

ANNUAL REPORT 2020



agrosanantonio.cl



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GLOBAL.G.A.P. CERTIFICATE

According to the GLOBAL.G.A.P. General Regulations Version:
General Regulations and Compliance Criteria: Integrated Farm Assurance Version: 5.1_AUG2017

Option 1-MultiSite

Issued to:
Oswaldo Antonio Barrientos Valenzuela
Unidad General Finca 5th Nitrogén - Huelmo, O'Higgins Region, Chile

Finca: Auntes (Chile) declares that the production of the products mentioned in this certificate has been found to be in compliance in accordance with the standard: GLOBAL.G.A.P. General Policies and Compliance Criteria: Integrated Farm Assurance Version: 5.1_AUG2017

Product Names	GLOBAL.G.A.P. Certificate Number	Harvest Excluded	Produce Handling	No. OF Production Sites	Parallel Production	Parallel Ownership	Field Harvest Non-Compliant
Oranges	000524/VN/0003	NO	NO	3	NO	NO	58.31



Se otorga este diploma a

Oswaldo Barrientos

En su calidad de destacado en Pasión por el Campo
Región de O'Higgins 2013

Mario Lara E.
Gerente General Aninos Chile S.A.



GENERAL INFORMATION

Name	: Agro San Antonio de Pichidegua
Activity	: Agricultural
Address	: Las Tórtolas 2125, Las Condes
Country	: Santiago, Chile
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Manager	: Vicente Peña Rodríguez
Executive President	: Osvaldo Barrientos Valenzuela

This report was generated using as part of the Global Reporting Initiative (GRI) methodology and its objective is to systematically and transparently show the commitment that Agro San Antonio has with its stakeholders, whether they are suppliers, communities, investors, entities regulatory or general public.

REMARKS BY THE EXECUTIVE PRESIDENT



This year we are celebrating two decades since we began this dream of producing the best fruit of and for the world. It has been a dream inspired by a family tradition linked to the Chilean countryside of more than a century of history and that has given life to what we are today. Agro San Antonio is named after three generations that have left their best in the fertile lands of Pichidegua, Sixth Region, Chile.

This company has understood since its inception that each of its members is called to generate value, that each of them is important and that the joy and respect for people must be breathed in each place of our fields. We are convinced that if we all smile to each other, our fruit will be healthier and sweeter.

Generating environments of trust and transparency have been our forms of behavior, along with the integrity and love for what we do. In these 20 years we have given ourselves the freedom to learn, try, make mistakes and reinvent ourselves.

That's right, innovation in an optimistic environment has been very welcomed in the company, and without a doubt, is part of our label. We have dared to innovate but always with shared knowledge.

Examples of this have been our intensive propping practices and our love for the Roubidux pattern.

We have also progressed in our concern for the environment, balancing our business mission with the protection of the land and its environment. There have been several initiatives that we have undertaken to take care of this land that has been so generous to us and we will continue moving along that path.

In the same way, we have worked to generate a reciprocal relationship with Pichidegua, a town in central Chile, that houses transparent-looking people who, with their effort and commitment, have become part of us and promote our dream.

The results fill us with satisfaction, reaching in 2019 a record number of exported fruit and with productivity indicators of excellence. All with worldwide certification standards and, most importantly, with an organizational climate that fills us with pride because it confirms that working with joy achieves the best results.

Finally, I would like to express that we are starting this year 2020 full of transformation projects that inspire and motivate us and that we are sure will lead us to consolidate our citrus export position nationally and internationally.

OSVALDO BARRIENTOS VALENZUELA



I. PRINCIPLES AND VALUES OF AGRO SAN ANTONIO

Agro San Antonio is a family owned business that has sustained its development and success from the love and commitment to the land and its people. This, coupled with an agricultural tradition with more than 100 years of history, has allowed us to consolidate ourselves as one of the main producers of oranges in the country.

These are the values that set us in motion:

Integrity: We act with transparency, honesty, ethics and respect towards people, suppliers, communities and institutions.

Excellence: We seek to produce our fruit using the highest industry standards in all areas. We want to offer our customers the best flavor and color in the world.

Trust: We generate honest and mutually beneficial long-term relationships.

Commitment: We keep the promises made to our customers, workers, suppliers and the communities that shelter us.

Passion: We love what we do and work so that our employees can develop in happy, respectful and meritocratic environments.

Vision

We want to produce the fruit with the best flavor and color in the world, thus improving the quality of life of people through the consumption of healthy, nutritious and tasty fruits.

Mission

Use and promote the best standards of quality, environmental, labor, transparency, and relationship with the community to produce the best fruit of and for the world.



1.1 Our leader in the field.

Vicente Peña Rodríguez, Agronomist with extensive experience in fruit, export and agricultural machinery companies, is the Manager of **Agro San Antonio** and who is in charge of leading our dream of producing the best fruit in the world.

1.2 Our team.

In **Agro San Antonio**, there are 25 people working at the plant. They all live in the commune of Pichidegua.

For our company this is a very important issue since we are interested in supporting the development and quality of life of the inhabitants where we are located.

Currently, our work team is made up of people with a lot of experience (over 60 years old) and also with people who are starting, with great desire, their professional training.

1.3 Benefits and career development for people.

Our team, besides being very competent in technical terms, has emotional ties to this land because their parents and their families have worked for decades on it.

This experience is greatly valued by **Agro San Antonio** and we seek to strengthen it through different initiatives and labor benefits, because we are convinced that a happy and motivated worker greatly improves his productivity and deepens his/her commitment to our company.

The main benefits that **Agro San Antonio** delivers to its employees are:

- **Remuneration:** In our company we have an ethical minimum net wage equivalent to \$ 400,000 that is complemented by incentives associated with the fulfillment of goals.
- **San Antonio Library:** Implemented in 2016, this benefit allows all our employees, their children and grandchildren to access more than 218 books of the most diverse genres and interests. We have continued working every year to increase the amount of texts and now we are focused on incorporating technology to improve access to content on the Internet.
- **Birthday celebration:** Implemented in 2017, this benefit seeks to recognize and celebrate the birthday of each team member, both in the monthly meeting where all our workers participate, as well as in their workplace, where the direct boss give recognition to the person celebrated.
- **Marriage bonus:** Implemented in 2019, this incentive benefits any worker who marries and consists of financing the wedding night.
- **Birth bonus:** Implemented in 2019, this economic benefit seeks to celebrate and recognize the birth of children of our employees.
- **School bonus:** Implemented in 2016, this economic benefit seeks to reward the academic excellence of the children or grandchildren of our workers who meet an annual average grade, equal to or greater than 6.5. Since 2016, 12 students have been awarded with this benefit.

**IF WE ARE HAPPY
OUR ORANGES
WILL BE MORE
SWEET AND RICH**



- Institutional Uniform: For years we have provided for all our workers institutional work clothes that meet all occupational health and safety standards. In 2019, Dry Fresh technology was included, which reduces the sensation of heat and perspiration of field work.
- Institutions: Agro San Antonio is registered in the Los Andes Compensation Fund and the Mutual Security.
- The best product in our house: Since 2019, an export box with our best oranges has been delivered to every family of our workers in the month of June every year.

The objective of this initiative is to make visible the result of the enormous work that each of our collaborators does during the whole season, and that their families also feel an important part of **Agro San Antonio**.

1.4 Managing our team

Since our inception we have been concerned with developing improvements to the management of our equipment. We believe in the development of our people and that is why we have implemented different actions and good practices, those that use industries such as banking or mining to boost their employees.

Here are the most important:

- Since 2013 we have carried out a formal and annual performance evaluation of all our workers. It has not been easy to do it, but we already have a culture around this action that has allowed us to generate trust, transparency and continuous improvements in processes and equipment.
- Since 2019 we have implemented an Organizational Climate assessment in our

Company. This modern initiative has allowed us to monitor more effectively, how our workers are feeling in their workplace.

The results obtained in the 2019 period show an average evaluation of 6.1 over a maximum of 7.

This note makes us very happy as an organization as it shows that within Agro San Antonio we have an extraordinary organizational climate, fulfilling one of our main objectives as a company, which is that our workers are happy to develop their functions and feel valued and important within of the organization.

Following is the result of the Organizational Climate Assessment:



Organizational Climate Assessment

1	I am interested in the development of AGRO SAN ANTONIO	6,9
2	I feel that my work helps to achieve the objectives of AGRO SAN ANTONIO	6,8
3	I maintain good relations with my coworkers	6,8
4	Our bosses are committed to the progress of AGRO SAN ANTONIO	6,8
5	There is healthy communication between my classmates	6,7
6	I am committed to AGRO SAN ANTONIO	6,6
7	I get a good deal at AGRO SAN ANTONIO	6,6
8	I am proud to work at AGRO SAN ANTONIO	6,6
9	I feel that I work in a correct and transparent company	6,5
10	I feel job stability at AGRO SAN ANTONIO	6,5
11	I feel comfortable being part of AGRO SAN ANTONIO	6,4
12	There is good communication between my coworkers	6,3
13	I feel that AGRO SAN ANTONIO cares about my well-being and supports me	6,3
14	The boss informs me if I am doing my job well	6,3
15	I like to come to work at AGRO SAN ANTONIO	6,3
16	I feel happy in AGRO SAN ANTONIO	6,3
17	The rules in the company are clear and facilitate my work	6,2
18	Commitments are fulfilled in the company	6,2
19	Chiefs' efforts are aimed at achieving goals	6,2
20	I am important for AGRO SAN ANTONIO	6,2
21	I have the possibility to learn new things in AGRO SAN ANTONIO	6,2
22	My boss recognizes me when I do a good job	6,2
23	My boss is available when I need	6,1
24	Information on how things are going is communicated to me monthly	6,1
25	My boss cares about creating a good working environment	6
26	My boss meets regularly with me to coordinate aspects of my work	6
27	When I have a problem my boss is available to listen to me	6
28	I believe that my boss resolves conflicts and problems well	6
29	I feel accompanied by my boss	5,8
30	In AGRO SAN ANTONIO I can participate with opinions and suggestions	5,8
31	I believe that the benefits that AGRO SAN ANTONIO gives me are adequate	5,7
32	The cleanliness and order of work environments is adequate	5,7
33	I am allowed to be creative and contribute ideas at work	5,7
34	The activities that are carried out are simple and according to plan	5,7
35	I have the possibility of training in AGRO SAN ANTONIO	5,7
36	I get help immediately if I request it	5,7
37	My salary and incentives are adequate and reasonable	5,6
38	There are financial incentives for me to try to do my job better	5,5
39	My colleagues take the initiative to solve problems	5,5
40	Decisions are made quickly and adequately	5,2
41	Recreational activities are carried out in AGRO SAN ANTONIO	4,5



Something important to note is the congruence that exists between the survey responses and corporate values. This is displayed in the following table:

OUR VALUES	HOW DO WE FEEL ACCORDING TO EVALUATION?
Transparency, Honesty and Respect	I feel respect. Things are fulfilled
Excellence	I can develop. There is initiative
Trust	We are important There are good bosses
Commitment	We are engaged. I feel proud
Passion	I feel that my work helps reaching the objectives

1.5 Incentive system

We have spent years with an incentive system that addresses different interests of our company, those that go beyond mere fruit production.

Here are the goals set for the 2019 harvest:

- Overcome a set of performance variables associated with production, productivity and fruit quality.
- Have a pleasant work environment at harvest, without abuse and disrespect.
- No accidents in the work field.

In 2019, all the objectives defined by the administration were met and all staff received their respective incentive, adding a total amount that exceeded USD 43,000.

1.6 Training

This has been one of the key actions to consistently improve our indicators. As a company we want our work teams to be the best and for this we have, permanently, different improvement alternatives.

During the last months our workers attended important training courses. Among the main ones are:

- Seminars of the Citrus Committee of Chile. The topics discussed were the Management of Pruning and Roofing Treatment in Citrus, among others.
- Training of field leaders in the implementation of the phytosanitary applications measurement system, taught by Vicente Peña.
- Training field managers in irrigation systems, taught by the Agrolological company.
- Training on Pest Monitoring, given by Professor Marcelo Somoza, which have also been supported by the company Xilema.
- Training in pruning management with electric instruments, taught by TYP Agroindustrial Solutions.
- Accounting Course taught by the EDIG Company, where the Head of Administration participated.
- Efficiency training and best practices associated with spraying, given by the company TYP Soluciones Agroindustriales.



- Inventory and Warehouse Management Course taught by ASEXMA.
- During July 2019 and with the support of audiovisual elements, theoretical and practical training was carried out for all Agro San Antonio employees in the orange pruning process.
- In August 2019, we were visited by Mr. Juan Enrique Ortúzar, President of the Citrus Committee of Chile, who gave a practical class to the 1-year Messina lemon pruning team.
- During September 2019, the "Mutual de Seguridad" held two trainings. The first on the care and protection of solar radiation and the second associated with care and hearing protection. Both talks were given to all our collaborators by the professional Eric González.
- In the same month, Agro San Antonio carried out a self-care campaign against UV rays. This campaign is supported by the "Mutual de Seguridad" and had an excellent reception among the workers.
- In addition, during September, the company Security and Health Consultants Limited was hired to carry out a diagnosis on the level of implementation of the Programs that govern labor and health regulations.
- Subsequently, the company Security and Health Consultants Limited is hired again, with the aim of solving all the gaps detected in the Diagnostic Report initially made.
- During September 2019, he participated in the training given by ANASAC at the Santa Cruz Hotel. This time Vicente

Peña attended with the heads of orchards.

- During October 2019, the training program given by the Citrus Committee on pests and good practices, in Casa de Piedra, Santiago, is attended.
- During each quarterly visit of our agronomist, Mr. Carlos Wilhelmy, a tour of all the fields is carried out and training is carried out in the field to the personnel in charge.

1.7 Coordination and leadership instances

In order to keep the business strategy aligned with its workers, the company carries out different instances of communication in the field.

The main ones are detailed below:

- Monthly coordination meeting: Instance led by the Executive President and the Manager of the Company, Vicente Peña, who present the topics and objectives associated with the activities of the season and receive feedback from the workers on what is happening in the orchards.

In addition, in each of them, the Chief of Administration comments on the relevant Human Resources issues and the different administration tasks that are being developed. Compliance with the budget and goals is also monitored.

- Pre-Harvest Meeting: Since 2015 **Agro San Antonio** carries out this instance prior to the harvest of the fruit. Our supervisors, the main suppliers and the exporting company participate. This activity seeks to inform, coordinate and train our team in their roles, objectives and goals prior to this process as important as the harvest.



- Visit to Agricom Packing - Polpaico: This activity involves the entire Agro San Antonio plant team, who can learn, on-site, the last stage of the production process, in addition to directly analyzing the opportunities for process improvement.

- Recognition of merit: The harvest of the fruit is an extremely important process, both for its consequence, and for the number of people working on it, (approximately 500, per season). For this reason, during the harvest, we reward the best supervisor of the previous day daily according to pre-established indicators.

This award is defined in the morning coordination meeting and is given by the respective Field Manager.

- Harvest Training: Between June and July, more than 500 people join our company to collaborate in the process of harvesting the fruit.

The majority are women from the commune of Pichidegua who have already worked in previous seasons.

- Workers are trained for the harvesting process by our plant team and, in addition, they are given equipment for their work.
- **Agro San Antonio** Anniversary: Every June 13th, together with all the workers, the company's birthday is celebrated. The main objective of the activity is to gather the whole team and share a day of entertainment and joy.

1.8 Plants have to be fine and feel good.

Beyond profitability, which is important for any company, **Agro San Antonio** seeks that its orchards, in addition to having sustainable production, look and feel good throughout the year. To achieve the above, we care to deliver the best food and water to our plants.

This is how in 2018 we installed a modern automated fertigation center in the Campo de Larmahue. Thus, each tree receives the necessary nutrients in a controlled and efficient way.

On the other hand, for more than two decades we have been working with the Las Garzas laboratory to obtain the relevant foliar analyzes, which allow us to know both the availability of nutrients in the soil and the nutritional status of the plant, among other data.

With this information **Agro San Antonio** develops customized fertilization programs in each of its orchards.

We also worry, permanently, that our plantations are clean, without garbage or other elements foreign to agricultural production such as plastics, cigarette butts, bottles, etc.

1.9 The exporter, our strategic partner.

In recent years Agro San Antonio has structured a strategic alliance with Agricom, a leading export company, responsible for bringing and presenting our fruit in international markets.

Given the above, we have strived to maintain a transparent, close and trustworthy relationship. This proximity has allowed us, since 2016, to have our graphic identity in



export boxes destined for the United States.

For us this fact is of great value and confirms the reciprocal trust between both organizations. We want you to ask for our fruit by our name.

Our export rate has been increasing year by year thanks to the professional and continuous care of our company, coupled with the technical advice that companies such as Agricom have provided us.

In 2019, we reached a record export rate of 92%. This achievement fills us with pride and is the product of the love and commitment of the workers of Agro San Antonio, of our work methodology and of the support of our main strategic partners.

During August 2019, a visit was made with Agricom executives to see how our fruit was received in the United States.

On that occasion important work meetings were held that sought to position the characteristics and attributes of our fruit in that demanding market.

A program of visits to local retailers was also carried out, to observe on the ground how our fruit was arriving and to know its final sales prices.

1.10 Our suppliers: forging a long-term relationship.

Our suppliers are essential for the success of the business, but fundamentally so that millions of homes in the world can taste the best flavor in the world. That is why our company cares about maintaining a close relationship with each of them, making them part of our vision and values.

These are some of our main suppliers:

- **Agrological:** Together with its owner and leader, Mr. Julio Haberland, they have accompanied us since the beginning of Agro San Antonio, giving us experience and knowledge so that our irrigation and fertilization equipment are in tune with the needs of our plants.
- **Huerto California:** Also from our beginnings this company, led by Mr. Carlos Wilhelmy, has supported us, providing us with the plants of his nursery and giving us specialized advice.
- **Agrícola Las Garzas:** In addition to the support of their laboratory, we have signed a strategic alliance of know how reciprocity that allows us to receive their students in internship and give training talks, among other actions.
- **Retamal Transportation:** For more than two decades, it has supported us throughout the transport services of our company.
- **Other companies we work with:** Copeval, Coagra, Xilema, "Mutual de Seguridad", Anasac, among others.



Success story in our relationship with local suppliers: Retamal Transportation.

Joaquín Retamal, Mr. Kiko, is one of the people who belongs to the oldest families in Pichidegua and who for years has been dedicated to transport in his renowned blue truck.

When Agro San Antonio started with the export of avocados, it was necessary to have a transporter that was serious and trustworthy. That he knew us and shared our project and that was Mr. Joaquin.

Thus, in his blue truck, he began transporting our fruit and, quickly, through his work, commitment and responsibility he earned our trust and affection.

In this regard, Osvaldo Barrientos, President of Agro San Antonio comments: "Unfortunately with the last earthquake we dropped the old house of my grandparents, which complicated the logistics part a lot. But Mr. Kiko was there, welcoming us with all his love in his house.

I remember sharing many lunches with his family and in one of them, we suggested that we would need a new truck with his respective drag car and that, as a company, we were willing to support him to buy it".

We wanted Mr. Kiko to grow with us and he did so. Today he is the general coordinator of the transport of Agro San Antonio and owns a fleet of 5 trucks, being a pride for him to take the image of our company.

Mr. Kiko is part of the team and is committed to being another link to produce the best flavor and color in the world.

**OUR
CHALLENGE IS
TO PRODUCE
THE BEST
FRUIT OF AND
FOR THE
WORLD**



II. THIS IS OUR HISTORY

Agro San Antonio was born in 1999 as a family project in the town of Pichidegua, located 170 kilometers south west of Santiago, province of Cachapoal, region of the Liberator Bernardo O'Higgins.

This town traces its origins towards the end of the 16th century in colonial times, acquiring its status as a commune in 1891. It has an area of 320.02 km² and a population of 19,714 inhabitants according to the 2017 INE census.

The area, eminently agricultural, is part of the Cachapoal Valley and has a Mediterranean climate in a very fertile land of great agricultural value, conducive to the development of species such as citrus, corn, blueberries, table grapes, avocados, among other fruits and vegetables.

2.1 The first steps

Although **Agro San Antonio** was created in 1999 by Osvaldo Antonio Barrientos Valenzuela, Civil Engineer from the University of Chile; The history of this project has its origins in the extensive agricultural tradition that its maternal family has had in the area since the early twentieth century.

Antonio Valenzuela Celis, the founder's grandfather, was a renowned farmer from Pichidegua who transmitted to his whole family the love and roots for these fertile lands and their people.

The Fukomoto variety, of Japanese origin, stands out for its sweetness, its attractive

round shape and reddish orange color.

It was a challenge for **Agro San Antonio**, as there was not much experience with that variety in Chile and less in this area. However, the characteristics of the land and the weather made us think that good results could be obtained.

This is how in 2005 the plants were bought from the Huerto California nursery. A plantation frame with a density of 4.5 by 2 meters was used, in ridges and with technified irrigation.

The result was extraordinary. Already the following year the first oranges of great caliber were seen, with an intense reddish color, sweet flavor and with great amount of juice. We were facing a success.

As the weather had changed, the decision was made to pluck 5 hectares of avocado from one of the orchards and replace them with Fukumoto oranges. This time the existing ridges were used, but making an innovative planting system, since we placed the trees almost on trellis.

The first mature plantation achieved an extraordinary harvest of 60,000 kilos per hectare, beginning the harvest on June 1 with more than 10 degrees Brix. Soon we could conclude that this land was privileged and the climate was optimal for this variety of oranges and particularly with the pattern used.

2.5 This is how the current challenge was born

"I still remember that on a trip to New York, in a neighborhood greengrocer we approached with my family to see the oranges they were selling. We found some pale, lifeless, non-uniform oranges, with a taste far from fresh. We remember our Fukumoto and said: we have



everything to conquer the most demanding markets in the world".

With these words Osvaldo Barrientos Valenzuela, President of **Agro San Antonio**, reflects the company's vision to move forward with this project and reach new and important markets.

In 2008, our company acquired the family field that had belonged to Antonio Valenzuela Celis, and it was decided to plant it full of Fukumoto oranges.

Various investments were made for this, the most important being the construction of a deep well, the implementation of technified irrigation and an electrical substation.

For this project the planting frame was 4 by 2 meters, in order to achieve a higher density and quantity of plants. In addition, the fertilizer system was improved and an automated water filtration system was implemented.

At this stage we received the advice of the Agrolological company, which was a great help in the implementation of this challenge.

In 2013, an additional 14 hectares of Fukumoto were planted on Roubidux, (which had previously had Hass Avocado), with the aim of consolidating the project and meeting the challenge of producing the best oranges with the best flavor and color in the world .

2.6 A New Challenge: Cara Cara variety

After intense conversations with our advisors, at the end of 2015 the decision was made to plant, in a 7-hectare orchard, a new variety of oranges: Cara Cara.

This variety is known as California Roja or Red Navel, and is the result of a spontaneous mutation that appeared on a branch of Washington Navel orange, in San Diego, Carabobo State, Venezuela, in the 1970s.

The endocarp or pulp of the fruit is pale red and the surface of the wood below the bark can be red or white. The red color is more intense when the average temperatures are around 25 ° C.

The tree is vigorous and productive. Its fruit is practically identical to Washington Navel, which differs almost exclusively by the reddish color of the pulp, due to the presence of lycopene pigment, this color is not transmitted to juice, which has a color similar to that of Washington Navel when filtered. The flavor is also particular since it also differs from the original species.

Although Venezuela is their country of origin, there has not been given importance to this citrus material. In Europe, Asia and the United States it has been the case, becoming a product that points to sophisticated markets that value the red pulp known as 'Sanguinelli'.

For this project, Roubidux was again used as a pattern, which with its dwarfing effect, concentrator of flavors and sugars, made us assume that we would obtain a high quality product for the most demanding markets.

In 2019 it was the first harvest, obtaining an average production per hectare of 8,600 kilos. The fruit immediately showed the intensity of its internal color, its sweetness and its nutritional characteristics.



2.7 Consolidating the new challenge

Agro San Antonio is a company that is characterized by a powerful and growth long-term vision. It is for that reason, that in 2017 a new project was completed consisting of the establishment of 16 hectares of Cara Cara oranges on Roubidux, (thus completing 23 hectares in total) that sought to consolidate the bet of the first plantation made just 2 years ago.

The project included the construction of an electrical substation, a deep well and an automated irrigation and fertilization system, among other technological improvements.

This plantation was carried out in the Larmahue Field, located 7 kilometers to the east of Pichidegua, a sector of deep lands and a tremendously generous climate, endorsed by the climatological study carried out by the professor of the University of Chile, Fernando Santibáñez.

Today, **Agro San Antonio** is consolidated as one of the main producers of Cara Cara oranges in Chile, concentrating approximately 10% of the area planted in the country, estimated at 250 hectares.

2.8 Our new dream

Together with the last Cara Cara plantation in the Larmahue orchard, Agro San Antonio decided to start with a new species. This time the chosen one was the lemon Messina.

Between October 2018 and February 2019, 21 hectares of Messina lemon were planted on the Roubidux pattern. Our vast experience in the production of oranges, the quality of the land and our people, allows us to think that in a short time we can produce the best lemons in the world.

We are convinced that the international market demands products of excellence also in the case of lemons, and that is precisely where **Agro San Antonio** has the dream of being.

We have opted for the Messina variety, for being a lemon of good size, morphological characteristics and internal quality, and also because its tree does not have thorns, a situation of great importance compared to other varieties that do have and that involve serious difficulties and damages to those who harvest them.

The chosen graft holder has been innovative for the industry: Roubidux. Our experience indicates that this graft carrier will deliver tremendous characteristics, which will be enhanced and complemented with this new chosen spice.

According to information collected for this report, we are the first company in Chile to use this combination of Messina variety on Roubidux pattern.

2.9 Branding and corporate image

Between 1999 and 2015 our company operated commercially under the name of Osvaldo Barrientos Valenzuela, but after the definition of the first strategic plan made towards the end of 2015 and with the clear objective of producing the best oranges in the world, it was necessary to choose a brand and a graphic identity that will identify us in Chile and the world.

The brand should be able to represent the origins of our project, being the centennial agricultural tradition of the Valenzuela family and the fertile land and its generous people, the main inspiring sources.



This is how the name of Agro San Antonio de Pichidegua was born. This is our graphic identity:



2.10 Endomarketing and the value of joy

We want one of the differentiating elements of our company to be the happiness and commitment with which our workers perform their tasks, daily, in our orchards.

That is why Agro San Antonio promotes this commitment through permanent internal communication with all its workers, using different communication channels, with an inclusive and motivating language, because we firmly believe that if our team is happy, our oranges will be sweeter, nutritious and beautiful.

III. OUR RESULTS AND COMMITMENTS

Agro San Antonio currently has 98.5 hectares planted in 4 fields:

- Campo San Antonio, with 26 hectares of Fukumoto oranges planted in 2009.
- La Moyina field, with 28.5 hectares of Fukumoto oranges planted (7.5 of them in 2005, 7 in 2009 and 14 at the end of 2013).
- Cara Cara field with 7 hectares of oranges of this variety on Roubidux pattern planted at the end of 2015.
- Larmahue field with 37 hectares: 16 Cara Face oranges on Roubidux pattern and 21 Messina lemon on Roubidux pattern.

According to the information published on the website of the Citrus Committee of Chile (comitedecitricos.cl), the amount of hectares planted with oranges in Chile in 2018 was 6,178 and has remained stable in recent years.

On the other hand, the amount of oranges exported in 2018 was approximately 99,000 tons, which includes all its varieties. This total of kilos exported has been increasing in recent years, expecting for the 2019 season a number close to 100,000 tons.

According to figures from the Citrus Committee, the total number of hectares planted with oranges as of 2018 was 6,178, which gives an average production of oranges exported per hectare at the country level of 16,054 kilos / ha.

EXPORTACION NARANJAS POR VARIEDAD AÑO 2018

Variedad	Miles Kgs	Cuota
Fukumoto	32.664.307	33%
Lane Late	28.130.491	28%
Navels	17.576.589	18%
Navel Late	10.583.822	11%
Cara Cara	2.972.394	3%
Otras	7.255.764	7%
TOTAL	99.183.367	100%

Fuente: Comité de Cítricos

According to figures from the Citrus Committee, the total number of hectares planted with oranges as of 2018 was 6,178, which gives an average production of oranges exported per hectare at the country level of 16,054 kilos / ha.

KILOS EXPORTADOS POR AGRO SAN ANTONIO

Año	Kilos	Ha	kgs/Ha
2014	1.358.787	39	34.841
2015	1.947.250	39	49.929
2016	1.860.940	39	47.716
2017	1.781.200	53	33.608
2018	2.286.514	53	43.142
2019	2.727.106	53	51.455

Nota : Considera 14 hectáreas no en plena producción

As shown in the previous table, the production of fruit exported from Agro San Antonio in 2014 was 1,358,787 kilos, considering that not all hectares were in full production. In 2019, the exported fruit was increased to 2,727,106 kilos, with 46 hectares already in full production.

The increase in the production of exported Fukumoto oranges has been exponential, reaching that same year a market share in the 7% variety.



On the other hand, considering that the estimates of the Citrus Committee for 2019 are practically the same as last year, and that, in the case of the Fukumoto variety, everything is already exported, our estimated quota for 2019 would exceed 8%.

If we take a wider look, with 2,727,106 kilos exported, Agro San Antonio reaches a quota of exported oranges that borders 3% (all varieties are considered).

The interesting thing to note is that if you compare the production of export oranges per hectare at a national level versus that achieved by Agro San Antonio, it is seen that the amplifier number exceeds 3 times, which again gives an account of the good results obtained by our company.

Regarding the size of the fruit, we have also had a very good evolution. Despite exponentially increasing the fruit exported by Agro San Antonio, we have managed to maintain an excellent gauge curve, which is shown below:

DISTRIBUCION DE CALIBRES FRUTA DE EXPORTACION AGRO SAN ANTONIO

Calibre	36	40	48	56	64	72	88	105
2014	2%	4%	13%	22%	13%	27%	14%	5%
2015	2%	6%	13%	20%	14%	25%	15%	6%
2016	1%	7%	13%	22%	13%	26%	14%	4%
2017	2%	9%	16%	23%	12%	21%	10%	3%
2018	1%	4%	9%	21%	12%	32%	16%	4%
2019	1%	6%	15%	24%	13%	25%	12%	3%

By delving into the previous table regarding the distribution of caliber of Agro San Antonio's export oranges, we can first highlight the uniformity of the caliber curve of recent years, where the clear concentration towards larger export calibers is highlighted. In addition, it is seen that in 2019 there was still an increase over the previous years, which is a consequence of the continuous improvement process carried out by the company.

DISTRIBUCION ACUMULADA DE CALIBRES FRUTA EXP DE AGRO SAN ANTONIO

Calibre	36	40	48	56	64	72	88	105
2014	2%	6%	19%	41%	54%	81%	95%	100%
2015	2%	8%	20%	40%	55%	79%	94%	100%
2016	1%	8%	21%	43%	56%	83%	96%	100%
2017	2%	12%	28%	52%	65%	87%	97%	100%
2018	1%	5%	14%	36%	47%	80%	96%	100%
2019	1%	7%	22%	47%	60%	84%	97%	100%



The table above shows the distribution of accumulated export fruit calibers per year. As you can see, in 2019 60% of the fruit had a caliber 64 or higher, which is 28% better than the year 2018.

Regarding our export rate, we have also evolved positively, achieving a record 92% in 2019, considering that the fruit that remains in the garden has remained stable at 10%.

TASA EXPORTACION FRUTA

AÑO	% EXPOR	TASA COMP
2014	87	
2015	88	1%
2016	89	1%
2017	86	-3%
2018	85	-1%
2019	92	8%

As seen in the previous table, in the last 4 years we have had an export rate of 85%, even considering that the type of harvest that is done in the orchards is “when sweeping”, that is, without pre-selection in the tree.

The harvest is done by removing all the fruit from the tree. Only a small pre-selection is made in the same harvest.

These high rates of export oranges are an indicator of the efficiency and effectiveness of the processes associated with harvesting and obtaining quality fruit.

Our export rates are also very good if we compare them with the market level, as the Agricom exporter reports, these rates do not exceed 80% on average.

3.1 Production costs

If we now concentrate on reviewing the production costs of a kilo of oranges, we will do so by setting the harvest costs as a parameter, as these are more standardized and, in addition, represent a high percentage of the general costs of an orchard.

In our case, the cost of harvesting a kilo of fruit in 2016 was \$ 41 and in 2017, \$ 37, a 10% decrease in said unit cost. This decline in the cost of harvest was the result of the application of a continuous improvement process.

For the year 2019, and at equivalent criteria, the cost amounted to \$ 45. This increase is directly associated with the cost of labor in the harvest and in the concern to maintain welfare standards consistent with the values of the company.

In absolute terms, this cost per kilo of fruit produced is very competitive and allows us to continue investing in tools that contribute to produce a better product.

**FOR US THE
RESPECT FOR
OUR TEAM,
COMMUNITIES
AND THE
ENVIRONMENT
THAT COVERS
US IS
FUNDAMENTAL**



IV. CSR, ENVIRONMENT AND INNOVATION

Corporate Social Responsibility: Committed to Pichidegua and the development of its people.

Agro San Antonio feels a deep affection and commitment to the community that shelters us and as a result of the above we are constantly making efforts to contribute to the development of the commune, taking care of its people, its environment, education and progress.

Below we detail the initiatives and actions of corporate social responsibility that we have implemented since the beginning of our fruit production:

- From Pichidegua to the world: The first thing was to tell our final customers in markets like the United States that we are part of Pichidegua. We achieve that by placing our image in the boxes of oranges that go to the main international markets where we export our fruit.
- Our workforce is local: **Agro San Antonio** gives permanent work to 25 people who live and are part of the community of Pichidegua.

For the harvest season, which occurs between the months of June and July, we employ approximately 500 people. Most of them belong to the town of Pichidegua and more than 50% are women.

This labor source is very important for the community since it occurs in the winter season, a time when job opportunities are scarcer in the area. All these people are

hired in compliance with all labor standards.

- We are intensive in the use of local suppliers: Our policy as a company is to use and promote, as far as possible, suppliers from the commune or the province of Cachapoal. An example of the above is that in 2019 all the harvesting machinery was hired from the local businessman Mr. Víctor Palominos.
- We express our reciprocity publicly to Pichidegua: Since 2017 we have placed in one of the most important streets of the commune, a road sign that says “In Pichidegua the best oranges in the world are produced”.

We do this to highlight the importance of being based in this town, which has the climate, land and people conducive to produce the best oranges.

- We promote local education: Since 2009 we have maintained an alliance with the Peumo Agricultural School (commune near Pichidegua) that consists of admitting students in practice for different job functions and at different periods of the year.
- We support the elderly: From our beginnings we help the Pichidegua Nursing Home, delivering contributions of our fruit, thus contributing to maintaining a nutritious and healthy diet.
- We are contributors in our area of influence: We are based in the commune of Pichidegua and pay our territorial taxes in the commune.
- We support the development of local sport: Since 2016 Agro San Antonio is a member and sponsor of the Cónдор Sports Club.



This with the objective of supporting the healthy and recreational sport of the commune.

Part of our support has resulted in the improvement of the stadium infrastructure and associated activities.

- Outstanding sports support: Since 2016 we are supporting the development of the career of the young cyclist Ignacio Espinoza, who came to participate in the World Cycling Championship. As a way to give back our help, Ignacio has accompanied us in motivational talks given to our team, where he has told us about his experience in cycling and transmitted the values of sport, such as teamwork, perseverance, effort and passion for what one does.

4.1 Committed to the environment

Respect for nature is key to the development of Agro San Antonio and we reaffirm our commitment through the continuous implementation of sustainable practices in our production processes and in the care of our environment.

Below we detail the main actions and good practices that we have implemented:

- Since 2014 we have Global Gap Certification, an international recognition standard for agricultural production. This certification covers:
 - Food safety and traceability.
 - Environment (including biodiversity).
 - Health, safety and welfare of the worker.
 - Animal welfare.
 - Integrated Crop Management, Integrated Pest Management, Quality Management System and Hazard Analysis and Critical Control Points.

- We are welcome to Good Agricultural Practices, which we declare through our signage in each of our orchards.
- Our field does not apply products that are not allowed in the strict import protocols of the countries of destination.
- Fuel management is carried out in certified ponds.
- For the protection of each of our workers we have the following personal protection elements:
 - Sun protection cream.
 - Lenses with UV protection.
 - Sun protection hat.
 - Safety shoes.
 - Safety suits for applicators.
 - Ear protection system.
 - Filter system for breathing protection.
- Our machinery has European Certification for polluting emissions.
- In our fields there is no smoking.
- During December 2019, the voluntary construction of a Community Protection System began before the application of chemical production.

This system covers a perimeter of 600 linear meters and complements the protocols required by the National Health Service and is a concrete example of Agro San Antonio's commitment to the environment and the community.

**INNOVATION IS
PART OF OUR
ESSENCE AND
WE OPEN
UNLIMITED
GROWTH
POSSIBILITIES**



4.2 Innovation in the operation processes

- The underpinning: Without a doubt that if a person visits an **Agro San Antonio** orchard, from March onwards, he will be very surprised because each of the orange plants has a careful “propping up” system for the loaded branches of fruits that are close to the ground or are in danger of being detached.

On average each tree has between 6 to 10 struts.

This intensive system of “propping up” allows to support the branches loaded with fruits that are close to the ground or in danger of being detached. Each one of them is made with coligües and must be prepared with wires to give it the necessary shape that allows to hold the fruit, without damaging the structure of the tree.

During one season, there are more than 800 thousand shoring structures arranged by Agro San Antonio and installed by our collaborators.

Why is it done?

Our trees are very generous in their production. They even go beyond what their structure allows them, also considering that skirts are pruned. It should reciprocally correspond to this generosity.

For this reason this propped up tree by tree is done, in such a way to relieve the load and also protect the fruit so that it does not stop the ground.

It is an almost handmade work and practically unique in its magnitude and

depth. This practice allows us to keep our trees healthy and unstressed. In addition, it allows us to recover valuable kilos of fruit per tree.

- The use of round-pointed scissors: Since 2014, **Agro San Antonio** has been using a small, rounded-tipped scissors for the harvest, which has given excellent results in cutting the fruit, mainly because it avoids pickets.

At the beginning of the implementation of this tool, **Agro San Antonio** workers had to be trained for its use, who with a very good predisposition assumed this innovation, obtaining shortly afterwards excellent results.

However, after an investigation carried out at the end of 2016 with our plant workers and growers, it was concluded that the scissors used had some problems in the cutting of the fruit and on the other hand, their ergonomics could generate injuries to the workers who used them.

As a consequence of the above, we decided to look for a new type of scissors that would better meet our requirements. That is how since 2017, we started operating with the Spanish brand Les Nuleres, significantly improving the problems we had detected with the previous tool.

- Systematic Pest Monitoring: Together with the specialized company Xilema, a biweekly pest monitoring program has been established in all orchards, which is made visible through physical reports and on a web platform.

This system is enabled in the La Moyina, San Antonio and Cara Cara fields.



Thanks to the monitoring and strict compliance with the procedures, we have complied with the pest protocols for export.

To this important systematic support are added the scheduled visits of Marcelo Somoza, a pest specialist, with whom the results of the survey carried out by the company providing the service are analyzed in detail, in addition to the steps to follow, if necessary.

- Mapping and numbering of all fields: During 2019 Agro San Antonio completed the mapping of each of the plants in all the orchards, thus allowing a detailed management of each tree.

In parallel, each row of the fields was marked with their number and also with the number of associated plants. In this way, an extremely practical and useful tool for data management and to act more efficiently and timely in the detection of irrigation problems, pests and diseases is incorporated through a very simple element.

- Installation of weather stations: During 2019, **Agro San Antonio** took an important step by acquiring DAVIS brand weather stations for its La Moyina and Larmahue fields. These systems have sensors to monitor temperature, evaporation, humidity, UV rays, rain, among others.

The information is incorporated into the global monitoring system of DAVIS worldwide. These data allow us to better manage decision making, achieving more efficient and effective agronomic management.

4.3 Strategic alliances, advice and talks

- Santiago Agrisupply: During the month of June 2016, the Collaboration Agreement between Agro San Antonio and Santiago Agrisupply Spa, a subsidiary of the Japanese company AHOATA, leader in the production and distribution of orange marmalade in Japan, was finalized.

For that season, the commercial exchange exceeded 140,000 kilos of oranges, which after a process in Chile, were sent to factories in Japan for the production of jam.

The signing of this agreement allowed for the first time that the leading Japanese company in the production of orange marmalade used in its process Fukumoto orange variety.

Since the signing of the agreement, every year the main executives of the Japanese company have visited our fields and facilities, to know directly our production processes and good practices.

- Las Garzas Agricultural School: During 2016, a strategic alliance was signed with the Chilean Culture Foundation.

This alliance aims to support the Agricultural School, facilitating opportunities for visits and experiences that contribute to strengthen the training of students.

Similarly, **Agro San Antonio** opens its doors so that its students can carry out their professional practice, and in some cases, continue their working life in the company.

- President Citrus Committee Meeting: In 2019 we were visited by the President of the Citrus Committee of Chile, Mr. Juan Enrique



Ortúzar, to give us his opinion regarding the world citrus market and the perspectives and challenges of the Chinese market.

The leader also visited our Larmahue Field where he could appreciate the Messina lemon plantation on Roubidux, show the best pruning and irrigation practices in this garden and discuss a series of decisions regarding irrigation and fertilization.

- Anasac Award - Field Magazine: In 2017 we were invited to participate in the "El CAMPO DEL AÑO" (Farm of the Year) Contest organized by ANASAC, together with the El Mercurio "Revista del Campo".

On the occasion we were awarded as the best Field of the Sixth Region in the subject Productivity and Quality.

- Visit Shimen Zakai: During the month of December 2019 we were visited by the agronomist Shimen Zakai, of the Israeli company Zakai Agricultural Know How and representative of the rights of the Tangerine Program for America, of the Organization of Agricultural Research of Israel.

Mr. Zakai has been recognized worldwide for his agronomic knowledge in citrus. In this way, we had the opportunity to discuss the different future varieties of citrus and also compare in the field the best global practices of citrus orchards management with what we were doing.

4.4 New innovative project: Lust

At the beginning of 2018 and after a trip to Europe by the President of Agro San Antonio Osvaldo Barrientos, the idea of creating a 100% natural orange sparkling wine was born. On this trip, we knew the only experience in

the world of an orange sparkling wine made under the Champenoise method in Spain.

This novel sparkling, called LUST, is the result of a careful process of extracting the juice of the oranges of **Agro San Antonio**, which is worked in double fermentation, being its last process under the Charmat method in isobaric chamber. The result is a sparkling wine with great qualities in the mouth and nose.

Raw material:

- Fukumoto oranges on Roubidux pattern
- Orange Brix Grades: 10-12
- Oranges origin: Agro San Antonio
- Valley: Pichidegua - Chile
- Alcoholic grades: 9
- Classification: BRUT

Its flavor evokes citrus notes that are enhanced by the freshness of its foam and its intense color.

Its elaboration with Charmat method

The Charmat method is a very old technique used to get sparkling. It was coined in 1912 by Eugène Charmat and today is widely used in the production of large sparkling wines.

This method consists of fermenting the broth twice. The wine dictionary defines it as "the method for obtaining champagne that consists in carrying out a second fermentation in stainless steel tanks".

In addition, the bottle is replaced by stainless steel vats for wine fermentation. Once the optimum fermentation point is achieved, the broth is bottled and put up for sale.

The winemaker who has advised us on the birth of LUST is Cristián Azócar.



NACE EL PRIMER
 ESPUMANTE
 DE NARANJA
 METODO
 CHARMAT



*Para tus
 momentos
 de lujuria*

WWW.LUST-SPARKLING.CL

Powerful in vitamins and anti oxidants

After performing the respective laboratory tests, the result is that LUST is a sparkling wine rich in Vitamin C and Vitamin E. The same goes for antioxidants.

Regarding vitamins, the results show 23.76 mg / 100g of Vitamin C and 0.74 mg / 100g of vitamin E.

Regarding antioxidants, the results show total phenols (mg gallic acid) / 100 g: 35,885 + - 0.054.

Antioxidants (ORAC) (Umoles ET / 100g): 6,257 + - 2,289.

Why Lust

LUST was born from the inspiration of its creators, who seeks to extract all the exuberance of these extraordinary oranges and take them to a sparkling wine that invites moments of lust without limits.

During January 2020 LUST was recognized in the Wiken magazine of El Mercurio by the journalist and wine writer, Patricio Tapia, who described him as a sparkling "novel" and "eccentric".





Para tus momentos de lujuria

FUNDO SAN ANTONIO
 Osvaldo Barrientos Valenzuela
 Rut: 9.006.525-4

SOCIO PREFERENCIAL



商品情報

ジャム&C
 アマリゴ
 アマルゴ
 ミネローションジャム
 アマゴ
 カロリバーフジャム
 アマリゴ
 赤い心果実
 アマリゴ
 トウダイショウ
 アマリゴ
 アフタヌーン
 アマリゴ
 紅豆アツタビ
 コスモ
 ディメンバクジャム
 カシ
 シラム

アフタヌーン オレンジママレード

デザート用果実ジャム。スコーンに合わせたデザートにも。

原材料表
 砂糖、かんきつ類(夏みかん、ユーグレナオレンジ、赤い心)、ワイルドブルーベリー、クランベリー、クランベリー、クランベリー、クランベリー

栄養成分(100gあたり)
 エネルギー
 たんぱく質
 脂質
 糖質
 ナトリウム

内容量: 160g
 参考小売価格: 590円(税別)

関連情報





1974, ANTONIO VALENZUELA CELIS WALKING WITH THEIR GRANDCHILDREN, PAULA ANTONIA (IN ARMS) Y OSVALDO ANTONIO