇷 Waste Generated - Natural Ingredients

Waste	Tons					Treatment/Disposal
	2019	2018	2017	2016	2015	
Non-Hazardous						
Domestic						
General	918	1.414	567	727	446	Sanitary landfill
Industrial						
Plastics	14.18	27	12	10	35	Recycling
Cardboard	28.96	41	67	72	39	
Production						
Cull fruit	2,347.76	4,466	1,736	2,441	4,335	Bio-remediation
Pulp from factory*	N/A	N/A	11	38	7.5	Livestock feed
Pulp from effluents	12,309.80	7,653	7,526	10,198	7,158	Bio-remediation
Dry sludge	22,636.51	26,136	15,074	7,946	3,608	Bio-remediation
Liquid sludge	891.8	0	3,329	38,114	43,381	Fertigation
Hazardous						
Hazardous	69.14	87.9	102	1.8	3.5	Incineration
Total	39,216.15	39,742	28,300	59,547	66,522	

*As from 2018 "pulp from factory" is accounted for as a single item together with "cull fruit".

GRI 306-2

🇺🇷 URUGUAY

🇺🇷 Waste Generated - Natural Ingredients (JV Novacore)

Waste	Tons (bs)		Treatment/Disposal
	2018	2019	
Non-Hazardous			
Domestic			
General	11.9	10.1	Municipal landfill
Industrial			
Clean plastic (nylon)	15.5	1.29	Recycling
Clean paper and cardboard	13.5	38.12	
Production			
Wet peel from factory, fruit remains	632.6	881.9	Animal feed
Pulp from effluents	45.3	262	
Ferrous scrap	2.8	-	Recycling
Boiler ashes	21.7	21	Municipal landfill
Hazardous			
Industrial			
Used oils	1.6	1.1	Alternative fuel
Filters and rags	0.06	0.09	Transitory storage
Total	745	1,215.6	-

As part of our management we apply the rule of the **three R's**: reduce, reuse and recycle, **prioritizing the reduction of the volume of waste generated**. Thus, we promote responsible consumption habits to reduce our carbon footprint. Plastics, paper, cardboard and scrap are disposed of for recycling; while organic waste such as: peel, fruit residues and effluent pulp are destined for animal feed.

In addition, we guarantee our operations with authorized managers and transporters, to ensure the traceability of these flows to their final destination with a management plan that complies with legal regulations.



🇿🇦 SOUTH AFRICA

🇿🇦 Ponders End Packhouse Effluent Water

Determinant	Results	Standard
pH @ 25° C (pH units)	7.0	6-12
Suspended solids at 105° C (mg/l)	29.0	1,000
Total dissolved solids at 180° C (mg/l)	N/A	1,000
Oils, greases and waxes (mg/l)	N/A	450
Chemical Oxygen demand (Total) (mg O ₂ /l)	116	10,000
Electrical conductivity at 25° C (mS/m)	61	500
Total Chloride (mg/l)	105	1,000
Total Arsenic (mg As/l)	< 0.005	5
Total Fluoride (mg F/l)	0.1	5
Total Boron (mg B/l)	< 0.08	5
Total Cadmium (mg Cd/l)	< 0.003	5
Total Chromium (mg Cr/l)	< 0.027	20
Total Sulphate (mg S/l)	31	1,500
Total Copper (mg Cu/l)	< 0.02	20
Total Lead (mg Pb/l)	< 0.007	5
Total Cyanide (mg Cn/l)	0.019	10
Total Mercury (mg Hg/l)	N/A	5
Total Molybdenum (mg Mo/l)	N/A	20
Total Nickel (mg Ni/l)	0.014	20
Total Selenium (mg Se/l)	N/A	5
Total Vanadium (mg V/l)	N/A	5
Total Zinc (mg Zn/l)	< 0.03	20
Permanganate value (mg Mn O ₄ /l)	N/A	1,000
Sulphide (mg S-/l)	0.42	5

▶ WASTE RECYCLING

Waste recycling initiatives saw an increase in waste recycled in 2019. 48333kg (at least 3x increase) waste was recycled from our farms. Tyres and irrigation pipes were cleared from our farms and sent to recyclers.

▶ WASTE RECYCLING HUB

Waste recycling Hub was established at Ponders packhouse.

▶ PERMITS

Waste recycling and sorting permit was obtained from the DEDEA for Ponders.

▶ EMS SYSTEM DEVELOPMENT

EMS system was developed, and Aspects and Impacts were done on activities for Packhouse and Farms.

▶ A once off effluent water sample was taken to determine if the waste water can be sent the effluent treatment in Kirkwood. The current result can be sent to this treatment plant.

6 ▶ Committed with Nature

GRI 306-2

PERU

The solid waste generated in the different activities of the company are classified in containers located in strategic places, then collected and taken temporarily to our central warehouses, until their final disposal in authorized places according to their classification. The companies in charge of transport, treatment and final disposal have all the authorizations and permits generated by the General Direction of Agricultural Environmental Affairs and the Ministry of Environment.

Waste Generated 2019 (Kg)			
Description	Chepén	Chincha	Total
General waste	28,860	3,955	32,815
Hazardous waste	456,950	96,840	553,790
Sewage water	433,160	81,850	515,010
Solid waste	990	7,330	8,320
Empty containers	22,800	7,660	30,460
Organic waste	0	618,450	618,450
Non-reusable waste	0	27,550	27,550

GRI 306-1

Effluent Treatment

GRI 306-5

ARGENTINA

As part of the industrial processes, **citrus effluents are treated before discharge** according to the following scheme:

▶ PRIMARY PHYSICAL-CHEMICAL TREATMENT

Separates solids, grease and oils and then conditions at neutral pH using lime slurry.

▶ SECONDARY BIOLOGICAL TREATMENT WITH UASB (UPFLOW ANAEROBIC SLUDGE BLANKET) REACTOR

This is a reactor that uses granular sludge. These sludges are formed by 4 consortiums of bacteria that digest the organic load of the effluent through metabolism under anaerobic conditions, with a high capacity for organic matter degradation. The reactions cause the production of **biogas that is reused in the boiler** that heats the effluent that enters the reactor. This reactor was installed and started up in the 2008/2009 off-season period.

▶ BIOLOGICAL TREATMENT WITH AEROBIC REACTOR-ACTIVATED SLUDGE

Uses sludge made up of strict and facultative aerobic bacteria to remove the organic load from the effluent. As the bacteria digest the organic load, more and larger bacteria are generated, which in turn need oxygen from aerators. These aerators also serve the function of having the reactor stirred and the sludge in intimate contact with the organic load and the dissolved oxygen. The reactor was installed and put into operation in the 2015/2016 off-season period. This last reactor is in charge of polishing the effluent before the overturning

▶ The reactor works by overflow. The overflowed liquid is directed to a sedimentation tank, while the sedimented sludge is directed to a sludge chamber, where a part of the sludge is directed in recirculation back to the reactor and the excess sludge is purged with centrifugal equipment.

The treated citrus effluent generated after these treatments is discharged to the Alberdi/De La Cruz stream, adjacent to the production plant. This stream is a tributary of the Famaillá River, one of the main waterways draining the Famaillá area, along with the Colorado River. Industrial effluents are generated between the months of March and September. Part of these effluent is discharged as treated citric effluent to the Alberdi/De La Cruz stream and part, with primary treatment, is applied as conditioned citric effluent for irrigation in a property adjacent to the Famaillá Plant.

The **irrigation project** is part of the effluent treatment plant maximization project, which began in 2018 and started functioning in 2019, redefining the work strategy as a dual operation with the biological system and incorporating this practice as part of the regular operation of the treatment system. This operation phase is **constantly monitored** to ensure that the soil is not affected, in accordance with the **commitments made to the environmental authority.**

▶ STUDY OF WATER QUALITY IN STREAMS

As part of the **Protected Productive Landscape Program**, a survey of the biodiversity in aquatic macroinvertebrates and the quality of the aquatic environment was carried out with ProYungas NGO in four sections of watercourses that run through the

GRI 306-1

Luz María Farm (Famaillá, Tucumán). The Colorado and Famaillá rivers (towards the E and W boundaries of the farm, respectively) and two small streams (one in a Mirador lot, and the other near the Famaillá river) tributaries of each of the mentioned rivers were sampled.

The biological sampling was carried out on June 26, 2019, corresponding to the hydrological period 2019 of the end of the high waters and data were taken from marginal terrestrial vegetation (riparian forest), substrate granulometry and qualitative estimates of channel width, current velocity, presence of modifications or alterations in the bed.

In general, the sampled watercourses presented good to excellent ecological quality of the aquatic environment, according to several calculated biological indices, hosting a high diversity of macroinvertebrates (54 taxa found in total).

▶ AEROBIC REACTOR MAINTENANCE

For the third year in a row, the UASB Reactor Efficiency Improvement Plan was executed during 2019. The temperature of the reactor is a key operating parameter since it is involved in the energy balances that can make possible or block the practical use of anaerobic techniques. Working in a longer operation interval means reaching a higher biological activity and a higher methane production. In order to improve the efficiency of the anaerobic reactor, the cleaning of the heat exchange system was planned and executed in 2019, thus improving its performance, since significant temperature variations were observed in the system during 2018, which made effective heating impossible. This fact allowed to increase the temperature by up to 2° C and keep it stable from the start of the 2019 harvest.

Furthermore, at the end of 2019 we started a project to raise the temperature of the effluent that enters to the reactor aiming to reach optimum conditions and favour biomass growth. Tasks will finish in June 2020 leaving the project operative for 2020-2021 harvest season.

▶ TRAINING AND MONITORING TO PREVENT AND AVOID RISKS

The Effluent Treatment Plant has a laboratory with approved equipment that allows us to perform an adequate monitoring of the entire system, thus ensuring the control of all critical operating variables.

The team in charge of performing the analyses and the operation is permanently trained and qualified

through a Training Plan that allows updating and maintaining the level of knowledge over time by validating the technical and operational skills required to guarantee the interpretation of the results and the execution of the necessary preventive and/or corrective measures at the required time.

In order to assure the control of the treated effluent and quality off the discharge in a totally transparent way, we keep in the Sampling and Monitoring Station (EMM) the appropriate instruments to monitor online the parameters of pH, dissolved oxygen, temperature, conductivity and flow, and transmitted continuously by GPRS system to the Data Reception Station of the local environmental authority (SEMA).

Furthermore, to ensure the quality of the information obtained, we outsource the monthly cleaning of sensors and preventive maintenance of the facilities, immediate corrective maintenance if any problem is detected and the contrast and/or calibration operations of the instruments to verify the accuracy of the measurements.

Industrial Effluent - Natural Ingredients

Year	Volume (m ³)	Crushing (Tn)	m ³ /Tn	Year-on-year variation
2019	1,067,298	247,185	4.32	-14.62%
2018	911,177	267,262	3.40	-25.27%
2017	867,867	190,550	4.55	-22.75%
2016	1,263,415	214,297	5.89	1.32%
2015	1,182,292	221,973	5.32	-0.75%
2014	533,021	99,419	5.36	6.14%
2013	1,196,690	236,777	5.05	-



6 ▶ Committed with Nature

GRI 306-1 Sustainable Soil Management

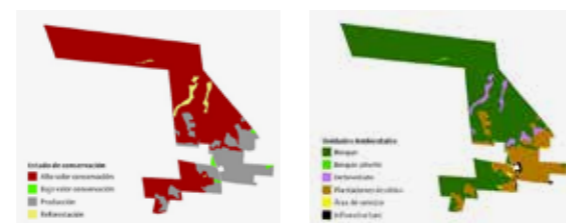
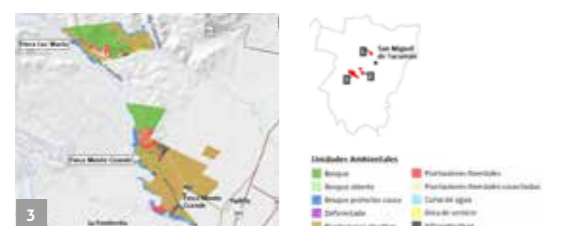
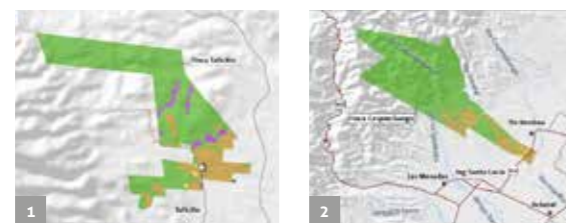
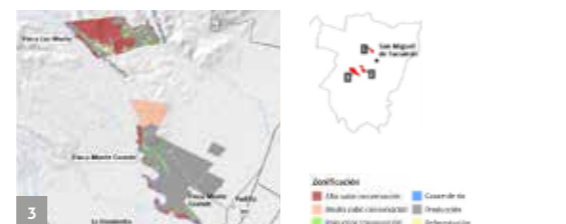
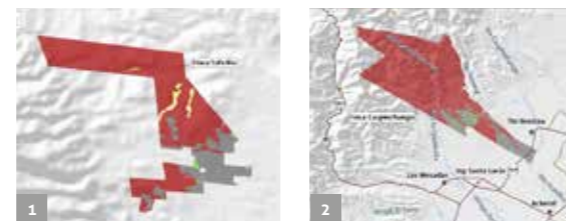
GRI 306-5

ARGENTINA

The following image shows the distribution of the environmental units with the highest environmental value in San Miguel within the Province of Tucumán.

These are the most important aspects of each unit on San Miguel property that are categorized as high conservation value:

- **Caspinchango** has more than 6,000 ha of forests with high conservation value, which mainly correspond to hillside areas that are immersed in a continuous block of Yungas and in proximity to the Provincial Reserves Los Nuñorcos and Los Sosa.
- **Luz María** has 359 ha of forest of high conservation value due to its size, location relative to other forest formations and proximity to protected areas.
- **Monte Grande** has less forest area, but is located near Luz María, so together they form a forest corridor and enhance its conservation value. This property has 87 hectares of protective riverbed forests associated with the Famaillá River that are categorized as areas of high environmental value.
- **Taficillo** is in direct contact with the Sierra (Mountain) de San Javier Park. This strategic location, plus the area of the forest patch immersed in a continuous forest matrix, makes this property have almost 1,000 ha of Yungas in the category of high conservation value.



GRI 306-1

URUGUAY

GRI 306-5

Each of the farms has a detailed soil chart that includes its complete cartography (varieties, soils, accumulation basins -frost risk, irrigational, pest monitoring, etc.) carried out in a Geographic Information System (GIS)¹ and with a soil characterization system by a Productivity Index (CONEAT)².

We use this information to perform the risk analysis of the new plantations, determine the varieties to be included and to know the water catchment of each particular site.

Increasing the organic matter in a soil is a long-term issue. In order to achieve this, we form an organic Mulch (thick grass layer) under the citrus plant using machines that cut the green manure planted between the rows of citrus trees and deposit it under the citrus tree line. Over time, this Mulch decomposes in its lower part and recharges in its upper part, generating a methodology of continuous organic matter contribution to the soil that will better take care of the crop's carbon balance.

In order to verify its evolution, analyses are carried out to measure the amount of organic carbon in the soil and its associated fertility. Once the organic mulch is formed, it also acts as a physical and light barrier for the germination of competing crop weeds.

Research carried out by professionals at the experimental station 'INIA Salto Grande' on the use of Mulch in Citrus shows that it improves the quality of the final product, increasing the fruit's skin color parameters.

In addition, we carry out aerial sowing of winter species that grow in winter and do not compete with crops. Afterwards, they are cut and positioned at the base of the plant, leaving the soil covered, reducing water erosion, and keeping it protected from the sun's rays, which significantly reduces the surface temperature as well as surface evaporation. This increases the biotics of the soil, improving its structure and retention in the face of a soil sealed off by water erosion.

At the same time, green fertilizers are planted in the Citrus Mountains with the goal of improving the organic content of the soil. Fodder pastures are sown in the between-row of the citrus trees looking for fodder species with high carbon/nitrogen ratio (best organic matter precursors) such as Gramineae: Rye Grass, Avenas sativas and fodder sorghum. They are planted with airplane or with precision seeders.

▶ ANOTHER ACTIONS IMPLEMENTED

- We have an **Annual Fertilization Plan** which details the farm, plot, dose and fertilizer to be used. Thus, the application of fertilizer is planned and the irrigator knows the amounts to be applied per month in each farm. At the field level, the irrigators keep a record of both fertilization and irrigation in order to keep the information on the products applied up to date.
- We track the **phytosanitary status of the crops, continuously monitoring pests and diseases and making observations of the state of the weeds throughout the production process.** Monitoring is planned annually and carried out by trained personnel. They are complemented by frequent visits made by the technical team of the farms, making use of new technologies in weed control with a scanner that detects photosynthesis (Weedit system³) and only applies where there is a green plant or weed.
- We work with the advice of a meteorologist who forecasts national and local weather conditions daily. In this way, we manage to postpone phytosanitary applications when the climatic conditions are not appropriate.
- We monitor the applications through SYNGENTA⁴ hydro sensitive cards. Taking into account the application patterns we ensure the efficiency of our applications.
- We carry out a triple washing process on the used agrochemical containers, and we perforate them to avoid the accumulation of rainwater inside them or undue reuse. Then, they are stored in a place designed for this purpose with electro-welded mesh enclosure and sent to centers authorized by the local environmental authority.

¹A set of tools that incorporates and relates different components (users, hardware, software, processes) enabling the organization, storage, handling, analysis and modeling of big quantities of data associated to a spatial reference, facilitating the incorporation of socio-cultural, economic and environmental aspects that lead to efficient decisionmaking. This information system can incorporate, store, edit, analyze, share and show information with geographical references enabling the creation of interactive consultation, spatial information analysis, data editing, maps and presentation of the results of all these operations. - ²Index that determines the average productive capacity of the country's soils, structured by the Ministry of Agriculture and Fisheries and the National Commission for the Agro-Economic Study of Land of the Government of Uruguay. - ³WEEDit's sensors have an active source of red light that shines continuously in the direction of the soil. When applied to living plant material, the chlorophyll in the plant absorbs some of it, converts it and emits it as NIR light (Near Infrared). WEEDit sensors are continuously looking for the presence of NIR. Each sensor performs 40,000 readings per second in the NIR presence check, thus searching for weeds. After detecting the weed, the system calculates the forward speed and when the weed is under the herbicide application peak, a solenoid valve lets the broth pass which is then accurately sprayed onto the plant. With this Selective Spraying the system is able to save between 50 and 90% of herbicide in each application, thus reducing the environmental impact and allowing to reduce production costs. - ⁴A tool to achieve efficient and responsible applications. This material is a yellow piece of paper, highly humidity-sensitive which, when it comes into contact with a drop of water or other fluids, turns blue, revealing the spot where the drop has fallen. Its use is critical at the time of the application, as it allows evaluating the machine calibration, as well as checking the quality of the application made.

6 ▶ Committed with Nature

GRI 306-1

 SOUTH AFRICA

We expanded our program to apply soil rejuvenating products like gypsum, wood mulch and humid acids to ensure that our soils remain physically and chemically balanced to allow for optimal root ecosystems. We have also started testing a machine that cuts the pruned branches and applies the chips onto the tree row as a mulch, instead of leaving them in the orchard rows where they are less effective.

GRI 306-5

▶ AGRO-CHEMICALS

In 2019 we reduced our reliance on agrochemicals to control certain pests like the citrus mealybug (*Planococcus citri*). We released natural enemies (parasitic wasps) and made use of a natural insect pathogen (*Beauveria bassiana*) to help control the pest and thereby reduce the amount of residues on the fruit and lessen our impact on the environment.

Protecting Biodiversity

 ARGENTINA

Our main operation in Tucuman is located in a context with high environmental value: the **Yungas Ecoregion**. Since five years ago, we have been implementing the Protected Productive Landscape Program together with ProYungas NGO, aiming at preserving the native forests and the balance of the Yungas ecosystem, which plays a key role in the water regulation of the streams and rivers, strategic resources for the agricultural production of the region. In addition, the Yungas absorbs greenhouse gases and serves to mitigate the impacts of industrial activity.

▶ WE WORK IN 5 CORNERSTONES

- *Characterization of the environmental context.*
- *Biodiversity monitoring.*
- *Conservation of resources and improvement processes to enhance our environmental performance.*
- *Communication (internal & external).*
- *Strategic partnerships with local actors.*

During 2019 we focused mainly in cornerstones 1 to 4.

▶ CORNERSTONE 2: BIODIVERSITY MONITORING

Biodiversity surveys are a fundamental source of information, which allow us to obtain knowledge about the distribution, systematics and natural history of the species in the region. At the same time, they allow us to establish models of interaction between wild areas and transformed areas (urban or agro-industrial).

Biodiversity monitoring is a periodic and standardized study of environmental variables that can include flora, fauna (mammals, birds, etc.), water resources, among others. This information helps to understand the temporal and/or spatial dynamics

Especies Registradas		
Specie	Common name	Level of threat - National category
<i>Didelphis albiventris</i>	Common weasel	LC
<i>Lutreolina massaia</i>	Red weasel	LC
<i>Leopardus pardalis</i>	Ocelot	VU
<i>Lycalopex gymnocercus</i>	Pampas fox	LC
<i>Cerdocyon thous</i>	Mountain fox	LC
<i>Eira barbara</i>	Greater ferret	NT
<i>Procyon cancrivorus</i>	Mayuato	LC
<i>Pecari tajacu</i>	Collared peccary	VU
<i>Mazama gouazoubira</i>	Brownish brocket deer	LC
<i>Galea musteloides</i>	Common yellow-toothed cavy	LC

of the different study variables, identify the causes of changes and implement improvement actions in aspects related to management, strengthening positive aspects and mitigating components that can be negative in the relationship between production and natural environment.

▶ OUR GOALS IN 2019 SURVEY

- *To carry out a comparative sampling to analyze vs 2015-2016 sampling.*
- *To evaluate the mammal assemblage that uses the forests and riparian or wooded corridors.*
- *To identify the importance of some species that present high frequency in the records of these sectors of Yungas*

The samples were taken at the following farms: Caspinchango, Luz María, María Verónica, Taficillo, La salina, María del Milagro and Patricia

Cameras were installed in the continuous forest as well as the wooded and riparian corridors within the productive area.

GRI 306-1

In the surveys, digital camera traps were used since they are one of the least invasive methods for wildlife. These are cameras that are activated with an infrared sensor when a warm-blooded animal passes in front of them.

The cameras were installed during the months of September to December 2019. The entire sampling design consisted of 21 sampling stations installed in the Lowland and mountain forests within our territory.

As a result of the sampling, records were obtained for 10 large and medium mammal species, which are characteristic of the middle and lower levels of the Yungas.

The mammal assemblage has certain features that are typical of forest sectors that have a strong connection to agricultural systems such as the Ocelot and the Greater Ferret that are frequent in the samples because of the easy association they have with man and the use of the forest sectors adjacent to the citrus field.

Species that are characteristic of these forests are found in the forests and riparian corridors found in the yungas sectors within the farms.

CONSERVATION STATUS OF THE REGISTERED SPECIES

- *Two species (Collared peccary and Ocelot): Vulnerable (VU)*
- *Major ferret: Almost threatened (NT)*

During this sampling it was found that the larger ferret was the most abundant species, highlighting the results found in previous samples. This species is generalist in its trophic habits and its ecological plasticity would allow it to use both continuous and corridor forest sectors in different states of conservation. In the forest sector, the Ocelot and the Collared peccary were the species that followed in abundance.

 URUGUAY

We integrate our Farms to the landscape of the fields, conserving uncultivated areas as Protected Areas with the objective of:

- *Maintaining representative ecosystems that ensure evolutionary continuity and ecological processes, including migration and genetic flows.*
- *Conserving ecological diversity and wildlife resources to ensure the role of natural diversity in regulating the environment.*
- *Maintaining the genetic material of natural communities and avoid losses of native flora and fauna.*
- *Guiding and organizing conservation activities that support the integrated development of rural areas.*

These Conservation Areas behave like "buffer"³ zones within our agricultural operation, where you can find varied local fauna and native flora.

▶ NATIVE FOREST AREA IN FARM N° 16

After identifying that in recent years the forest had naturally densified with a large number of low value species as native forest, a selection was made to leave the forest in its natural state. Some new areas of native forest were annexed with all their native species represented on the site, privileging the presence of carob trees, in order to achieve a balanced, clean and efficient spatial distribution with low fire risks. We managed to preserve the native species and at the same time organize the native forest and reduce the incidence of pests that seriously affect the citrus production of this place.

³A buffer zone is any area that serves the purpose of maintaining the real world entities distant from each other. They are used to protect the environment.

 SOUTH AFRICA

South Africa counts on strict requirements that comprise of the Evaluation of Impact Ambiental (EIA) and their authorization for new developments. The process takes up to two years and is very rigorous. The process understands many aspects, and the chapter on Biodiversity includes the following thing:

- *Protection of botanical species in danger and groups of species.*
- *The designated hectares will declare areas for protection as a result of allowing the development of certain hectares.*
- *Search and transplants of certain designated species of plants and trees that would lose themselves in the development.*
- *The fauna and animal search and relocation certain of the development area.*
- *Certain cultural practices that they guarantee the protection of the ground and the protection of the water obstacle.*
- *Runners between properties to create space so that certain fauna can circulate.*
- *To adhere to a Plan of national protection of shrubs and areas of rest with specific objectives of protection.*

Zone 1 of San Miguel in South Africa is next to one of the great national parks: the National Park of Addo Elephants. Due to this proximity, great attention to the biodiversity beyond the normal legal requirements is lent, since in this area the natural parks are with the commercial cultures of citrus. The National Park of Addo Elephants, created to protect to this species of elephants, counts on a great biodiversity, landscapes, flora and fauna that includes great mammals that coexist with the orchards of River Bend of San Miguel.

<https://www.sanparks.org/parks/addo/>

Our Sustainability Reports



Sustainability Report 2019

Is freely distributed and available to all stakeholders upon request. A digital version is available at www.sanmiguelglobal.com
Prepared by San Miguel's Sustainability, Quality and Institutional Relations area.
External Facilitator: ReporteSocial www.reportesocial.com

Our Website

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