About this report

This is the fourth Sustainability Report of Adecoagro and includes the results of our business units in Argentina and Uruguay from January 1, 2020 to December 31, 2020.

As from this year, we present our performance in two documents: the 2020 Sustainability Report, which includes the main progress and business highlights in terms of sustainable development with focus on our priority areas; and the GRI and SASB Standards Annex, which includes the specific requirements to comply with these international reporting standards on economic, social, and environmental information. Furthermore, as we have externally verified the report, the annex also includes the Limited Assurance Report of Independent Public Accountants for the 2020 Sustainability Report. This Annex is available here: Annex.

We present information on our operations in Brazil in the introduction to this Report and in the consolidated economic and financial data. For more detailed information, you can access the Sustainability Report of our operations in Brazil at: https://sustainability.adecoagro.com/en/reports

And for more information on the financial performance of the company you can visit https://ir.adecoagro.com/

We have also published a consolidated summary of our sustainability progress in Argentina, Brazil and Uruguay, available at https://sustainability.adecoagro.com/reportes
Message from the CEO

In this new 2020 Sustainability Report, we describe our efforts to promote the creation of value in our company during this year marked by the crisis caused by COVID-19. Our conversations and closeness with the public has enabled us to respond accordingly to ensure the continuity of our operations. As a company in an essential industry, we ensured the supply of our products with safety protocols in each location.

Thanks to this joint work and the flexibility of our operations, we finished 2020 with good results. In our Sugar, Ethanol and Energy business, we closed the year with 11.1 million ground tons, using a sugar maximization strategy. Our operational efficiency positions us among the producers with the lowest costs in the world. In our business in Argentina and Uruguay, we processed approximately 300 million liters of milk and were able to harvest over 1 million tons of grains and rice.

I am proud of how our team managed the response to the pandemic. Within a context characterized by uncertainty, we made our way of working more flexible while ensuring the operation of our business. The main focus of our efforts was taking care of the health and safety of our employees.

Crises such as that caused by COVID-19 aggravate inequality in our society. We responded to this with bigger efforts in our private social investments. In Brazil, we donated more than 80 thousand liters of ethanol to health institutions for the manufacture of hand sanitizer, and over 45 thousand disposable face masks. In Argentina, we delivered over 400 tons of food to different shelters and were part of the solidarity initiative “Seamos Uno”. Our conversations with authorities, social organizations and community members were crucial to multiply our efforts.

As regards our environmental performance, we made progress in our fields and industrial plants. It is worth highlighting that we were the first company in Brazil to trade carbon credits (Cbios) under the RenovaBio program. Moreover, in Argentina, we calculated the carbon footprint of our dairy plants using the World Bank methodology; we obtained the validation of the credits of the carbon bonds certification process of our biodigester, and we were audited in our rice fields under the Sustainable Agricultura Initiative (SAI). We also maintained the BRC safety certification of our peanut plant with the highest rating.

Our commitment is to continue strengthening the conversation with our public and working to promote economic and social growth in all our communities.

I invite you to read this report, which, together with the GRI and SASB Standards Annex, describes our efforts to contribute to sustainable development.

Mariano Bosch
Cofounder and General Manager
Our company

We believe that it is possible to develop a more sustainable world, where people have access to higher-quality food and renewable energies.
Adecoagro

Community Support:
Education
Prevention of violence
Local development
Nutrition

13 industrial plants and
4 high productivity free stalls

726,845 MWh renewable energy generated total company

Bioelectricity generated in our sugar-ethanol cluster

1 biodigester in Ivinhema Mill
1 biodigester in our free stalls
1 solar farm with 1,550 panels

Estimated present worth
USD 1,500+ million

AGRO LISTED NYSE Our shares are listed in the NYSE under the ticker symbol AGRO
USD796 million in net sales in 2020

8,716 employees

485,000+ hectares managed
2.5+ million tons of food and renewable energies produced each year
11.1 million tons of milled cane in 2020

Our Main Brands

Our ESG Rating

As of 2020 Adecoagro received an MSCI ESG Rating of A.
Disclaimer Statement
About us

We are an agro-industrial company that produces food and renewable energies. Our culture is marked by our entrepreneurial spirit and ongoing improvement. We have implemented a circular model of efficiency and sustainability in different areas of Argentina, Uruguay and Brazil. We produce sugar, ethanol, grains, rice, peanut, and dairy products of the highest quality.

Adecoagro S.A., constituted in Luxemburg, is the parent company whose shares are listed in the NYSE. Adecoagro S.A. directly and indirectly controls its affiliates in Argentina, Brazil and Uruguay.

In 2020, we managed to maintain our productive and logistic efficiency, in spite of the COVID-19 pandemic.

In response to the pandemic, we made our working scheme more flexible and focused on technological tools, taking care of people and strengthening our committed team. We have 6 corporate values that guide our actions: Trust, Transparency, Efficiency, Innovation, Sustainability and Safety.
Financial Indicators*

During 2020, we obtained good operating and financial results, even within the context of a global pandemic. At the consolidated level, the adjusted EBITDA at year-end stood at USD 341.9 million, 12.1% higher than that of 2019. This led to a 19.3% increase of the EBITDA margin, with a 6.1% drop in net sales, which amounted to USD 796.3 million. The adjusted net income was of USD 131.7 million and the adjusted free cash flow was of USD 51.8 million, making year 2020 a turning point for the company, marking the beginning of a path of structural cash generation.

The adjusted EBITDA for the Sugar, Ethanol and Energy business stood at USD 253 million, in line with 2019, in spite of the impact of the pandemic, especially on the ethanol business. We obtained these figures due to (i) the flexibility of our assets, which permitted us to adjust our mix and maximize sugar, the product with higher margin contribution; (ii) our cost-reduction strategy together with the increase in milling to 11.1 million tons, which led to a highly efficient cost of 7.8 ct/lb: and (iii) better biological asset results due to the rise in the prices of commodities and the depreciation of the Brazilian Real.

The adjusted EBITDA for the Milk, Rice and Grain business in Argentina stood at USD 89.6 million, 46.3% higher than in 2019, driven by an annual growth in the three businesses that comprise it (USD 10.0 million rise in Grains, 13.7 million in Rice, and USD 3.8 million in the Dairy products business). This was mainly the result of (i) higher results of biological assets; (ii) optimization of efficiency with respect to farming and the industry, thanks to recent investments that increased productivity and made cost saving possible; and (iii) the depreciation of the Argentine peso. In addition, the adjusted EBITDA for the Transformation of Lands business stood at USD 18.1 million: 72.3% higher than in 2019, due to the sale of two fields.

<table>
<thead>
<tr>
<th>Financial Indicators</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>847,745</td>
<td>796,270</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>305,169</td>
<td>341,953</td>
</tr>
<tr>
<td>- Sugar, Ethanol &amp; Energy</td>
<td>253,069</td>
<td>253,052</td>
</tr>
<tr>
<td>- Farming &amp; Transformation of Lands</td>
<td>71,739</td>
<td>107,707</td>
</tr>
<tr>
<td>- Corporate</td>
<td>-19,639</td>
<td>-18,806</td>
</tr>
<tr>
<td>Adjusted Net Income</td>
<td>43,643</td>
<td>131,753</td>
</tr>
<tr>
<td>Adjusted Free Cash Flow</td>
<td>-61,486</td>
<td>51,870</td>
</tr>
<tr>
<td>Assets</td>
<td>2,521,307</td>
<td>2,482,236</td>
</tr>
<tr>
<td>Liabilities</td>
<td>1,492,424</td>
<td>1,518,512</td>
</tr>
<tr>
<td>Net worth</td>
<td>1,028,883</td>
<td>963,724</td>
</tr>
<tr>
<td>Cash</td>
<td>290,276</td>
<td>336,282</td>
</tr>
<tr>
<td>Net debt</td>
<td>678,004</td>
<td>634,808</td>
</tr>
<tr>
<td>Net debt / EBITDA</td>
<td>2.22x</td>
<td>1.86x</td>
</tr>
<tr>
<td>Liquidity (i)</td>
<td>1.89x</td>
<td>2.62x</td>
</tr>
</tbody>
</table>

(i) It considers cash and cash equivalents + Inventory

* The financial information included in this Report is taken from the audited financial statements of the Company as of December 31, 2020.
Our Businesses

Sugar, Ethanol and Energy

We produce sugar, ethanol and energy, operating in Brazil in an integrated manner to maximize efficiency. Flexibility in the mix is one of our main competitive advantages.

3 sugar, ethanol and energy mills.

176,000 hectares of sugar cane planted.

11.1 million tons of sugar cane ground in 2020.

647,000 tons of sugar produced.

502,000 cubic meters of ethanol.

500,000 CBios traded.

+6,500 jobs generated since the start of business.

Milk

Our milk production system places special emphasis on efficiency. We maximize animal welfare and comfort and take care of the purity of our milk from the source.

4 high efficiency free stalls

11,500 milking cows.

140 million liters of milk (17% more than in 2019).

We launched Milk with Cocoa and Yogurt.

1 million liters of milk processed daily in our 2 industrial plants combined.

63% increase in liters of milk processed with respect to 2019.

Our brands

Monte Alegre

Apostoles

Las Tres Niñas

Organico

Leche descremada
Nuestros Negocios

Rice

We develop our own seeds, produce with a focus on efficiency and innovation, and process our rice focused on quality.

- **44,000** irrigated sown hectares
- **3** mills to process 100% of our production.
- **290,000** tons of paddy rice processed (13% more than in the previous year).

- **1,800** tons/year of rice snacks processing capacity
- **73%** of our rice production is exported.
- **Own seedbed.**

Grains

We produce grains for the world. Our integrated Farming-Industry-Commercialization value chain allows us to boost productive efficiency. We check food quality until the final point of delivery.

- **218,000** hectares sown.
- **720,000** tons of grains produced (10% more than in 2019).
- **+50,000** hectares sown with cover crops.

- **2** modern industrial plants to process peanuts and sunflower
- **2** storage plants for the conditioning, classification and storage of grains

Our brands

Governance

Independence, transparency and accountability are the pillars of our corporate governance model.
Corporate Governance

The members of the Board of Directors of Adecoagro S.A., the highest governing body in the company, are appointed in the General Shareholders’ Meeting. The following criteria are taken into account for their appointment and election: stakeholder participation, independence, and expertise and experience in economic, environmental and social topics.

The Board of Directors holds quarterly meetings and assesses economic, social and environmental issues, together with their impacts, risks and opportunities for the company. In 2020, the Executive Board of Directors received additional internal training in environmental and social topics from specialized consultants.

44% of directors come from countries where the Group operates.

100% of directors and employees have received anti-corruption training.

100% of employees have signed the Certificate of Compliance with the Code of Ethics and Business Conduct.

Board of Directors of Adecoagro S.A.

<table>
<thead>
<tr>
<th>Full name</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plínio Musetti</td>
<td>Director (Chairman)</td>
</tr>
<tr>
<td>Mariano Bosch</td>
<td>Director – CEO</td>
</tr>
<tr>
<td>Alejandra Smith</td>
<td>Directora</td>
</tr>
<tr>
<td>Alan Leland Boyce</td>
<td>Director</td>
</tr>
<tr>
<td>Andrés Velasco Brañas</td>
<td>Director</td>
</tr>
<tr>
<td>Daniel Gonzalez</td>
<td>Director</td>
</tr>
<tr>
<td>Guillaume van der Linden</td>
<td>Director</td>
</tr>
<tr>
<td>Ivo Andres Sarjanovic</td>
<td>Director</td>
</tr>
<tr>
<td>Mark Schachter</td>
<td>Director</td>
</tr>
</tbody>
</table>
Executive Board of Directors

Our Executive Board of Directors is made up by a highly qualified team, with over 25 years of experience developing agribusiness projects. Our Sustainability Department is in charge of coordinating, promoting and communicating progress in the responsible and sustainable development of our business operations. It reports directly to the Executive Board of Directors.

Executive Board of Directors

<table>
<thead>
<tr>
<th>Full name</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mariano Bosch</td>
<td>Co-founder and CEO</td>
</tr>
<tr>
<td>Carlos A. Boero Hughes</td>
<td>CFO</td>
</tr>
<tr>
<td>Emilio F. Gnecco</td>
<td>CLO (Chief Legal Officer)</td>
</tr>
<tr>
<td>Renato Junqueira Santos Pereira</td>
<td>Director of the Sugar, Ethanol and Energy Department</td>
</tr>
<tr>
<td>Ezequiel Garbers</td>
<td>Co-founder and General Manager in Argentina and Uruguay</td>
</tr>
<tr>
<td>Mario José Imbrosciano</td>
<td>Director of New Business</td>
</tr>
<tr>
<td>Leonardo Berridi</td>
<td>General Manager in Brazil</td>
</tr>
</tbody>
</table>

Corporate Values

**TRANSPARENCY**
We are honest in our relationships and work with integrity.

**TRUST**
We generate solid and long-lasting relationships.

**EFFICIENCY**
We maximize our capacities

**INNOVATION**
We encourage creativity and ongoing improvement.

**SUSTAINABILITY**
We promote environmental and social management.

**SAFETY**
We promote a safe and sustainable working environment.
Ethics and Compliance

Code of Ethics and Business Conduct

Our Code of Ethics and Business Conduct governs all Adecoagro operations. It sets out the legal, ethical and regulatory standards that all directors, executives and employees of our company should abide by. We also invite our suppliers and contractors to follow these same guidelines when complying with their contractual obligations.

Our commitments to avoid conflicts of interest and fraud are included in this Code, as well as compliance with specific policies. This includes the following:

- US Foreign Corrupt Practices Act
- Policy to report suspected incidents involving inaccurate financial information or fraud
- Policy to report Code violations
- Policy of privileged information
- Policy on confidential information

We have developed training sessions on this Code, which are included in the guidelines for new employees and training plans for directors, executives and employees. They must all read the Code and sign a Certificate of Compliance with the company policies every year.

Compliance with the Code

Directors, executives and employees must inform the Director of Compliance about any violation, whether known or suspected, of the law, government regulations, or the Code of Ethics and Business Conduct.

We offer inquiry and reporting channels, including contact emails and telephone numbers available in the local language of each country. These channels, which are available 24/7, are informed to all our employees during annual communication and training sessions. All inquiries and reports made are confidential and anonymous.

Compliance with the Code of Ethics and Business Conduct is as important as the efficiency of our operations.
Communication and Handling of Claims

Our internal communication channels ensure an “open door” policy by means of which we encourage employees to voice their concerns, complaints and/or suggestions.

The current channels to hear complaints and inquiries from the community are the following:

- In person, at the office of each branch.
- Via phone call to the toll-free number 0800-888-0332 (listed on the signs at the entrance of the different business branches).
- On the Adecoagro webpage, via email to consultas@adecoagro.com

Our procedures to handle community claims allow us to do the following:

- Receive and record inquiries made by the community in relation with social, environmental, and health and safety issues, as well as labor claims made by the employees of our contractors.
- Review and assess the concerns received.
- Provide answers, record inquiries and carry out the relevant follow-up.
- Adjust handling initiatives as necessary.

Stakeholders and Transparency

We have adopted several measures to continue to respond to the needs of our stakeholders in a responsible and transparent way, especially with the new situation caused by the COVID-19 pandemic.

During 2020, we reinforced our relationship with employees, suppliers and clients, investors and the community, in order to create trusting and long-lasting relationships with each one of them. Specific examples of these relationships sustained with key players are included throughout this Report.

We have implemented a process to identify key stakeholders and classify them as follows:

- Internal: employees, directors, shareholders.
- Direct: clients, suppliers, contractors, distributors, financial institutions.
- With an interest in our activities or affected by them: government, press, NGOs, neighboring families, vulnerable groups and native communities.

This process allows us to set priorities and develop action plans which include the prevention and mitigation of social and environmental impacts, and the strengthening of our relationship with communities.
How we create value

We include sustainable environmental, social and economic criteria in our processes and products, creating in this way a positive impact on society.
## Creating Value in the Face of COVID-19

<table>
<thead>
<tr>
<th>Commitment to our people</th>
<th>Commitment to the continuity of our operations</th>
<th>Commitment to our local communities</th>
</tr>
</thead>
<tbody>
<tr>
<td>We have adapted our working methodology to the new reality, with focus on the health and safety of our employees.</td>
<td>We have been able to maintain the logistics of the production and distribution processes, in alliance with our business partners.</td>
<td>We have worked together with each municipality in which we are present to organize the health protocols and to guarantee the provision of elements of control and hygiene in each community.</td>
</tr>
<tr>
<td>We have applied protocols and safety measures in each activity, and carried out drills to test the procedures.</td>
<td>We have reorganized all the activities to guarantee a safe working place. Safety protocols were the framework to maintain continuity.</td>
<td>We have held meetings and maintained fluid communication with health agents, municipal officers, trade unions, chambers and associations, companies, social organizations, and with our employees.</td>
</tr>
<tr>
<td>In our operations, we have defined a polyvalent system to cover one another when people were absent due to positive or preventive isolation cases.</td>
<td>We have adapted our environmental and occupational health and safety monitoring to COVID-19 protocols and the reality of each place.</td>
<td>We have helped families in need through food donations.</td>
</tr>
<tr>
<td>From Human Resources, we have held different meetings with leaders to provide them with specific tools for the virtual support and development of their teams.</td>
<td>We have established a frequent meeting committee per plant for situation assessment and adjustment of procedures.</td>
<td>We have reinforced our signage and software to be able to receive inquiries and suggestions from local residents and reply immediately.</td>
</tr>
</tbody>
</table>
New materiality analysis

**Materiality: focusing on what is relevant**

We have reviewed our Materiality Analysis. Upon an inquiry to all our stakeholders, we prioritized the topics with which we can create more economic, social and environmental value. We defined materiality around three pillars: Business, Planet and People. Then, we identified all the issues to be prioritized.

In this process, 115 internal and external stakeholders were involved, who helped us to identify the most critical issues for our sustainability strategy. As a result, we have come up with a list of 22 critical issues, 6 of which are of the utmost importance.

**Keys of the analysis**

- Stakeholder participation
- Sustainability context
- Materiality
- Comprehensiveness

**Steps to develop our materiality matrix:**

**Identification**
Analysis of megatrends in the sector and national and international benchmarking of business cases. Definition of a list of material issues to be assessed.

**Prioritization**
Survey for the Board of Directors of Adecoagro and employees, suppliers, clients, NGOs, business chambers, the press, academic institutions and companies, in order to assess the importance of the material issues identified

**Validation**
Validation of the materiality matrix by Adecoagro’s top management.
Materiality Matrix

* Given the relevance of the issue of Development of local economies within the current context in our region, we have included this issue in our list of key material topics even though it was not prioritized as a critical issue of the matrix.
# How we create value in Adecoagro

<table>
<thead>
<tr>
<th><strong>Which resources do we use?</strong></th>
<th><strong>What value do we create?</strong></th>
</tr>
</thead>
</table>
| **Financial Capital**                                       | - Funds  
- Access to capital  
- Investments  
- Capital stock  
- Economic value distributed to shareholders, employees, suppliers, governments and communities.  
- Maximum capacity of our farms and industrial plants through a sustainable production model focused on profitability and efficiency. |
| **Intellectual Capital**                                    | - Innovation & Technology  
- Operating systems  
- Innovative solutions and development of new processes and products.  
- Alliances for seed development and research. |
| **Industrial Capital**                                      | - Farms and industrial plants  
- Products  
- Logistics  
- Value Chain  
- Highly efficient productive, administrative and commercial processes.  
- Products of extremely high quality and safety management in line with international standards. |
| **Human Capital**                                            | - Interests, talent, ideas and experience  
- Workforce with technical knowledge  
- Quality employment and opportunities for personal and professional development.  
- Safe, reliable and sustainable work environments throughout Adecoagro.  
- Employees’ wellbeing. |
| **Social and Relational Capital**                           | - Corporate reputation  
- Social license to operate  
- Partnerships with stakeholders  
- Interaction with governments  
- Comprehensive development of the communities in which we operate, supported by our Community program.  
- Adecoagro Brand based on our values, with recognition in different areas of Society. |
| **Natural Capital**                                          | - Environmental Investment  
- Soil management  
- Water management  
- Energy management  
- Biodiversity  
- Good production practices in balance with the environment and the society.  
- Renewable energy generation and effluent management through the biodigester. |

We describe our Creation of Value as suggested by the International Integrated Reporting Council (IIRC).
Contribution to the 2030 Agenda

Sustainable Development Goals (SDGs)

We contribute to the 17 SDGs

We contribute to 55 targets

**BUSINESS**

- Decent Work and Economic Growth
- Industry, Innovation, and Infrastructure
- Responsible Consumption and Production
- Peace, Justice, and Strong Institutions
- Partnerships for the Goals

**PEOPLE**

- No Poverty
- Zero Hunger
- Good Health and Well-being
- Quality Education
- Gender Equality
- Reduced Inequalities
- Sustainable Cities and Communities

**PLANET**

- Clean Water and Sanitation
- Affordable and Clean Energy
- Climate Action
- Life Below Water
- Life on Land

The Milk, Rice and Grains sector had an adjusted EBITDA of $89.6 million, 46.3% above that of 2019.

We have increased grain and milk production by 36% and 38%, respectively, since 2018.

We have increased yield in the rice business by 500kg/ha with the use of technology.

We have incorporated Security as a corporate value.

We have donated 307,989 kg of food.

We have delivered 1 million boxes of food together with the SEAMOS UNO initiative.

We have generated 16% more renewable energy with our biodigester.

We have installed natural gas in our Morteros Plant and achieved a 36% monthly reduction in equivalent CO2 emissions per cubic meter of processed milk.

We have sown 55,000 hectares with cover crops.
Our team

In Adecoagro, we are passionate about what we do and we aim to do things better every day. As from the COVID-19 pandemic, we have made our way of working more flexible and reinforced our commitment as a team.

Cecilia at our Sunflower Plant in Pehuajó, Buenos Aires.
Profile of our Employees

We have created an open and diverse work environment, which enables the personal and professional growth and development of our teams. We offer the possibility of pursuing a professional career in food production, with a work proposal based on constant learning, in a dynamic and entrepreneurial environment. The company’s commitment to sustainable development is in our employees’ DNA and is present in all our operations.

Within the context of the COVID-19 pandemic, the commitment and effort made by the teams to ensure the continuance of the operations and the functioning of each plant stood out. We have managed to generate an empathic leadership among those in charge and we have accompanied each employee in their personal situation.

In 2020, we continue to be committed to providing equal opportunities.

30% of the milking team in our free stalls is made up of women.

**Employees’ Indicators for Argentina and Uruguay (i)**

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total number of employees</strong></td>
<td>1,916</td>
<td>2,095</td>
</tr>
<tr>
<td><strong>By country</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Argentina</td>
<td>1,900</td>
<td>2,079</td>
</tr>
<tr>
<td>Uruguay</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td><strong>By gender</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Women</td>
<td>276</td>
<td>315</td>
</tr>
<tr>
<td>Men</td>
<td>1,640</td>
<td>1,780</td>
</tr>
<tr>
<td><strong>Collective bargaining agreements</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of employees under collective bargaining agreements</td>
<td>66%</td>
<td>66.4%</td>
</tr>
</tbody>
</table>

(i) 100% of employees with full-time employment.
Local Job Creation

We seek to cause a multiplying effect in the communities where we are present: we hire and train local workforce, and a significant part of our team is made up of workers for whom this is their first formal and stable job.

In order to promote the hiring of local employees, we use specific recruitment sources including ads on the radio and local newspapers, zonal job forums and portals. Moreover, we have created databases in each facility with the profiles of the local people who spontaneously apply for a job.

In 2020, we consolidated our job portal, where we include the available and active job offerings for people not subject to collective bargaining agreements throughout the country. We post them in recruitment portals and LinkedIn, in social networks and on our website. In 2020, the number of candidates that applied for each search rose considerably.

This year, 33 young people with high potential were part of our internships and professional training programs.

100% of local workforce in the peanut plant in Dalmacio Vélez, Córdoba.
Health and Safety at Work

The health care and safety of our employees has been the main focus of our efforts throughout 2020. Guided by the Occupational Health and Safety Integrated Policy, we resolved to have safe, reliable and sustainable environments.

We prepared a protocol with preventive measures and responsive action for suspected and confirmed COVID-19 cases for each operation. In addition, we set up an in-house crisis committee to lead the actions and the decision-making established by the protocol. The specific measures included rules on social distancing, mandatory protection, disinfection of common and indoor areas, and remote working for employees who belong to risk groups.

100% of employees covered by the Health and Safety Management System, subject to internal and external audits.

Safety Measures as a Response to COVID-19.

- Delivery of specific protection items.
- Training on critical work, emergency plans and risk assessment.
- Checks on people entering the plant.
- Coordination with municipalities.
- Advice from each occupational physician.

Employees’ occupational health and safety indicators

<table>
<thead>
<tr>
<th>Recorded injuries resulting from occupational accidents</th>
<th>Accidents with serious consequences:</th>
</tr>
</thead>
<tbody>
<tr>
<td>64 injuries</td>
<td>1 accident</td>
</tr>
<tr>
<td>Rate: 13,4</td>
<td>Rate: 0,2</td>
</tr>
</tbody>
</table>

Rate of recorded injuries resulting from occupational accidents: 64 recorded injuries resulting from occupational accidents / 4,780,587 hours worked x 1,000,000.

Rate of injuries resulting from occupational accidents with serious consequences: 1 injury resulting from an occupational accident with serious consequences / 4,780,587 hours worked x 1,000,000.

The accident consisted of the partial cut of a phalanx.

Diego, in the sunflower finishing area, in Pehuajó.
We incorporated safety as a corporate value.

Malvina, in the bagging sector of the Sunflower Plant.
Training and Development

Training of Employees
During this year, we assumed the commitment to continue with our training plan without it being affected by COVID-19. To such end, we focused on migrating training to a virtual format, ensuring the quality of actions, maintaining safe conditions for our teams and favoring the development of our employees.

In 2020, actions were mainly oriented to the training on COVID-19, the development of Business Intelligence programs, people management and leader support.

Moreover, in order to accompany team leaders with tools that are appropriate for their specific needs, we have developed a 360° feedback tool that will allow us to diagnose these issues and take any relevant action.

Performance Assessment
The performance assessment process begins with the assessment by the leader, followed by a calibration stage with the HR Development area, where the scores from the assessments of the team are reviewed together with its leader. Finally, the leader provides feedback to the employee.

<table>
<thead>
<tr>
<th>Performance Management</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees assessed</td>
<td>579</td>
<td>643</td>
</tr>
<tr>
<td>By gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Men</td>
<td>403</td>
<td>442</td>
</tr>
<tr>
<td>Women</td>
<td>176</td>
<td>201</td>
</tr>
<tr>
<td>By category</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Managers</td>
<td>47</td>
<td>49</td>
</tr>
<tr>
<td>Supervisors</td>
<td>237</td>
<td>253</td>
</tr>
<tr>
<td>Analysts</td>
<td>222</td>
<td>259</td>
</tr>
<tr>
<td>Assistants</td>
<td>65</td>
<td>74</td>
</tr>
</tbody>
</table>

(i) The % in each category is over the total payroll (2,095)
Commitment to Human Rights

Our commitment to human rights is reflected in our Code of Ethics and in our Code of Business Conduct. At Adecoagro, we understand that child labor is one of the most critical factors of social inequality and vulnerability. We also understand that it is of the utmost importance for children to finish mandatory school and devote their childhood to learning and playing. Therefore, and without exceptions, Adecoagro does not hire workers under the age of eighteen, neither directly nor through any contractors. We also pledge to ensure that there is no forced or compulsory labor in our operations and those of our contractors.

In addition, we ensure the wellbeing of agricultural workers and monitor their working, housing and living conditions. In all rice fields, at least twice a month, the order and cleaning conditions of the workplace are inspected. Within the framework of external audits on this issue and in connection with compliance with the World Bank Standards, in 2020, we submitted reports on the progress of maintenance work.
We produce food based on sustainability, technological innovation and efficiency criteria. In 2020, we managed to continue with our operations, prioritizing the safety of our teams.
290,000 tons of rice processed in our plants.

500kg/ha yield increase due to the use of technology in rice fields.

+90% efficiency of lines and packaging machines in the milk business.

We have doubled the production of blanched peanut.

97% of local suppliers.

Rice harvest at Estancia Ita Caabó, in Mercedes (Corrientes).
Food Quality and Safety

We are committed to comply with legal requirements and those agreed upon with our clients, to spread a food safety culture in all levels of the company, to establish communication channels with our stakeholders, and to promote the ongoing improvement of our food safety management system in line with international standards.

In 2020, we made progress in the creation of the Food Safety and Quality Corporate Policy, which seeks to reflect our commitment to be a company that produces high-quality and safe food.

We are currently implementing our Food Safety and Quality Management System in the new production lines: yogurt, cream, milk with cocoa, and snacks.

Pillars of Safety and Quality Management

- Good Agricultural Practices (GAP)
- Good Dairy Farming Practices (GDFP)
- Good Manufacturing Practices (GMP)
- Sanitation Standard Operating Procedures (SSOPs)
- HACCP\(^1\) System, used to monitor the production process, based on preventive principles and concepts.

Despite the context, in 2020 our plants maintained the Global Food Safety Initiative (GFSI) certifications.

When faced with the challenges posed by COVID-19, we responded by creating new protocols, gathering technical data on third-party free stalls and conducting remote audits regarding key suppliers and our operations, as well as conducting client audits.

All industrial plants continued with an internal audit plan to verify compliance with the requirements of the Food Safety and Quality Management System in processes covered by GFSI certification. In addition, the scope of the FSSC 22000 certificate of the Chivilcoy plant was broadened to incorporate the manufacturing process of pasteurized cream in bulk.

Certifications Obtained

\(\text{FSSC 22000} \quad \text{BRCGS} \quad \text{AK} \quad \text{FSSC Global Markets} \quad \text{RTRS}\)
Value Generation in our Businesses

Milk

In our free stalls, we achieved a large-scale high-productivity system, where we also generate renewable energy with a biodigester that uses cow manure. We opened the fourth dairy in the first months of 2021, with a small delay due to the context of the pandemic. In our industrial plants, we continue to generate efficiency, incorporate products and maximize production volumes.

We have launched new products within the milk business: milk with cocoa and yogurt.

Operational Efficiency and Profitability

Improvements in the biodigester’s feeding system, replacing one of the mixers with a stirred load tank.

Repair of Free Stall 1: we have replaced the carousel and refurbished the cattle housing and the sand and effluent treatment areas.

We have installed natural gas in the Morteros Plant, making significant progress in terms of efficiency and sustainability.

+90% efficiency of the lines and packaging machines of our industrial plants.

Study on polyfunctionality in the free stall. This allowed us to adapt in the face of confirmed COVID-19 cases.

Technology and Innovation

Implementation of a digital management system in the whole feeding process of our animals. This support software manages the information generated from feeding (control of the loading of ingredients in mixers, weight scale data, stock control, losses).

Improvement of the irrigation equipment, adapting them for the application of biofertilizers.

150 new solar panels installed. Installed power increased by 50kW.
Animal Welfare Practices

Animal Welfare
We ensure that our cattle housing maximizes the cows’ comfort. Cowsheds were designed especially for the animals’ welfare and have fans and sprinklers that prevent heat stress suffered by animals when temperatures exceed 18 °C. Cows rest in sand beds, which are cleaned three times a day.

Feeding
We feed our cows with balanced diets which allow for their healthy growth. This diet is based on corn, produced in the same field, and supplemented with other types of food such as, inter alia, soy by-products, alfalfa bales and wheat silage.

Technology
The implementation of digital management system in the whole feeding process of our animals in 2020 allowed us to achieve better traceability of the diet of each animal during the whole year. This system manages the information generated from feeding, including, inter alia, the control of the loading of ingredients in mixers, weight scale data, stock control and losses.

Certification
In 2020, together with institutions specialized in this topic, we assessed the possibility of certifying an Animal Welfare protocol. In 2021, we will try to conduct the baseline audit and prepare a work protocol to obtain the certification.
Our integrated rice model begins at Semillero Itá Caabó (Province of Corrientes) with the production of seeds which provide genetic diversity, adaptability and certified quality. We produce different types of top-quality rice, such as long grain, parboiled, brown and medium grain. We also produce healthy rice and flour snacks and several byproducts. This year, we obtained great yields in field production and increased the operating capacity of our own machines. We also launched the new image of the Molinos Ala brand, our rice, toasts and snacks brand.

We use drones in the fields to monitor irrigation daily.

**Operational Efficiency and Profitability**

- 3,000 new hectares of rice sown.
- Higher accuracy lot by lot to determine the damage threshold of plagues, weeds or diseases.
- We kept the conversion factor at 1.58 (tons of raw material / tons of manufactured product).
- Increase of the storage capacity in the Franck Mill.
- Recertification of all plants. Besides, we continue making progress towards the FSSC2200.

**Technology and Innovation**

- Drones are used in all fields to monitor irrigation daily, and irrigation sensors are used in lots.
- We continue incorporating Adecoagro’s own digital app called “El Agrónomo,” which has been adopted by more than 80% of our employees in the field.
- We have incorporated the “El Aguador” app since our water carriers have also shown interest in implementing this technology in their work.
- Complete traceability of the seed, by means of a QR code and the possibilities offered by our App "El Agrónomo".
Research and development of seeds

Alliances
We continue with our alliances with HIAAL (Hybrid rice for Latin America), the Latin American Fund for Irrigated Rice (FLAR) and the Agronomy Department of the National University of the Northeast (UNNE, Spanish acronym for Facultad de Agronomía de la Universidad Nacional del Nordeste) for the production of new varieties and hybrids.

Our own developments
We continue developing our own crossings, aiming both at improvements in field behavior and industrial performance, as well as at the quality demanded by markets.

Innovation
In 2020, we were able to use molecular markers thanks to the incorporation of a university graduate in biology. This allows us to obtain greater purity in our lines and protect our germplasm.

Enrollments
This year, we registered the variety Ita Caabó 109 in the National Institute of Seeds.
Grains

We are one of the most efficient grain producers in the region. We implement good agricultural practices and benefit from the natural advantages of different agronomic areas, combining soil fertility with optimal climates. We produce corn, wheat, peanut, sunflower, soybean, among others. Throughout the year, we doubled the hectares sown with sunflower —16 thousand hectares— and we increased those sown with peanut —26 thousand hectares—. We also consolidated the new technologies equipment that supports the agriculture team.

We are integrated with a focus on efficiency and food quality.

Operational Efficiency and Profitability

We expanded the use of satellite image monitoring.

In the sunflower plant, we invested in new process lines, looking to improve the shelling performance.

We doubled the production of blanched peanut (from 1,700 tons/month to 3,400 tons/month) and reduced the energy consumption per ton produced by 35%.

We produced 350,000 tons of corn that were exported.

We were able to implement internal planning meetings between field-industry-commercial.

Technology and Innovation

We implemented the use of the “El Agrónomo” App in the areas of production, commercialization, planning, systems, and management.

We created a new blanched peanut processing line, entirely made with local engineering. We now have a self-driving oven.

In our raw peanut plant, we added laser technology to perform the electronic selection and to continue optimizing the quality and safety of our product.

We developed our Traceability App through which peanut customers can read a QR code in each bag and access the information regarding the traceability and data of our goods.
Circular economy in the peanut business

Agreement
In 2020, we entered into an agreement with the company Cemento Avellaneda to use and value the shell generated in our peanut process.

Reuse
The shell is used as renewable fuel for the ovens, replacing its energy matrix that was based on fossil fuels.

Investment
To carry this out, we built a mill in order to grind the shell and thus improve its density, reduce freight costs and enhance its combustion use.

A growing business
Two years ago, we bought our peanut plant located in Dalmacio Vélez, Province of Córdoba, and this year we managed to process 55,000 tons of peanut that we produce in the field. In addition, from our first year to the second, we increased the plant’s production by approximately 5,000 tons.
## Our clients

We consider our clients as key players so that our products can be distributed to their destination safely, efficiently and with the best quality. In 2020, we strived to keep close and transparent conversations with them, facing the challenges arising from COVID-19.

### Safe distribution of our products

We implemented procedures to ensure that our packaging, containers and products meet the requirements of clients and destination authorities. We conduct transport controls and inspections in the operations prior to loading to avoid any type of nonconformity. Additionally, in 2020 we implemented a raw material and finished product monitoring plan for all our plants.

### CLIENT PROFILE

<table>
<thead>
<tr>
<th>Milk</th>
<th>Rice</th>
<th>Grains</th>
</tr>
</thead>
<tbody>
<tr>
<td>180 mass consumption clients in the domestic market.</td>
<td>35 retail companies or distributors for the export segment.</td>
<td>24 clients in the wheat, soybean and corn segment.</td>
</tr>
<tr>
<td>47 active clients in the milk powder and cheese export market.</td>
<td>180 mass consumption clients in the domestic market.</td>
<td>49 clients in the candied sunflower segment.</td>
</tr>
</tbody>
</table>

### COMMUNICATION CHANNELS

<table>
<thead>
<tr>
<th>Milk</th>
<th>Rice</th>
<th>Grains</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct contact with clients.</td>
<td>Direct contact with clients in the commercial and quality areas.</td>
<td>Conversation with foreign clients to share better management practices against COVID-19.</td>
</tr>
<tr>
<td>Client service channel through a call center.</td>
<td>Mass consumption client service channel.</td>
<td></td>
</tr>
</tbody>
</table>

GRI 102-6
Our suppliers

Responsible supply

We have worked to develop transparent and cooperative relationships throughout our supply chain, thus guaranteeing that our clients and consumers receive safe quality products. For this purpose, we have policies and procedures in place that establish the requirements that our contractors and suppliers must comply with.

Our main suppliers are companies in any of the following categories: agricultural services, supplies, origination, packaging and logistics.

Supplier Management

We have an established procedure for the selection and monitoring of our suppliers in order to ensure the quality, legality, authenticity and safety of the acquired products.

Guidelines for the acquisition and rental of land

The land acquisition prior evaluation process consists of four stages of analysis: legal, productive, social and environmental.

Suppliers’ indicators

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of suppliers in Argentina and Uruguay</td>
<td>5,574</td>
<td>6,017</td>
</tr>
<tr>
<td>% of local suppliers</td>
<td>97%</td>
<td>97%</td>
</tr>
</tbody>
</table>

We receive SMETA audits in our industrial plants.
Supplier management

In 2020 we created a network of logistics Operators and Warehouses for Mass Consumption. We entered into agreements with the purpose of building an efficient and sustainable work relationship, and we defined a process for the registration of these suppliers, which starts with an audit from our Food Quality and Safety area.

During the COVID-19 isolation, we were able to supply the excessive demand for first-need foods, implementing the protocols to adequately take care of each worker.

In addition, we created the Supply Chain area, which consists of six employees and internally develops the logistics of the company and coordinates the distribution of our products. In 2020, we worked with a local warehouse from Chivilcoy, in order to contribute to the development of the local economy.

Training for suppliers and contractors

We promote the responsible use of agrochemicals in order to protect the environment and peoples’ health. In 2020, we offered training sessions on the responsible use of phytosanitary products to 95 suppliers in Salta, Santiago del Estero and Santa Fe. We also held Zoom training sessions with contractors, organized by CASAFE (Chamber of Agricultural Health and Fertilizers) in the Argentine Northwest region and the Province of Santa Fe. We also handed out digital brochures on occupational health and safety topics to each supplier.
Environmental management

We operate under environmental responsibility and efficiency criteria which guide the rational use of resources, the prevention of pollution and conservation of biodiversity.

Irrigation with biofertilizers helps to take care of the carbon in our soil.
Commitment to environmental protection

Our Integrated Policy guides the actions and decisions that we make to improve the environmental performance of our operations. During 2020, and despite the pandemic context, we continue applying the strategies and initiatives implemented on environmental management, both in our fields and our industrial plants.

The environmental management actions of the company are regularly monitored through the Integrated Management System and by means of controls and internal and external audits. These control mechanisms ensure compliance with the applicable laws and regulations and with specific requirements. This system covers the aspects of quality, food safety, environment, as well as health and safety at work.

Due to the COVID-19 pandemic, we adapted our environmental monitoring to the protocols developed and to the reality of each location. Although some of the monitoring actions were postponed on account of the pandemic, most of them could be carried out in a timely manner. Likewise, we adapted the internal and external audits to make them virtual.

In 2020, we incorporated improvements to our integrated management system for the dairy business, in line with World Bank standards.
Main investments made in 2020

Our environmental investment exceeded 1 million dollars.

<table>
<thead>
<tr>
<th>Topic</th>
<th>Business</th>
<th>Location</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy Efficiency</td>
<td>Milk</td>
<td>Morteros plant</td>
<td>Installation of Natural Gas; previously, the plant used to work by fuel oil.</td>
</tr>
<tr>
<td>Emissions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renewable Energy</td>
<td>Milk</td>
<td>Free stall</td>
<td>Backup monitor in the biodigester, for the continuous generation of energy.</td>
</tr>
<tr>
<td>Renewable Energy</td>
<td>Milk</td>
<td>Free stall</td>
<td>Pre-treatment weighing scales. We incorporated a loading hopper with a scale that provides greater precision in measuring the amount of manure processed in the plant.</td>
</tr>
<tr>
<td>Effluent Management</td>
<td>Milk</td>
<td>Free stall</td>
<td>We incorporated 150 solar panels and we already have 1,550 panels in our solar park in Free stalls 3 and 4. The energy generated feeds our animal welfare system.</td>
</tr>
<tr>
<td>Renewable Energy</td>
<td>Milk</td>
<td>Free stall</td>
<td>We incorporated 150 solar panels and we already have 1,550 panels in our solar park in Free stalls 3 and 4. The energy generated feeds our animal welfare system.</td>
</tr>
<tr>
<td>Emissions</td>
<td>Rice</td>
<td>Mercedes, San Salvador, and Franck Mills</td>
<td>Placement of aspirations and bag filters in rice mills.</td>
</tr>
<tr>
<td>Air Quality</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Energy Efficiency</td>
<td>Grains</td>
<td>Dalmacio Vélez plant</td>
<td>New automatic oven in the blanched peanut plant. This technology controls the energy consumed according to the specific needs of the process.</td>
</tr>
</tbody>
</table>
Soil management

Thanks to good agricultural practices, we managed to reach high productivity levels with a good performance. Some of these practices, which are aligned with the concept of Regenerative Agriculture, include no-till farming, crop rotation, cover crops, precision farming, balanced fertilization and the installation of terraces to control water erosion.

All these practices are oriented towards a more sustainable use of soil, to achieve improvements both in its quality and productivity. In this way, a healthier soil, with a greater load of nutrients and organic matter, allows to sustain production systems that enhance the sequestration of carbon originated in the photosynthesis of crops. Thus, we contribute to the reduction of greenhouse gas emissions and the adverse impacts of Climate Change.

To assess the efficiency of these initiatives, we monitor the performance of crops in the long term and the percentage of organic matter in the soil surface, among others.

Safe and responsible use of agrochemicals

We continue with the search for alternatives to reduce the use of agrochemicals. At the same time, we try to ensure that those used are those with the least possible toxicity. We were able to minimize the use of agrochemicals in general through comprehensive plague monitoring. In addition, in 2020, some trials were carried out to decrease the use of agrochemicals and fertilizers.

We place special emphasis on complying with the rules on distance and application times, and we are in active communication with the interested parties, giving relevant notice to area residents and rural schools.
**Water management**

We strive to adequately manage water consumption in our activities, taking care of the impact of our effluents in order to protect the environment.

- We placed flow meters in the irrigation wells of Estancia Las Horquetas.
- We collaborated with our stakeholders for the responsible management of water as a shared resource.
- In Estancia Carmen, our agriculture manager is the representative and vice chairperson of Christophersen in La Picasa basin Committee.
- We made progress in measuring consumption in Free Stalls.
- Most of our industrial plants do not use water for the production process. Most of our industrial plants do not use water for the production process, or use relatively low amounts.

At Estancia Las Horquetas we incorporate irrigation into our diversification in crop production.

### Total water capture by sources in all areas (m³)

<table>
<thead>
<tr>
<th>Source</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surface water</td>
<td>251,583,741</td>
<td>301,068,182 (iii)</td>
</tr>
<tr>
<td>Tap water</td>
<td>20,414</td>
<td>15,744</td>
</tr>
<tr>
<td>Rain water</td>
<td>78,240,800</td>
<td>69,857,000 (iii)</td>
</tr>
<tr>
<td>Underground water</td>
<td>4,496,169</td>
<td>5,688,356 (iv)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>334,341,124</strong></td>
<td><strong>376,633,700</strong></td>
</tr>
</tbody>
</table>

(i) The values reported on extraction and discharge of water correspond to the operations in Argentina. In Uruguay, no water is consumed in the operations.

(ii) The annual increase is due to the incorporation of 4,500 more hectares of rice and, due to the Niña year, to the increase in the demand for irrigation. In addition, in one of the fields we detected the need to readjust the irrigation system for more efficient use.

(iii) It was a year of low rainfall, in which we were also more efficient in this process.

(iv) The annual increase is due to the increase in milk production and greater demand for supplementary risk.
Energy management

We measure energy efficiency indicators in all our business units and facilities connected to the electrical grid, as well as fuel consumption in our processes.

In 2020, we generated 8,845 MWh of renewable energy with our biodigester and our solar park.

### Energy sources

<table>
<thead>
<tr>
<th>Argentina</th>
<th>Consumption in original unit of measure</th>
<th>Unit of measure</th>
<th>Conversion factor</th>
<th>Consumption in GJ</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019</td>
<td>2020</td>
<td></td>
<td>2019</td>
</tr>
<tr>
<td>Natural gas (i)</td>
<td>4,874,584</td>
<td>7,878,642</td>
<td>Cubic meters</td>
<td>0.032</td>
</tr>
<tr>
<td>Diesel (ii)</td>
<td>7,190,907</td>
<td>6,438,348</td>
<td>Liters</td>
<td>0.036</td>
</tr>
<tr>
<td>Gasoline (iii)</td>
<td>281,325</td>
<td>143,623</td>
<td>Liters</td>
<td>0.0318</td>
</tr>
<tr>
<td>LPG (iii)</td>
<td>1,500,717</td>
<td>360,939</td>
<td>Kilograms</td>
<td>0.0246</td>
</tr>
<tr>
<td>Electricity (iv)</td>
<td>65,315,093</td>
<td>94,209,462</td>
<td>Kilowatt Hour</td>
<td>0.0036</td>
</tr>
<tr>
<td>Fuel Oil (v)</td>
<td>3,129,440</td>
<td>3,829,401</td>
<td>Kilograms</td>
<td>0.044</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

(i) Consumption in our industrial plants. Measurement of consumption in the service bill.
(ii) The reported data arises from the stock of fuel used for the operation of machinery at the several rice facilities and at the storage plant, and from direct data on fuel consumption by our own vehicles, as a result of the relevant bills, in addition to agricultural machinery data, calculated on the basis of the estimated number of liters to be consumed in relation to the area sown.
(iii) Consumed for processes in Chivilcoy and Girasoles del Plata Plants, Mercedes Mill, and storage plants. To a lesser extent, consumption in the heating of offices and homes.
(iv) Includes all the operations and facilities connected to the grid. Measurement of consumption in the service bill.
(v) Used in the boilers of the Morteros Plant.
(vii) We consume 22% more energy year over year, but we process 30% more products in our plants and we produce 13% more food in our fields.
Energy efficiency initiatives

Natural Gas in Morteros Plant

Installation of natural gas at the Morteros Plant, which allowed for the elimination of fuel oil consumption. This change of fuel for the boilers and the thermal fluid furnace generated a 22% energy consumption reduction (GJ/m3 processed). At the same time, we achieved a 36% reduction in GHGs emissions (tn CO2 eq) per each m3 produced.

Automated Oven in Peanut Plant

Installation of an automatic oven that managed to double the monthly blanched peanut processing capacity. The automated system allows us to gather information of the incoming raw material and then provide the energy that is only needed for the intended product. At the same time, we made changes that allowed us to improve the efficiency of the oven we already had. Thus, in addition to doubling the production, we were able to reduce the energy consumption per ton produced by 49%.

Expansion of the solar park in the Free Stall

In 2020, we installed 150 new solar panels in the solar power plant, which already had 1,400 panels installed in 2019. This increased the impact of the solar energy in free stalls 3 and 4 and achieved stability in the operation of milking carousels. The installed power increased by 50kW. This way, we were able to increase by 11% the use of renewable energies in the power consumption of said stalls.
Effluent management

In our Free stall, we have a biodigester that produces renewable energy by transforming the manure of our dairy cows in electrical energy. It also generates biofertilizers that we reuse for our crops. The generator group has an installed capacity of 1.4 MW, and the energy produced is injected into the local electric grid.

Our free stalls treat their discharges through lagoons, to be used as solid and liquid fertilizers. This year we made improvements in the effluent treatment in the free stalls, capturing more fiber that goes to the biodigester, and other improvements in the biodigester feeding system. We also made progress on the sanitation of effluent lagoons, reaching 36,000 m³ removed. This allowed us to restore the operating capacity of the lagoons to optimize the effluent treatment.

Additionally, in the Morteros Plant, we carried out the effluent characterization and we are starting a project to adapt the treatment plant.

Biodigester: accumulated total results (start Nov.2017)

- **25,000 MWh** of renewable electricity produced.
- **177,000 tons** of manure processed for the generation of biogas.

ISO 14001: Certification renewed.

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### Source of effluent (in m³)

<table>
<thead>
<tr>
<th>Source of effluent</th>
<th>Use</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lagoons for treatment of stabled free stalls</td>
<td>Biofertilizer for own agricultural lands.</td>
<td>1,074,189</td>
<td>982,342</td>
</tr>
<tr>
<td>Parboil process in San Salvador Mill</td>
<td>Discharge to surface water bodies</td>
<td>231,415</td>
<td>267,246</td>
</tr>
<tr>
<td>Morteros Dairy Plant</td>
<td>Discharge to surface water bodies</td>
<td>71,814</td>
<td>140,468</td>
</tr>
<tr>
<td>Chivilcoy Dairy Plant</td>
<td>Discharge to surface water bodies</td>
<td>48,427</td>
<td>63,207</td>
</tr>
<tr>
<td>Water release for washing machines at Pilarica Plant (organic sludge)</td>
<td>Operator performing biological treatment of organic waste</td>
<td>48</td>
<td>40</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>1,425,893</strong></td>
<td><strong>1,453,304</strong></td>
</tr>
</tbody>
</table>

(i) In 2020 we changed the measurement methodology, incorporating technology to achieve better precision.
Waste management

We seek to manage our waste in each operation in the most efficient way according to each location and its characteristics. Every industrial facility has its own procedure in place to manage each type of waste generated. In the agriculture and livestock facilities, we continue implementing a general procedure for all of them. During 2020, the authorities of the provinces where we are located set up more storage centers for empty phytosanitary containers, which has benefited our waste management.

Chivilcoy Plant

In 2020, we entered into an agreement with the company RSU Ambiental for the removal and recycling of Tetra Pak and cardboard generated in our plant. These items are classified and sold to become agglomerated plates. At the same time, we purchased ecological plates and delivered them to ATIADIM, a social organization that we support in Chivilcoy. There, people who take part in the sheltered workshop make products for sale.

Morteros Plant

We continue participating in the municipal program called “Morteros Recicla, Morteros Incluye” (Morteros Recycles, Morteros Includes). This year, 11,268 kilos of waste (plastics, nylon, cardboard, paper and glass) were removed from our plant. This waste is sold by the Municipality to organizations that use it as raw material within their own production circuit.

<table>
<thead>
<tr>
<th>Hazardous waste management</th>
<th>Disposal method</th>
<th>Quantity 2019</th>
<th>Quantity 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agrochemicals plastic containers (Kg)</td>
<td>Incineration</td>
<td>64,276 (i)</td>
<td>33,775 (ii)</td>
</tr>
<tr>
<td>Solid hazardous waste (Kg)</td>
<td>Recovery</td>
<td>23,044</td>
<td>17,380</td>
</tr>
<tr>
<td>Mineral oil (liters)</td>
<td>Incineration</td>
<td>14,485</td>
<td>16,712</td>
</tr>
<tr>
<td>Pathological waste (kg)</td>
<td>Recycling</td>
<td>4,515</td>
<td>5,288</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Non-hazardous waste management</th>
<th>Disposal method</th>
<th>Quantity in Kg 2019</th>
<th>Quantity in Kg 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solid waste in stabled free stalls treatment lagoons</td>
<td>Reutilization (Biofertilizer)</td>
<td>34,760,000</td>
<td>16,291,000 (iii)</td>
</tr>
<tr>
<td>Sludge effluent treatment plants</td>
<td>Final disposal</td>
<td>3,392,919</td>
<td>3,301,684</td>
</tr>
<tr>
<td>Recyclables (cardboard, paper, plastics, wood and scrap)</td>
<td>Recycling</td>
<td>644,274</td>
<td>567,891</td>
</tr>
<tr>
<td>Similar to urban</td>
<td>Final disposal</td>
<td>2,071,167</td>
<td>341,839 (iv)</td>
</tr>
</tbody>
</table>

(i) Information modified according to what was published in the 2019 Sustainability Report because new data was collected after its publication.
(ii) In 2020 a part of the containers used could not be sent to disposal, due to circulation restrictions due to Covid-19. They will ship in 2021.
(iii) We adapt the machinery in the first half of the year, and it was operational since August.
(iv) The reduction is due to the implementation of remote work.
Emission management

We made progress in calculating the carbon fingerprint of our dairy business, including the free stall and the dairy plants, under the World Bank methodology. Furthermore, we started to work on measuring the impact by product, which will allow us to establish a baseline and carry out improvement projects. We managed to validate the credits of the biodigester bond certification process. We are at the monitoring stage of the verification of credits generated during the first three years of the biodigester.

We managed to validate the credits of the carbon bond certification process of the biodigester.

In addition, we were able to decrease the particulate material in the rice mills through the placement of aspiration and bag filters. Apart from emitting less particulate material into the environment, this allowed us to enhance the working conditions of our employees. The use of 608,000 kwh of Solar Energy in free stalls 3 and 4 avoided the emission of 229 tons of CO2e.

We managed to fix 218 thousand tons of CO2eq with organic carbon from the soil, grasslands, natural areas and forestations. In addition, we achieved reductions of 15 thousand tons of CO2eq from the biodigester and the use of biofertilizers.

### GHG emissions per business unit (tn of CO2 eq.)

<table>
<thead>
<tr>
<th></th>
<th>2019 Direct (Scope 1)</th>
<th>2019 Indirect (Scope 2)</th>
<th>2020 Direct (Scope 1)</th>
<th>2020 Indirect (Scope 2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grain i</td>
<td>20,566</td>
<td>4,110</td>
<td>10,647</td>
<td>4,848</td>
</tr>
<tr>
<td>Rice ii</td>
<td>247,167</td>
<td>14,596</td>
<td>382,903</td>
<td>20,814</td>
</tr>
<tr>
<td>Milk iii</td>
<td>90,957</td>
<td>7,276</td>
<td>86,140</td>
<td>13,271</td>
</tr>
<tr>
<td>Livestock</td>
<td>15,998</td>
<td>0</td>
<td>14,226</td>
<td>0</td>
</tr>
<tr>
<td>Forestation</td>
<td>-8,323</td>
<td>0</td>
<td>-11,430</td>
<td>0</td>
</tr>
<tr>
<td>Offices</td>
<td>2,322</td>
<td>101</td>
<td>1,789</td>
<td>265</td>
</tr>
<tr>
<td>Natural areas ivi</td>
<td>-13,517</td>
<td>0</td>
<td>12,067</td>
<td>0</td>
</tr>
<tr>
<td><strong>Subtotal per scope</strong></td>
<td><strong>355,171</strong></td>
<td><strong>26,083</strong></td>
<td><strong>496,342</strong></td>
<td><strong>39,199</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>381,254</strong></td>
<td></td>
<td><strong>535,541</strong></td>
<td></td>
</tr>
</tbody>
</table>

(i) 111,481 tn of CO2 eq. compensation for Soil Organic Carbon (SOC).
(ii) 3,838.60 leased hectares were added. CUS= 113549.8 (Direct).
(iii) Milk production grew 17% and processing in the industry grew 63%.
(iv) The fires that affected a significant part of the country in 2020 were taken into account.
Biodiversity Management

Biodiversity preservation is another pillar within our sustainable production model. We seek the coexistence between production and biodiversity and the representative environments in each of our facilities. We focus, in particular, on the conservation of species and unique environments or those subject to some degree of threat.

This commitment is implemented through a protocol of actions to be followed and indicators to be assessed. Each facility also has specific goals according to the ecosystems and the species present in such location. These protocols and goals are integrated into the corresponding management plans, aligned with international standards.

Due to the context of the pandemic, in 2020 we were unable to carry out face-to-face monitoring or visits by specialists to the fields. We have carried out remote monitoring with satellite images and support from our collaborators in the fields.

We regularly monitor all 32,403 hectares of protected habitats in our fields.
Community

This year we worked to be constantly close to the local residents of our communities and jointly solve the challenges brought about by COVID-19.

We support 13 Conin centers to contribute to the nutrition of children.
Commitment to the Community

We generated a multiplier effect in the communities where we operate. We did it through the hiring and training of people from the local community, with a high-quality job offer and opportunities for personal and professional development. In addition, to enhance our efforts, we worked jointly with the public sector and local organizations.

Our community program continued in 2020 with its three pillars, adjusting the actions to the new reality:

NUTRITION - EDUCATION - LOCAL DEVELOPMENT

In a year marked by the health and economic crisis caused by COVID-19, we redoubled our efforts to be close to the local communities. Our response was to add more donations and provide health and prevention materials. In addition, we improved the conversation with local residents through the creation, together with our employees, of a network of references for each local community.

100% of our operations reached by our community support initiatives.

4,116,370 kg of food delivered at a social price in COVID-19 campaigns.

34 students granted scholarships in Corrientes, Entre Ríos, Salta, Santa Fe and Buenos Aires.

$18,731,305 in private social investment ($13,155,833 in 2019).

307,989 kg of food donated.

$3,739,005 raised in the Matching program to support our volunteers.
Nutrition

We want to contribute to the adequate nutrition of people. Through our support to Conin centers and the Food Bank, we fought against child malnutrition and contributed to food distribution for thousands of families. In 2020, the focus was placed on the ongoing conversations with the municipalities of each place where we operate, to understand needs and reinforce food donations.

In numbers

7 provinces reached by our actions.

307,989 kg of milk and rice donated.

We supported

13 Conin centers

8 Food Banks

In 2020 we contributed with 4 new Conin centers to fight child malnutrition.
“Seamos uno” campaign

In the context of the challenges brought about by the COVID-19 pandemic, we supported this special campaign aimed at delivering one million boxes with food and hygiene items in the Buenos Aires suburbs and in the City of Buenos Aires. The initiative brought together companies, non-profit organizations and religious associations.

From Adecoagro, we specifically contributed to the initiative with the following:

- 25,000 liters of milk donated.
- 50,000 kilos of rice donated.
- 4.1 million kilos delivered at a low price in the context of less food supply.
- A person from our team dedicated full time to the initiative for 6 months, serving as Supply Coordinator of the campaign.
- Invitation to our employees to participate in the project: per each box donated to “Seamos Uno” by an employee, we donated two more boxes. As a result, $1,814,524 were raised and 76 employees joined the campaign.
- Our different teams contributed to the campaign: industrial plants, Finance, Supply Chain and Procurement areas.

1,035,699 families received help from Seamos Uno.
**Education**

We promote educational opportunities in the interior of the country in partnership with social organizations, provincial ministries of education, schools and colleges. We do it mainly through teacher training courses and scholarships granted to high school and post-high school youth.

In 2020, we continued to implement educational programs and adapted them to the new reality to offer useful and quality services to participants.

**Partnerships**

- We developed the Schools Project in Corrientes and Santa Fe.
- As part of teacher training, we held three virtual meetings about the topic “Accompanying Educational Careers” and we developed two modules of virtual activities.

**In numbers**

<table>
<thead>
<tr>
<th></th>
<th>5 provinces</th>
<th>18 schools</th>
<th>35 teachers trained</th>
</tr>
</thead>
<tbody>
<tr>
<td>Students granted scholarships</td>
<td>34</td>
<td></td>
<td></td>
</tr>
<tr>
<td>School kits delivered</td>
<td>1,450</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- We continued with the CONBECa Programs and CONVOS Programs.
- We contributed with donations of food, blankets and hygiene items.
- We offered school support with private teachers to support young people to finish high school.
- We supported and granted scholarships to eight young people who are attending high school.
- We offered virtual training to young people, aimed at providing them with tools for their first job, to prepare a résumé and related to health and safety at work.
Local development

We promoted the development of our local communities, actively participating in the integration of public and private entities and NGOs. In each location, we worked with municipalities, schools, health centers, health agents, fire departments, police stations and companies.

“Matching” Program

It is aimed at increasing the impact of voluntary donations made by our employees to promote local development. Adecoagro donates $2 per each $1 that any employee donates to an NGO.

- $3,739,005 raised.
- +120 employees took part in this initiative.
- New organizations supported: SEAMOS UNO, Atiadim, Potenciando Raíces and Manos solidarias.

Face masks made in the community

In our rice mill in Mercedes, Corrientes, during 2020 we had to cover our employees’ demand for face masks. We solved that demand within the community itself. Through a local NGO called Potenciando Raíces, we got the mothers of teenagers and children participating in the NGO’s programs to make high-quality, reinforced face masks using their own sewing machines. Thus, we covered the need while promoting local development in the community. For these families, this meant an income of $442,500 during quarantine.

100% of our operations reached by our community support initiatives.

$1,000,000 raised by the network created in Pehuajó to donate food.

+160 employees donated money to the Matching Program and the “Seamos Uno” campaign.
Impact on the community

We built close and transparent relationships with the residents and organizations of each community, seeking the promotion of their development. We carry out stakeholder mapping in each area, including an analysis of potential impacts. In addition, we offer communication channels for questions, suggestions and complaints.

During this year, we continued with the stakeholder mapping of Morteros (Córdoba) and Chivilcoy (Buenos Aires). This is how we were able to meet more local representatives and organizations, interview educational authorities and school principals, visit non-profit organizations, analyze potential environmental impacts and work together with the municipalities on different initiatives. The meeting and analysis stage is guided by the desire to sustain long-term relationships and install positive tools in each place.

Paraje Tala, Corrientes

We built a close relationship with the residents of this location. Our person in charge at Estancia Oscura was chosen among the residents to be the representative of the Department of Transportation in the area. This includes being in touch with the Department of Transportation of Corrientes, manage contractors and supervise constructions so that the roads are effectively improved. This work is key to access the area and avoid floods.

Christophersen, Santa Fe

It is worth noting the positive impact that Adecoagro has in communities from the interior of the Province of Santa Fe, such as Christophersen, San Gregorio and Diego de Alvear. These areas are practically unaffected by unemployment and provide quality employment opportunities for their inhabitants; Adecoagro is largely responsible for this situation. Additionally, in our entire operation located in Christophersen, we have 70 women employees from local communities in the area. Thus, we continue with our commitment to provide employment opportunities to women in rural areas and improve their professional careers.
2021 challenges

Business
• Increase the volume of processed milk by more than 10%.
• Increase the volume of processed paddy rice by 15%.
• Increase the volume of processed peanuts by 20%.

People
• Continue reducing the number of accidents.
• Deepen the performance evaluation of our leaders.
• Generate support actions for the newest communities for the company.

Planet
• Increase the generation of renewable electricity.
• Advance in the definition of environmental KPIs by business.
• Continue incorporating improvements in the treatment of effluent.
To prepare this Report, we have followed the GRI Standards and the SASB Standards.

The Annex with the GRI and SASB Standards includes the specific requirements to comply with these international economic, social and environmental accountability reporting standards; and the external assurance report.

This Annex is available at:
ANEXO