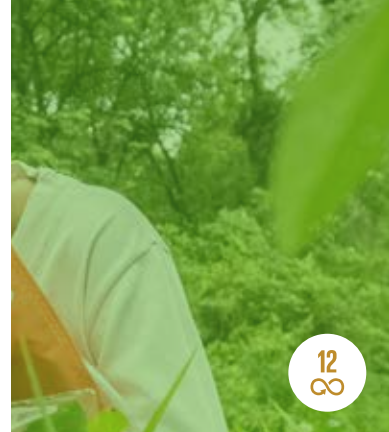


2019



12
GO



8
GO



15
GO



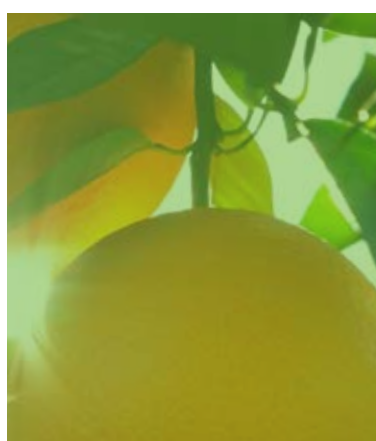
3
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We
Are Part
Of It



2
GO



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% |
| Andrean Sun Produce | 40% |
| Venco Fruit Processors Pt.& Ltd. | 35% |
| Thudana Citrus | 49% |

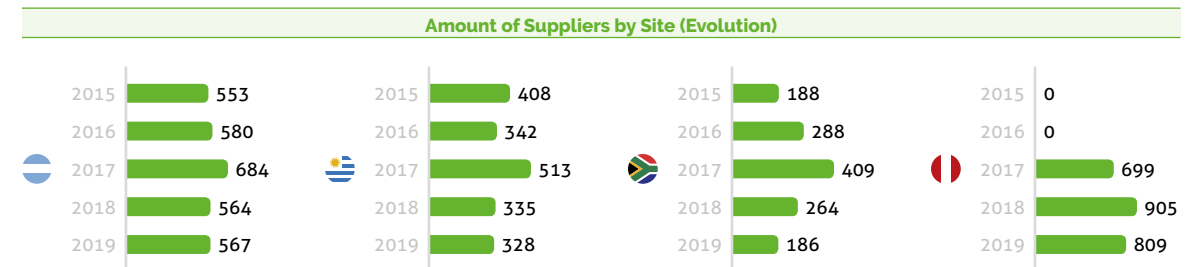


3 ► Sustainable Development In Our Value Chain

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

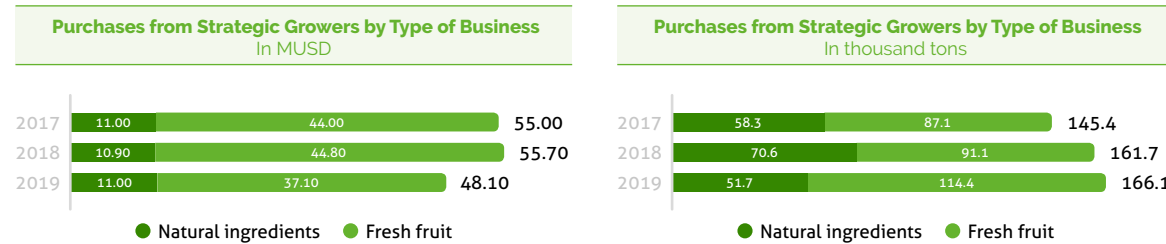
| Number of Strategic Growers by Country | | | | | |
|--|-----------|---------|--------------|------|-------|
| | Argentina | Uruguay | South Africa | Peru | Total |
| 2019 | 60 | 5 | 26 | 0 | 91 |
| 2018 | 63 | 3 | 26 | 0 | 92 |
| 2017 | 97 | 7 | 27 | 0 | 131 |

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 |



| 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 | 3,525,520 |
| 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 | 275 | 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 | 275 | 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 | 275 | 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. - ²A contract entered into with an employee to work full or part time for an indefinite period of time. Considered annual total as of December. - ³A 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. - ⁴Workers that are not directly employed by San Miguel. - ⁵As from 2018, we have changed the calculation method, considering the average season peak according to the location. - ⁶We do not have outsourced staff in Compliance to local regulations.

GRI 102-38

GRI 102-39

| Ratio Between Total Annual Compensation of the Highest-Paid Associate and the Mean Annual Compensation for all Employees | | | | | 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 | 2016 | | 2019 | 2018 | 2017 | |
| Argentina - Tucumán | 6.57 | 10.92 | 9.86 | 10.6 | Argentina - Tucumán | 0.88 | 0.75 | 0.81 | |
| Argentina - Buenos Aires* | 6.80 | 11.03 | 4.97 | 6.0 | Argentina - Buenos Aires | 0.84 | 1.47 | 1.12 | |
| Uruguay | 8.51 | 9.73 | 3.41 | 6.0 | Uruguay | 0.85 | 0.76 | 0.99 | |
| South Africa | 6.89 | 8.22 | 6.48 | - | South Africa | 1.0 | 1.0 | 0.72 | |
| Peru | 6.74 | 9.48 | 10.69 | - | Peru | 0.17 | 0.0 | - | |

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

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 | | 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 403-2

| Kpi | Health and Safety Indicators | | | | | | | |
|---|------------------------------|------|---------|-------|--------------|-------|-----------|-------|
| | Argentina | | Uruguay | | South Africa | | Peru | |
| | ♂ | ♀ | ♂ | ♀ | ♂ | ♀ | ♂ | ♀ |
| Absebtteeism rate (TA) ¹ | 4.2 | 0.46 | - | - | - | - | 0.009 | 0.017 |
| Accident injuries rate (AIR) ² | 1.86 | 0.10 | 2.95 | 2.89 | 0.58 | 1.01 | 0.034 | 0.018 |
| Number of fatalities ³ | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Occupational disease index | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rate of days lost due to occupational diseases ⁴ | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rate of days lost ⁵ | 0.21 | 0 | 39.83 | 46.19 | 2.14 | 13.13 | 36.52 | 31.48 |
| Complementary Information to Kpi's | | | | | | | | |
| Number of days lost | 528 | | 783 | | 37 | | 816 | |
| Total hours worked | 2,552,789 | | - | | 1,172,795 | | 4,959,611 | |
| Average number of workers | 1,019 | | 1,905 | | 713 | | 2,473 | |
| Number of accidents | 20 | | 56 | | 5 | | 15 | |

Calculation methods are not unified globally at each site, due to demands of each country and certifications. * ¹Number of absences/number of days worked*100. * ²(Number of injury accident/average amount of workers)*100. * ³Total number of fatal accidents. * ⁴Argentina: Number of days lost*1000/number of hours worked. Uruguay, South Africa, Peru: Number of days lost/average number of workers*100. * ⁵Includes lost days due to occupational diseases and accidents.

GRI 404-1

| | | Average Hours of Training | | | | | |
|----------------------------|---|---------------------------|--------------|---------|--------------|-------|-----------|
| | | Tucumán | Buenos Aires | Uruguay | South Africa | Peru | ⊕ Average |
| 2016 | Average hours of training per employee ¹ | 8.20 | 17.98 | 7.02 | 2.76 | - | 8.99 |
| | 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 |
| 2017 | Average hours of training per employee | 4.67 | 4.74 | 3 | 6.32 | 2.02 | 4.15 |
| | 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 |
| 2018 | 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 |
| 2019 | 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 | - | - | - | - | - | - |
| | Director⁴ | 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. * Peru: data was taken as from August 2017 and making no gender distinction. * Argentina: the average hours for Country manager are high due to the implementation of the IBP system. * Uruguay: 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 | | Performance Assessment | |
|--|------------------------|--------------|------------------------|------|
| | 2019 | 2018 | 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% | | |
| South Africa | | | | |
| By Job Category | | | | |
| Manager | 12.9% | 11% | | |
| Head | 32.26% | 42% | | |
| Employees | 54.84% | 47% | | |
| By Gender | | | | |
| Women | 24.19% | 29% | | |
| Men | 75.81% | 71% | | |
| Peru⁴ | | | | |
| By Job Category | | | | |
| Manager ⁵ | 8% | 3.9% | | |
| Head | 15% | 46.5% | | |
| Employees | 77% | 49.6% | | |
| By Gender | | | | |
| Women | 34% | 34.1% | | |
| Men | 66% | 65.9% | | |

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% | 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 |

| Men/Women Salary Ratio by Job Category | | | | |
|---|------|------|------|------|
| | 2019 | 2018 | 2017 | 2016 |
| | | | | |
| South Africa | | | | |
| Manager | 1.08 | 1.43 | 1.20 | 1.02 |
| Head | - | 0.88 | 1.05 | 1.05 |
| Employees | 1.98 | 0.98 | 1.27 | 1.22 |
| Peru | | | | |
| Manager | 1.00 | 1.00 | - | - |
| Sub-Manager | 0.96 | 0.97 | - | - |
| Head | 0.88 | 0.94 | 1.12 | - |
| Employees | 1.19 | 1.20 | 1.49 | - |
| 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

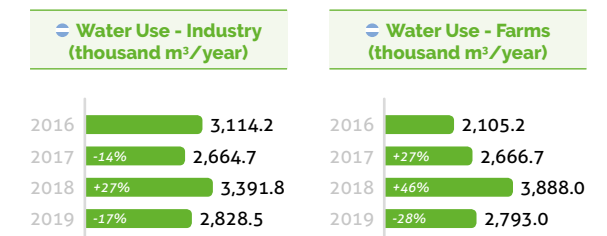
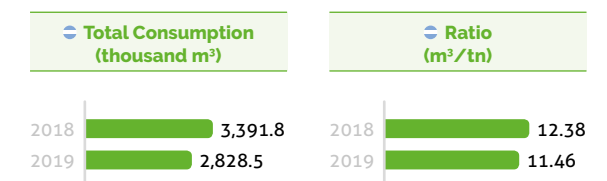
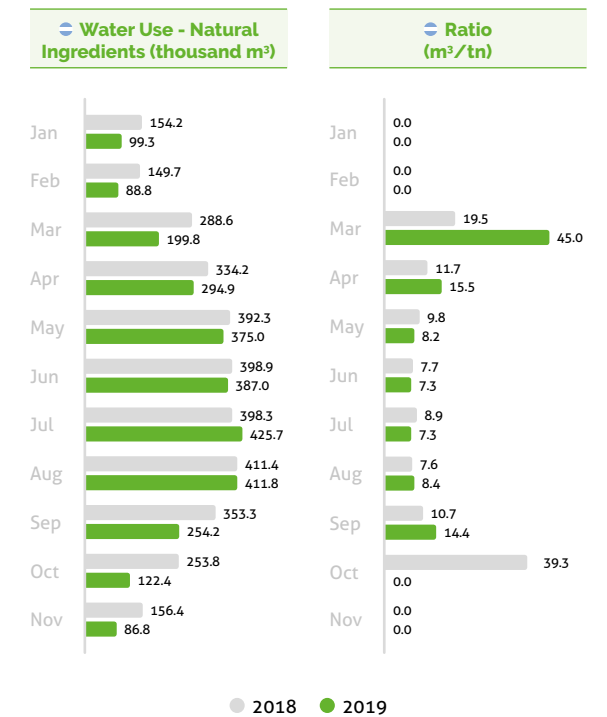
Our Natural Ingredients plant at the Famailla Industrial Complex is supplied only by ground water. **Each of the wells have flowmeters that transmit the extraction online, thus guaranteeing a reliable water consumption control system.**

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.



| Water Use (m³/year) | | | |
|---------------------|---------------------|-----------|---------|
| 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

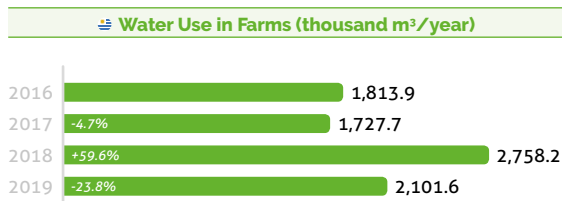
URUGUAY

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).



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

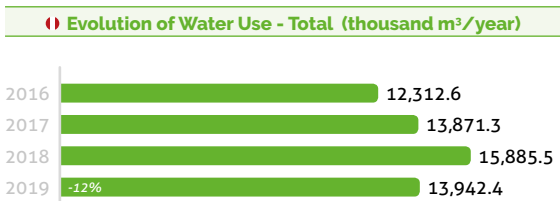
Electricity and natural gas are the main energy sources used in our Famaillá Industrial Complex. To make a rational use, we have a system that measures the consumption of natural gas and the steam generated in the boiler. This allows us to optimize energy consumption in lemon peel dryers.

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 Chincha is supplied with groun 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.



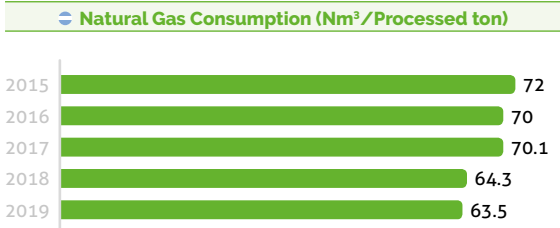
| Water Use (m³/year) | | | | |
|---------------------|-----------|-----------|-----------|-----------|
| | 2019 | 2018 | 2017 | 2016 |
| Chincha | 5,807,507 | 7,679,682 | 7,565,396 | 6,307,392 |
| Chepén | 8,134,980 | 8,205,890 | 6,305,938 | 6,005,240 |

ARGENTINA

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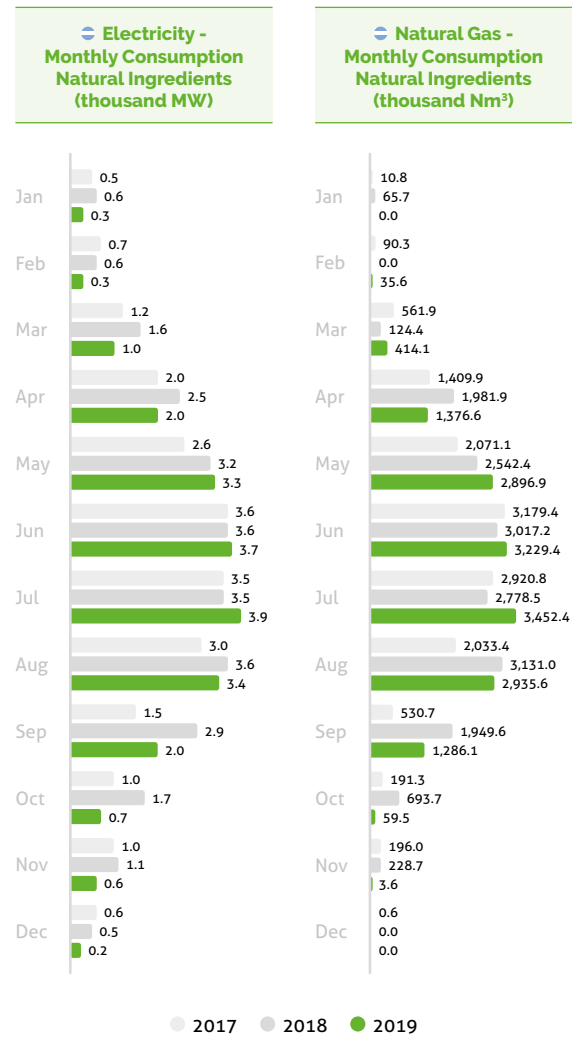


| Energy Consumption - Natural Ingredients | | | | | |
|--|------------|------------|------------|------------|------------|
| Source | 2019 | 2018 | 2017 | 2016 | 2015 |
| Gas oil ¹ | 34,282 | 29,617 | 36,254 | 49,960 | 6,205 |
| Gasoline ¹ | 1,996 | 6,246 | 3,782 | 0 | 0 |
| LPG ¹ | 86,700 | 100,214 | 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

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



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 4 Kwh / 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 | | |
| 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) | 75.91 | 107.84 | 64.40 |
| 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) | 75.91 | 107.84 | 64.40 |
| Gasoline (l) ¹ | - | 914,400,161 | 953,055,033 |
| Oil (l) ² | - | 4,366,774,700 | 3,891,027,473 |

| | | | |
|---------------------------|-----------|---------------|---------------|
| Chepén | | | |
| Electricity (KWh) | 6,771,645 | 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 | | |
|-----------------------------|--------|---------|
| 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 | | |
|---|--------|---------|
| 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

GRI 306-5

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 (m³) | Crushing (Tn) | m³/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

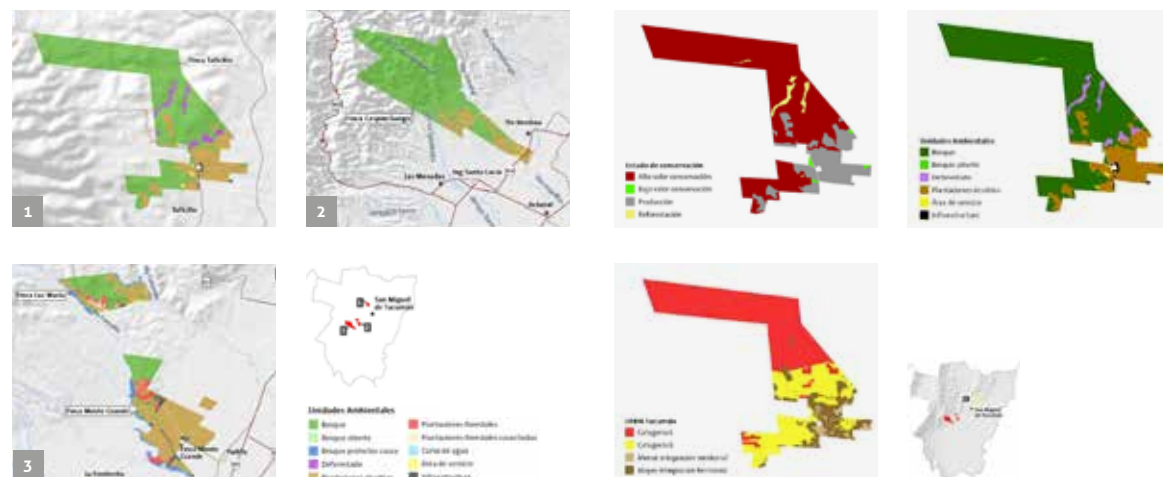
GRI 306-5

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, irrigation, 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

GRI 306-5

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.

▶ 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 cornesrstones 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 gouazoupira</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 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" zones within our agricultural operation, where you can find varied local fauna and native flora.

▶ NATIVE FOREST ÁREA 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.

**A 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

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