



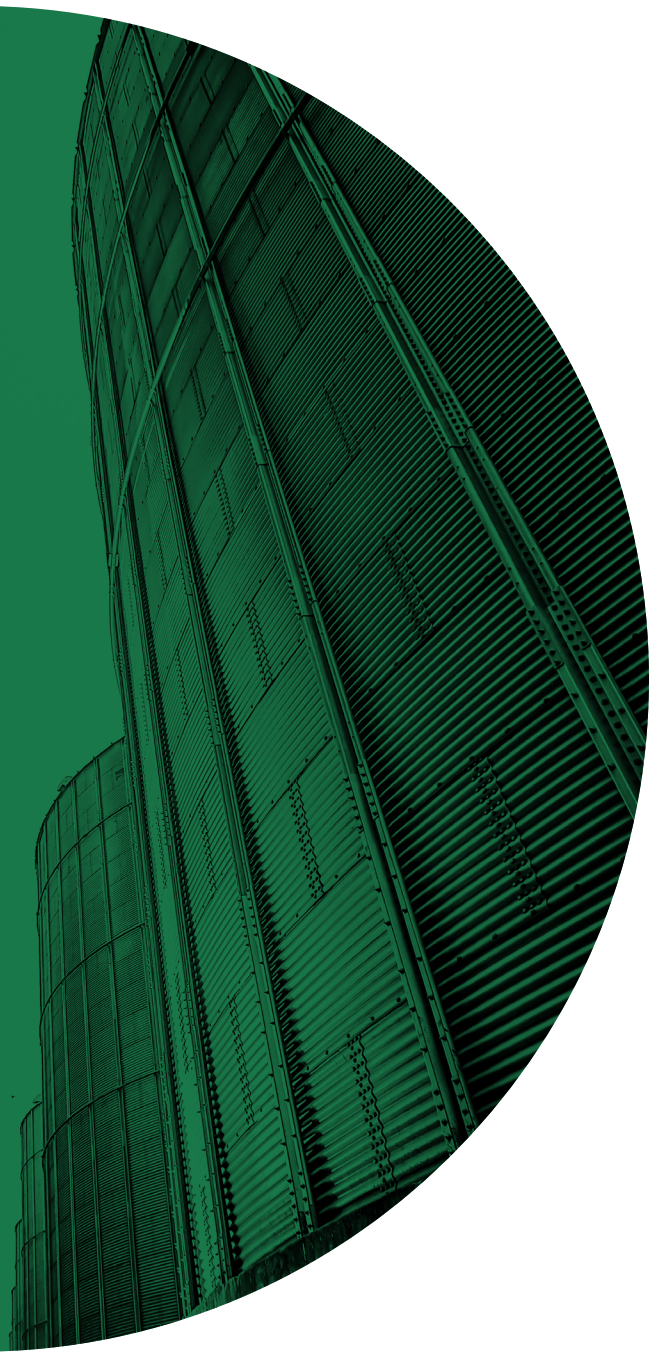
**SUSTAINABILITY
PROGRESS UPDATE**

JANUARY 2023





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ABOUT THIS REPORT

The terms "AGI", "we", "us" and "our" refer to Ag Growth International Inc., and where the context requires, also means our controlled entities on a consolidated basis.

This Sustainability Progress Update covers AGI's approach and progress on priority environmental, social, and governance (ESG) topics across AGI's global operations. This document is intended for internal and external audiences including, but not limited to, AGI employees, customers, investors, suppliers, and members of the public.

Information and related performance data presented in this Progress Update covers the 2021 calendar year, and where available, we have provided data for the 2022 calendar year. Unless otherwise noted, all financial figures are presented in Canadian dollars and all environmental data is presented in metric units. The data contained in this document has not been audited by an external party.

Since releasing our 2021 SASB Index, we have made improvements to our internal data collection capabilities and in some instances, increased the scope of coverage. As a result, where applicable, we have made updates to the performance data originally presented in the 2021 SASB Index and we have included an updated SASB Index in the appendix of this document.

This document contains certain forward-looking information – that is, information related to future, not past, events and circumstances. Please refer to the "Advisories" section at the end of this document for applicable disclosures.

This document contains certain abbreviations and defined terms. Please refer to the "Glossary of Terms" section at the end of this document for applicable definitions.

CHAIRMAN MESSAGE

AGI's strong results over recent years have proven that growth can be complemented by progress in advancing sustainability initiatives. Companies across all sectors around the world are faced with the challenge of balancing growth objectives with the need to account for the priorities and well-being of local, regional, and global communities. We are deeply proud of our ability to balance these priorities with finding a path to fulfilling our obligations as a responsible corporate citizen to all stakeholders – employees, customers, shareholders, and the broader global community.

At AGI, we supply the world's food infrastructure. This directly contributes to helping solve some of the world's most urgent sustainability issues in terms of food security, scarcity, and spoilage. While our equipment and systems naturally align with societal objectives in terms of food supply, AGI has forged ahead on all areas related to sustainability and broader Environmental, Social, and Governance priorities.

In this Sustainability Progress Update, we shine light on a number of AGI's programs, policies, innovations, and solutions that form part of our sustainability journey. The development of the initial Sustainability Roadmap was a year-long effort, with the support of an external consulting firm, which captured AGI's sustainability strategy across four focus areas. Over the past two years, we have executed against this strategy and turned the initial Sustainability Roadmap into concrete actions. Today AGI is stronger and better equipped with new skills and expertise to tackle key sustainability challenges. I am inspired by the dedication of our employees and encouraged by the progress we have made. AGI's products protect the crops we all rely on. Over the last two years, we extended our focus to strengthen the processes and policies that protect our employees, environment, and ethical conduct, among many other areas.

United as One AGI, we look to continue to build on the significant progress made so far. Sustainability is an essential practice, and we will continue to hold ourselves accountable in progressing our journey. To all our valued customers, employees, suppliers, and partners, we deeply appreciate your contribution and cooperation as we look to further advance our sustainability journey in the coming years.



BILL LAMBERT

Chair of the Board
of Directors



ENSURING PEOPLE WELL-BEING

*WORK HEALTH & SAFETY
COMMUNITY ENGAGEMENT
DIVERSITY & INCLUSION*



SUSTAINABLE MANUFACTURING

*ENERGY USE & MANAGEMENT
WATER EFFICIENCY & RECYCLING
SCOPE 1 & 2 GHG EMISSIONS*



RESPONSIBLE CONDUCT

*GOVERNANCE, ORGANIZATIONAL
EFFECTIVENESS & EMPLOYEE SKILLING
ETHICAL CONDUCT
LEGAL RISK MANAGEMENT
SUPPLY CHAIN CONTINUITY
RESPONSIBLE SUPPLY CHAIN
DATA GOVERNANCE & SECURITY*



COMPELLING SOLUTIONS

*PRODUCT / SERVICE EXCELLENCE
TECHNOLOGY & INNOVATION
PRODUCT USER SAFETY*



CEO MESSAGE

PAUL HOUSEHOLDER
President & CEO

*Paul
Householder*

With sustainability becoming an increasingly relevant and influential topic for both the agriculture industry as well as the broader global economy, I'm pleased to provide an update on our progress in advancing sustainability at AGI. In our Sustainability Roadmap, first introduced in December 2020, we structured our existing practices as well as new efforts into fifteen material topics grouped into four broad focus areas. With dedicated resources and organization-wide support, we have steadily executed against our plan. Our core belief is that advancing sustainability practices are mutually beneficial to our overarching strategic objectives. As we have seen throughout recent years, AGI continues to expand to new levels and we owe credit, in part, to our sustainability initiatives which have brought a new focus into critical areas that have enabled AGI to continue growing despite regional fluctuations in agricultural conditions and economic cycles.

Uniting as One AGI has also increased the pace that we are able to advance our sustainability objectives. This ongoing evolution in culture, mindset, and process is beneficial in helping us measure, organize, and address the various topics in our Sustainability Roadmap as we can more easily obtain an organization-wide perspective. One area we have made substantial progress in is worker health and safety. We have honed a company-wide focus on safety over the past three years and invested significantly in providing the training, tools, and resources to make every day at AGI safer than the last. With proper focus and resourcing, we have seen a pronounced improvement in our safety metrics over recent years. Our commitment to safety is a cornerstone of our culture and an area I'm deeply proud to see such high levels of engagement across the organization.

Another area where we've made outstanding progress is developing a deeper understanding of the environmental footprint of our operations and facilities around the globe. We've developed repeatable and reliable processes to capture energy and water data for all our facilities. Further, we have created tools and dashboards to present this data visually. This makes monitoring progress, identifying areas for further evaluation, and uncovering opportunities for improvement more straightforward and efficient. Further, we have officially measured AGI's scope 1 and 2 greenhouse gas (GHG) emissions for our 2021 baseline year. Given this was AGI's first time taking on such a complex exercise, which required input from a large internal working group across AGI, I'm proud of our ability to pull together as a team and provide insight into AGI's impact on a vital topic to the global community and future generations.

While this update highlights the significant progress we have made on our sustainability journey, there is still much to be done and new challenges to overcome. I'm encouraged by the commitment of the entire AGI team to rally behind our sustainability goals and look forward to even more success in 2023 and well into the future.



SALES 
~C\$1.4B SALES FOR THE 12 MONTH
PERIOD ENDING SEPT. 30, 2022

 **31 MANUFACTURING
FACILITIES**

EMPLOYEES
~5,000 

AGI AT A GLANCE

AGI provides solutions for global food infrastructure including seed, fertilizer, grain, feed, and food processing systems. Our products, equipment, and technologies serve to store, blend, mix, convey, condition, process, and protect agriculture inputs and crops that flow around the world. With facilities in Canada, the United States, Brazil, India, France, and Italy, supporting sales activity worldwide, AGI is in a unique position to play a lead role in protecting the food supply required by a growing global population.

31

MANUFACTURING FACILITIES



OUR APPROACH TO SUSTAINABILITY

The global food supply chain is faced with several key challenges – feeding a growing population, avoiding food losses and waste, extreme weather events, and a drive to improve the environmental impact of food production. Proper food infrastructure to condition, store, and move grain from the farm to commercial collection points, and then around the world, is critical to global sustainability. Given AGI's equipment solutions and technologies reduce post-harvest losses and increase food security, AGI is naturally aligned with solving several of the key challenges faced by the global food supply chain.

FOOD INFRASTRUCTURE IS CRITICAL TO GLOBAL SUSTAINABILITY



Feeding a growing population



Avoiding food losses and waste



Planning for extreme weather events



Improving food production's environmental impact

AGI equipment solutions and technologies reduce post-harvest losses and increase food security

At AGI, we've broadened our thinking on sustainability to include areas outside of protecting crops and food supplies. As a result, we've adopted a more holistic view of our sustainability approach to best reflect our corporate mission statement. Simply put, success in executing our sustainability strategy will enable AGI to deliver on our corporate mission.

In late 2020, we formalized AGI's inaugural Sustainability Roadmap to help structure our efforts in developing the systems, processes, and culture required to effectively address a broad set of ESG topics. These topics were first formed through conducting a materiality assessment which consisted of an enterprise-wide survey and interviews with internal and external stakeholders. Guided by external consultants, we used the survey and interview data to form our sustainability priorities. As our views on key ESG focus areas began taking shape, we cross-referenced them against widely used industry-relevant trends, standards, and frameworks to ensure they were properly calibrated. This process included a review of sustainability topics as defined under the Sustainability Accounting Standards Board (SASB), Global Reporting Initiative (GRI), United Nations (UN) Sustainable Development Goals (SDGs), and Task Force on Climate-Related Financial Disclosures (TCFD).

We then consolidated the results into four focus areas covering fifteen material topics as outlined in our December 2020 Sustainability Roadmap. With input from front-line workers, specialized consultants, senior management, and our Board of Directors, we feel confident that our Sustainability Roadmap represents a comprehensive set of ESG priorities that characterize the views and feedback of our entire organization and our stakeholders.

Our four focus areas are people well-being, sustainable manufacturing, responsible conduct, and compelling solutions.

For the material topics within each focus area, we have identified key objectives, related initiatives, and action plans that have enabled us to make significant progress to date. We have placed a strong focus on setting up the processes and systems to collect baseline data that helps us understand opportunities for improvement. Looking ahead, we will finalize the identification of key measures and where relevant, establish targets to track our performance.

Our commitment to a sustainable future includes four focus areas



People Well-Being

Improving the lives of employees, partners, and communities through a safe and inclusive culture



Responsible Conduct

Enabling our people and partners with policies, processes, and trainings on governance best practices

Sustainable Manufacturing

Minimizing the use of natural resources through continuous measurement and improvement at our global facilities



Compelling Solutions

Innovating to offer solutions for customers and end-users addressing quality, safety, and environmental needs



CORPORATE MISSION

Supply the world's food infrastructure, and in the process, enrich the lives of our employees, customers, and shareholders, and the communities of which we are a part

Our sustainability focus areas enable us to deliver on our corporate mission



People Well-Being

Through our people well-being focus area, we strive to improve the lives of employees, customers, partners, and communities through a safe and inclusive culture. Ensuring a safe, open, and collaborative environment across AGI is the best way for our people to produce the highest quality results. The three material topics are:

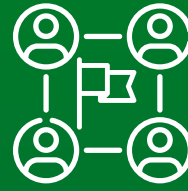
1. Worker Health & Safety
2. Community Engagement
3. Diversity & Inclusion



Sustainable Manufacturing

AGI operates all over the globe and we strive to ensure our manufacturing facilities are setup to minimize their impact on natural resources, from both a resource consumption and pollution perspective, in the near-term and over the long-run. Our sustainable manufacturing focus area seeks to first measure, then manage, and ultimately reduce, AGI's usage of critical resources as well as our environmental impact. The three material topics are:

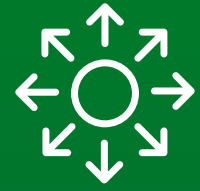
1. Energy Use & Management
2. Water Efficiency & Recycling
3. Scope 1 & 2 GHG Emissions



Responsible Conduct

Through our responsible conduct focus area, AGI seeks to enable our people and partners with policies, processes, training, and best practices that govern our business interactions. We aim to eliminate unnecessary risks and ensure we are operating with integrity in all our business dealings whether they take place domestically or abroad, conducted in-person or online. The scope of responsible conduct includes the full spectrum of those who are a part of, or interact with, our business including AGI employees, partners, agents, consultants, suppliers, customers, and business contacts. The six material topics are:

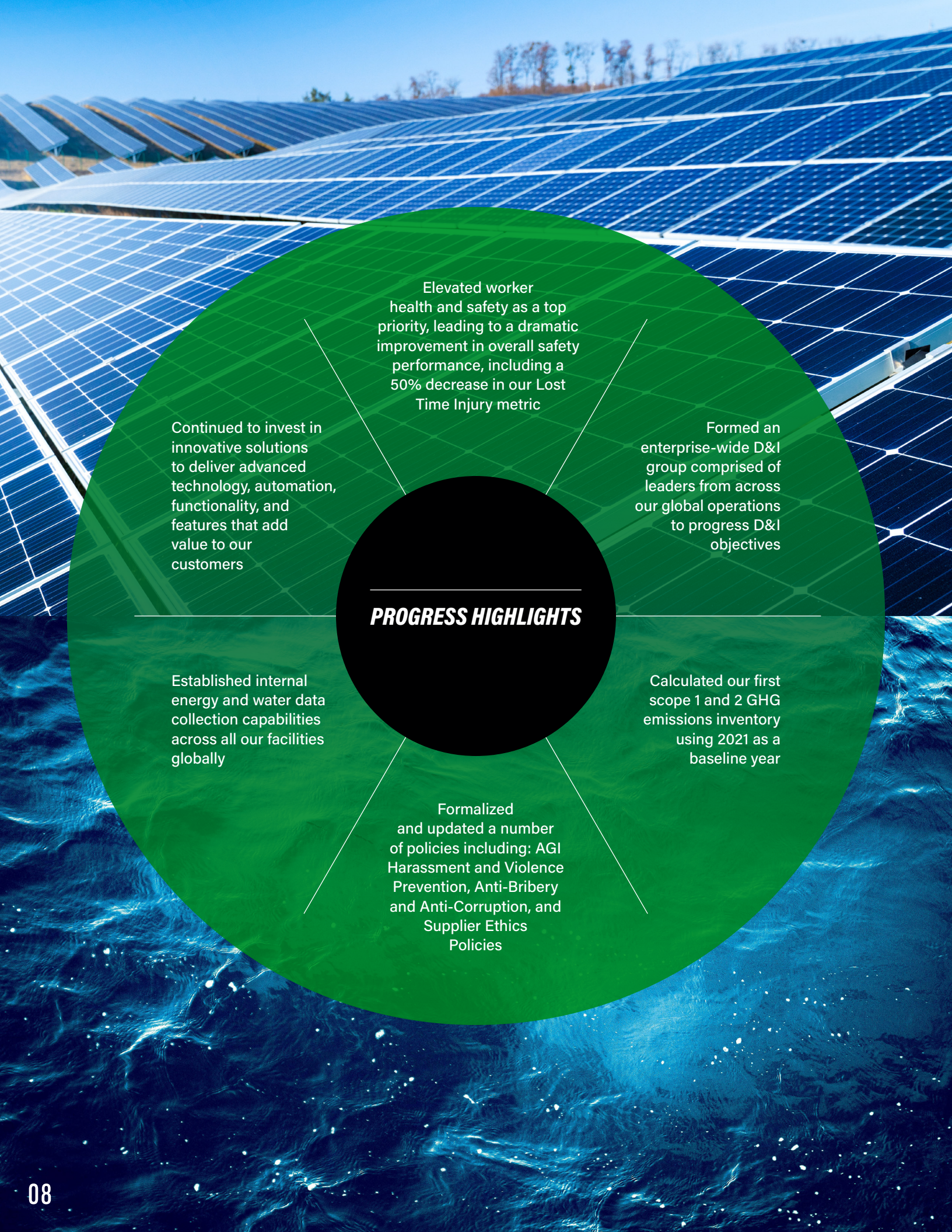
1. Governance, Organizational Effectiveness & Employee Skilling
2. Ethical Conduct
3. Legal Risk Management
4. Supply Chain Continuity
5. Responsible Supply Chain
6. Data Governance & Security



Compelling Solutions

AGI equipment solutions and technology and technologies reduce post-harvest losses and increase food security. We are innovating every day to offer cutting-edge solutions for customers and end-users that address quality, efficiency, safety, and environmental considerations. The three material topics are:

1. Product / Service Excellence
2. Technology & Innovation
3. Product User Safety



PROGRESS HIGHLIGHTS

Elevated worker health and safety as a top priority, leading to a dramatic improvement in overall safety performance, including a 50% decrease in our Lost Time Injury metric

Formed an enterprise-wide D&I group comprised of leaders from across our global operations to progress D&I objectives

Continued to invest in innovative solutions to deliver advanced technology, automation, functionality, and features that add value to our customers

Calculated our first scope 1 and 2 GHG emissions inventory using 2021 as a baseline year

Formalized and updated a number of policies including: AGI Harassment and Violence Prevention, Anti-Bribery and Anti-Corruption, and Supplier Ethics Policies

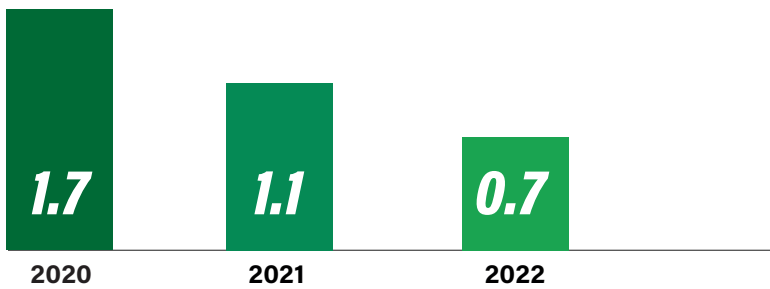
Established internal energy and water data collection capabilities across all our facilities globally

PROGRESS ON PEOPLE WELL-BEING

Worker Health & Safety

Safety Is Our Top Priority

At AGI, everything starts with safety. It's a cornerstone of our culture and a critical value across the organization. To help foster a safety-first culture, we have elevated safety to be the first agenda topic at all internal townhalls, Board updates, and Executive Team meetings. In addition, we have significantly increased our focus on safety by adding resources, training, tools, and senior personnel. We are very pleased to report that these efforts are paying off with a dramatic improvement in our overall safety performance. One example is our Lost Time Injury metric which has been reduced by 50% over the past two years. This is an achievement made possible by the high level of engagement across all our facilities and a testament to AGI's commitment to continuously improving our safety performance.



LOST TIME INJURY RATE

Note: Lost time injury rate is calculated in line with OSHA standards using the formula: $([\text{number of lost time injuries in the reporting period}] \times 200,000) / (\text{total hours worked in the reporting period})$; this metric references the number of lost time injuries per 100 employees per year, assuming a 40-hour work week and 50 weeks worked.

AGI Safety Management System

AGI has documented a formal safety policy and developed a comprehensive system that proactively monitors and guides safety performance at the facility level – the AGI Safety Management System (ASMS).

The ASMS promotes continuous improvement over and above local, state, provincial, and federal rules and regulations. Our safety performance is continuously assessed based on leading and lagging indicators, allowing each facility to work towards improving their own performance goals while ensuring all rules and regulations are met or exceeded.

Since the launch of the ASMS, we have made significant progress in a number of critical areas:

SAFETY POLICY

1. Safety Training
2. Root-Cause Corrective Actions and Implementation
3. Utilizing Near Miss Information
4. Safety Audits
5. Process Improvements
6. Awareness and Communication
7. Sharing Best Practices
8. Continuous Improvement
9. Partnering with an outside firm to create a Learning Management System

AGI Safety Week

In April 2022, we held our second consecutive annual AGI Safety Week to provide training, create awareness on safe work practices, and develop safety priorities for each of AGI's facilities.

The objective of AGI Safety Week is to highlight the importance of making safety a priority every day, during every task, and to provide tools to support this effort. During Safety Week, we supply our employees with the information and instructional videos they need to make safety a daily habit. Instructional videos are delivered in numerous languages to accommodate each of our locations around the world.

To encourage participation and obtain a complete view of our safety priorities, an anonymous survey is distributed to the workforce ahead of AGI Safety Week kick-off. This provides an opportunity for all AGI employees to ensure their voice is heard and for our safety leaders to incorporate feedback directly from the workforce when establishing AGI Safety Week priorities and objectives.

During AGI Safety Week, each of our manufacturing facilities selects a designated safety champion. This individual serves as the key point of contact for the week and as a safety lead throughout the year. They are empowered to provide colleagues with information regarding training, policies, and overall safety procedures. They are given opportunities to learn from and interact with their peers across AGI's global network. As the local lead for ongoing safety initiatives, our designated safety champions are also responsible for tracking all safety-related data for their facility.

AGI Safety Awards

To help build our safety culture and elevate the profile of our progress in this area, we have developed an AGI Safety Awards Program. There are four award categories including Outstanding Performance (individual), Overall Safety Performance (facility), Progress in Safety (facility) and Safety at a Customer Site or Project (facility). Our safety awards are designed to recognize exceptional performance, or an event related to safety, such as:

- Responding to an extraordinary safety / health event
- Developing a transformative approach to preventing catastrophic failure
- Succeeding in influencing change or behavior in an area of safety and health
- Making a significant impact on a safety issue by advocating for proven or promising practices
- Raising awareness or changing policy to prevent future injuries, serious incidents, and accidents

A formal nomination and review process is followed in selecting winners, who are announced at year end.

SAFETY IS ESSENTIAL



**SAFETY
IS A
FRAME
OF
MIND**

AGI Safety Incident App

One of the most critical elements of developing and advancing safety initiatives is being able to collect and review safety-related data in a timely manner. To that end, we developed and launched the AGI Safety Incident App which provides a centralized and standardized method for our facilities to enter data related to safety incidents. We use a common definition globally (OSHA) to ensure data is consistent and accurate. The AGI Safety Incident App replaces our prior methods of collecting safety data which were more manual and required significant effort to consolidate, standardize, and review.

The AGI Safety Incident App provides visibility into all safety-related incidents in a centralized database for our safety, regional, and corporate leadership teams. Automatic reporting of incidents ensures the correct AGI safety leaders are made aware of all incidents in a timely fashion. In addition, data can be normalized across all locations for analysis on future opportunities and targeted safety initiatives.

Our AGI Safety Incident App collects data across five categories:

- First aid
- Medical aid (recordables)
- Lost time
- Property damage
- Near-misses

As we continue into 2023, the AGI Safety Incident App will help to provide full and complete visibility into safety-related incidents and data. This will help strengthen our approach to safety and highlight areas to prioritize, further embedding safety into the fabric of our culture at AGI.

The image displays two screenshots of the AGI Safety Incident App interface. The top screenshot shows the main navigation tabs: SUMMARY, ATTACHMENTS, INJURED PERSON, MEDICAL, NATURE OF INJURY, BODY PARTS, IMMEDIATE CAUSES, ROOT CAUSES, CORRECTIVE ACTIONS, and OSHA. The bottom screenshot shows the 'IMMEDIATE CAUSES' tab selected, displaying a grid of checkboxes for various incident types. The 'IMMEDIATE CAUSES' tab is highlighted in green. The grid includes the following categories and items:

Immediate Causes for the injury / Incident (select All that apply)			
<input type="checkbox"/> Absence of guards or barriers	<input type="checkbox"/> Caught between...	<input type="checkbox"/> Contact with electricity	<input type="checkbox"/> Contact with moving machinery
<input type="checkbox"/> Contact with sharp/abrasive component	<input type="checkbox"/> Employee Error	<input type="checkbox"/> Exposure to an explosion	<input type="checkbox"/> Exposure to fire
<input type="checkbox"/> Exposure or contact with a harmful substance	<input type="checkbox"/> Failure to follow safe work procedures or rules	<input type="checkbox"/> Failure to obtain assistance	<input type="checkbox"/> Failure to use PPE properly
<input checked="" type="checkbox"/> Failure to warn or instruct	<input type="checkbox"/> Falls, slips, or trips from a height	<input type="checkbox"/> Falls, slips, or trips on same level	<input type="checkbox"/> Flooding
<input type="checkbox"/> Foreign body	<input type="checkbox"/> Improper placement, storage or securing	<input type="checkbox"/> Improper use of equipment or tools	<input type="checkbox"/> Inadequate / improper PPE
<input type="checkbox"/> Inadequate awareness of surroundings	<input type="checkbox"/> Inadequate labeling	<input type="checkbox"/> Inadequate use of safety devices	<input type="checkbox"/> Inadequate warning signs
<input type="checkbox"/> Injured while carrying, handling, or lifting	<input type="checkbox"/> Poor housekeeping	<input type="checkbox"/> Repetitive motion	<input type="checkbox"/> Struck against something fixed or stationary
<input type="checkbox"/> Struck by moving object (includes falling or flying)	<input type="checkbox"/> Tool or equipment condition	<input type="checkbox"/> Trapped by something collapsing or overturning	<input type="checkbox"/> Under the influence of drugs and/or alcohol

Case Study: Machine Guarding Project

In December 2021, AGI kicked off a comprehensive machine guarding initiative for our North American facilities. The objective was simple – review and standardize, to a common specification, the machine guarding approach across our facilities. A custom training module was developed with mandatory participation required by all production-level employees. Armed with clear guidance on acceptable machine guarding standards, each facility performed a self-assessment of their compliance or areas of deficiency. These reports were then reviewed and verified, on-site, by our global safety leaders as part of our overall safety audit process. Mitigation plans for any non-conforming machines were consolidated and included immediate actions as well as longer term upgrades that require the installation of additional safety equipment. Over 2023, a similar process will be conducted for our international facilities. Our centralized and coordinated approach to systematically upgrading the machine guarding at our facilities is another example of our One AGI culture and mindset.

Community Engagement

Enriching the communities in which we operate is core to AGI's corporate mission. Across AGI, we routinely engage and contribute to our local communities in a variety of ways including charity drives, volunteering, in-kind food and medical donations, fundraising, and many others. These community engagement initiatives are often sponsored and arranged by the teams at our facilities – showcasing the incredible initiative, compassion, and spirit of the AGI employee base globally.

In addition, the AGI team can come together as a collective unit to rally behind important causes that are bigger than a single community.

In April 2022, AGI quickly organized a plan to source and deliver urgently needed medical supplies to the people of Ukraine. The #StepUp4Ukraine initiative included our partners – the St. Michael's Hospital Foundation (a publicly registered charity) and Mohawk Medbuy Corporation (a not-for-profit procurement expert) – as well as AGI customers and employees located on the ground in Ukraine. Together, this team was able to source medical supplies, organize international shipping, and navigate on-the-ground logistics to ensure deliveries were made to hospitals and emergency medical units.

With the generosity of individual and corporate contributors, the #StepUp4Ukraine initiative raised more than \$635,000. Funds were used to process, purchase, package, and transport thousands of boxes of life-saving medical supplies. Approximately 125 unique medical items, ranging from bandages and tourniquets to oxygen masks and resuscitators, were delivered through eleven separate shipments.

**#STEPUP4
UKRAINE**



AGI has always had a strong philanthropic vision and commitment. Outside of the StepUp4Ukraine project, AGI continued to give back to our communities in a variety of ways throughout 2022. Some highlights of our community engagement initiatives include:

Canada

AGI St. Boniface, located in Winnipeg, Manitoba, is a proud sponsor of the annual Cystic Fibrosis Great Strides walk. In 2022, despite the rain, AGI had a strong turnout to support the event which surpassed its goal of raising more than \$75,000.



AGI St. Boniface is also an active supporter of the annual Habitat for Humanity Ride Around the Lake. This year marked another tremendously successful event with 45 riders raising over \$400,000. This amount ensures that three new homes will be built for deserving families in Manitoba, Canada.

In June and July 2022, AGI St. Boniface organized a Seine River cleanup which sought to remove waste from around the Seine River that runs adjacent to the plant. AGI employees organized two cleanup days which resulted in almost 1,500 kilograms of waste being removed from the area.

The AGI St. Boniface team also contributed with a variety of other initiatives including volunteering drives with the local humane society, fixing damaged playground equipment, and supporting a variety of organizations that help those who are less fortunate.





AGI Nobleford is involved in a number of activities including clothing drives, community parades, Christmas fundraising, and food drives throughout the year.

The AGI Olds team makes giving back a part of their monthly routine by organizing “Good Food Boxes” consisting primarily of fresh produce and other healthy food items on a regular basis. Contents are organized into six large boxes and distributed through local community centers that support those in need.

The AGI Rosenort team leads a number of charitable programs including Habitat for Humanity and Movember. The Christmas Charity Raffle was a major success in 2021, with two local charities receiving \$8,500 each.

Brazil

In April 2022, AGI Brazil organized and donated food to a local social project called SOPÃO (soup project), which helps people in an underserved neighborhood in the city of Assis, close to the AGI Brazil plant. Food provided included meal staples as well as chocolate easter eggs for children.



In July 2022, AGI Brazil again organized and donated food to the “Junina Party” of the local SOPÃO project. Across both events, including the one in April, AGI Brazil supported with ~\$5,000 Canadian dollars in addition to the time of local team members who volunteered to organize and support the event.

Throughout 2022, AGI Brazil also made medical supply donations to local hospitals and elderly care centers that totaled ~\$5,000 Canadian dollars.



India

In September 2022, AGI India organized a blood donation drive which included contribution from 194 employees across all facilities in Bangalore.



United States

In October 2022, AGI Omaha in Nebraska raised and donated over 1,000 pounds of food for local food banks.

Throughout 2022, AGI's Clay Centre facility in Kansas donated to food banks, contributed to charity golf tournaments, and provided scholarships for graduating high school students starting college or technical school.


AGI's Grand Island facility in Nebraska is very active in supporting their community. Activities include organizing city-wide cleanups, repeated donations to local hospitals and schools, significant efforts to raise funds and donations for those less fortunate, and providing a variety of scholarships to local students.



These are a select sample of the outstanding contributions that AGI employees make to their local communities each year. The generosity of our team, the willingness to help others, and the ability to rally around worthwhile causes, large or small, is a significant source of pride within our organization.

Diversity & Inclusion

With global operations, AGI has a truly diverse workforce across the organization. It's important that all our employees go to work in a supportive, safe, and collaborative environment to generate the best outcomes for AGI and our workforce. We are committed to providing equal employment opportunities regardless of race, sexual orientation, religion, age, gender, disability status, or any other dimension of diversity. AGI has established an official Diversity & Inclusion (D&I) mission statement to capture the spirit and vision of our efforts in this area.



**Together, we continue to build
a culture that enables everyone to belong.
We value diversity as a key driver for
successful collaboration and innovation.**

We have already seen the financial and strategic benefits from our global diversification efforts. However, we recognize there are more subtle benefits of having a more global workforce – varied and different perspectives are critical when collaborating and learning from each other on important topics such as operational excellence, safety, and engineering, among others.

To help advance and formalize our efforts on D&I, AGI formed an enterprise-wide group comprised of leaders from across our global operations. This team provides oversight, leadership, and support to progressing D&I objectives at AGI. Training and education on critical topics such as unconscious bias have been provided to our Executive Team, including sessions facilitated by experts in the field. This is a critical step in our D&I journey and we will be organizing more widespread training and education on unconscious bias and a variety of D&I topics across AGI in 2023.

AGI has taken other steps to advance inclusion. For example, a comprehensive update to our Harassment and Violence Prevention policy was completed in 2022. The new policy includes an anonymous reporting mechanism, so employees who need to reach out can do so in a discreet manner. Training on the new policy has been rolled out across AGI, starting with our Executive Team and AGI's Human Resources department. Human Resource Business Partners across the organization then helped progress knowledge on the policy by hosting mandatory employee training across the organization. This training program will continue into 2023.

To continue strengthening our diversity efforts, we have made a few modifications to our hiring and compensation programs. We've enhanced our recruitment outreach and hiring processes to ensure we are drawing from the widest possible pools of talent. We review our total rewards programs annually to ensure we better serve a diverse employee population, including the introduction of flexible benefit programs, harmonized paid time off, and expanded leave policies which allow employees to participate in programs that best support their needs. Our compensation program focuses on job content and competencies with frequent review of external data to ensure alignment with the market, while maintaining internal equity and consistency. These enhanced programs and processes will help setup AGI to recruit and retain the best possible talent at all levels of the organization.

In addition to all the above, we are planning a comprehensive employee engagement survey for 2023 which will encompass several key topics including D&I. This will provide an aggregate view from our employees on D&I topics as well as baseline data that will help us measure, manage, and set goals for progressing D&I at AGI in the future.

Last year marked the first formal steps AGI has taken on our D&I journey. As we continue to weave D&I more deeply into our AGI culture and collective mindset, we anticipate benefits to accrue in terms of collaboration, innovation, and employee satisfaction which all support our broader objectives of continuing to grow the business.



PROGRESS ON SUSTAINABLE MANUFACTURING

AGI recognizes our obligation to the natural environment and are taking the necessary steps to highlight and alleviate any environmental and climate-related risks and opportunities within our operations. AGI's core values, which include transparency, integrity, and innovation, set the groundwork for us to come together as a team to follow through on these efforts.

Our production facilities consume energy through metal fabrication, along with traditional processes that include cutting, bending, roll forming, rolling, welding, punching, painting and high-tech processes like laser, punch, and robotics. Automated as well as CNC-controlled equipment used at our facilities also consume energy.

To manage our energy consumption and water use at AGI, we have developed processes to effectively measure our consumption at the facility-level. With accurate resource consumption data in-hand, we can identify opportunities for improvement and reduction. We have allocated time and resources to explore areas where renewable energy, water recycling, and water re-use are feasible.

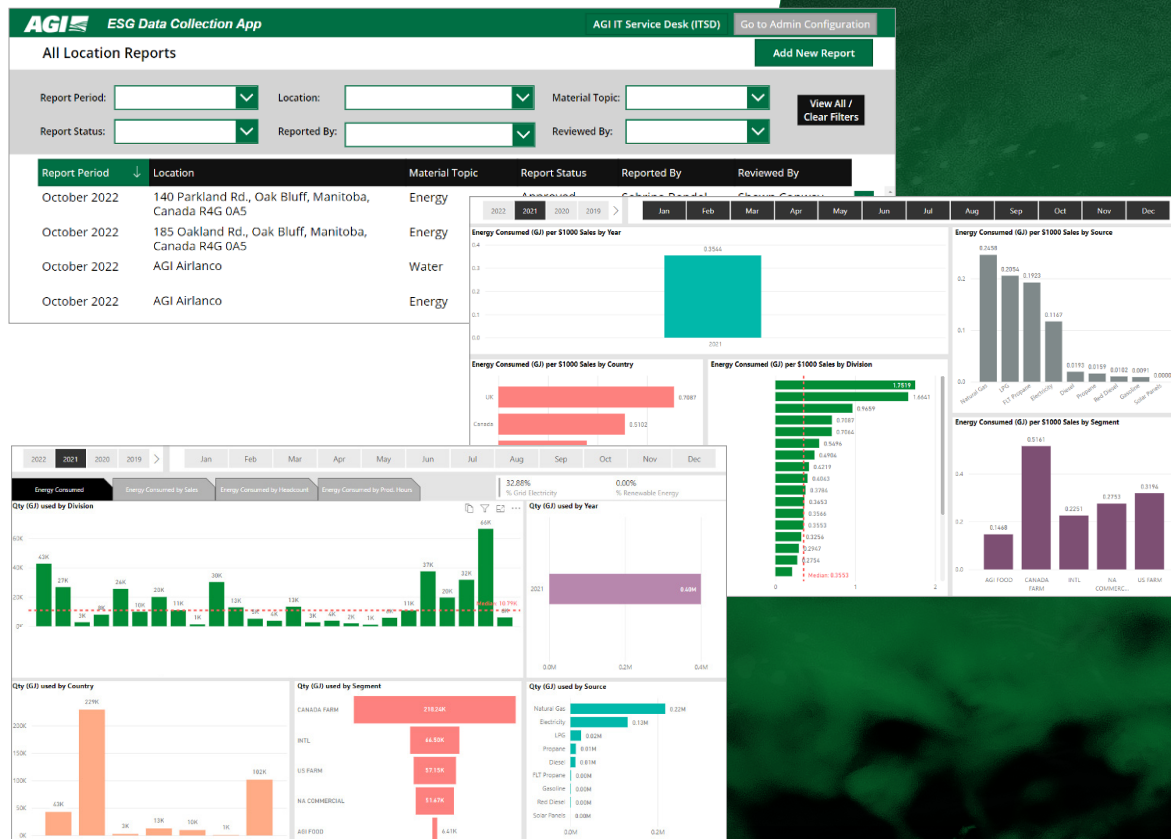
ENVIRONMENTAL POLICY



Energy Use & Management

Our production facilities consume energy in metal fabrication and supplementary manufacturing processes required to create AGI products. Through our lean manufacturing and continuous improvement mindset, we strive to measure and improve the energy intensity of our manufacturing operations.

We recognize that having consistent and accurate data across our facilities is a prerequisite to ensuring we are targeting the highest impact projects for improvement and are aware of key trends in our energy consumption patterns. To support data capture and tracking, we developed an internal workflow application to streamline monthly data collection of energy consumption and cost data from all of our facilities worldwide. This data is consolidated into a common dashboard and reviewed by management to track progress. The dashboard displays energy intensity data based on sales, production hours, and headcount for a meaningful comparison. A consolidated view of our energy data helps us target our efforts on facilities that, on a relative or absolute basis, consume comparatively more energy than others. Having the data available to empower evidence-based decision-making for energy management at our facilities will be a key tool for AGI in addressing energy efficiency goals in future years. In 2021, our facilities consumed a total of 399,975 GJ of energy (Revised Dec 2022).



Energy Management Strategies

We have identified three areas where AGI can manage and reduce our energy consumption:

1. Reducing energy end-use

- a. Removing waste in energy value stream map
- b. Process improvement and capacity utilization
- c. Installing energy reducing products and technology
- d. Changing behavior (i.e., turning off equipment and computers)
- e. Power factor analysis: installing equipment capacitors for power factor improvement
- f. Insulation to reduce heat loss

2. Improving energy efficiency

- a. Monitoring and measuring equipment performance
- b. Preventive maintenance or purchase of high efficiency equipment

3. Optimizing energy supply

- a. Use of co-generation plants
- b. Exploring use of solar power and other forms of renewable energy

Guided by our ability to track and manage our energy data, and our push to reduce energy consumption, we have commenced several energy reduction initiatives. A select sample of these include:

- AGI Grand Island is working on a number of energy saving initiatives to regulate the temperature of the building including the addition of a welding ventilation system and re-roofing a section of the building
- Our AGI Omaha facility has made several adjustments to reduce energy loss including limiting use of fans and ventilation equipment to production hours only, replacing old piping, and closing off certain non-essential parts of the ventilation equipment during the winter
- AGI Clay Centre has updated procedures for managing timing of the paint-line when not in use, saving energy in the process
- AGI Rosenort installed LED lighting across its production facility floor, resulting in improved energy efficiency for lighting
- Our AGI Saskatoon facility is performing a power factor analysis with a third-party to surface areas that could produce electricity savings

Case Study: AGI India

AGI India identified areas of energy management improvement and related costs through a cross-functional team. Multiple areas of electricity consumption were addressed including upgrading lighting to energy efficient LEDs and upgrading motors and pumps used by boilers, tanks, and compressors. In addition, certain production processes were modified to use compressed air versus industrial gases, which has further reduced gas consumption and promoted greater energy efficiency.

Overall, these efforts combined to create a 30% reduction in electricity and gas costs for our AGI India operation.

Case Study: AGI EMEA

AGI EMEA has entered a power purchase agreement with a solar energy vendor to support our Fiesso facility in Italy which will more than meet the electricity demand of this location. At AGI's fourth largest facility, in Fiesso, Italy, we have installed solar panels on the roof of the main production facility as part of a broader agreement with a solar energy supplier. As a part of the agreement, signed in 2022, the facility received a new roof which simultaneously addressed some outstanding repairs and prepared it for a safe solar installation. In addition, an agreement was made that, in exchange for free installation of the solar panels, Fiesso would agree to pay a below market rate for their consumption for a period of 25 years. After 25 years, ownership of the solar panels on the roof will transition to AGI. In its first full year of operating, we anticipate the energy generated by the solar panels will exceed the requirements of the facility. The surplus of energy generated by the system can then be sold back into the grid by AGI. The AGI EMEA team is in the evaluation stage of a similar initiative on another production building within the Fiesso campus.

AGI EMEA has installed solar panels at their regional head office in Ozzano dell'Emilia which covers a portion of the energy needs for the building. Planning and analysis for potential expansion of the solar panels to provide full coverage of the energy requirements of the office is underway.

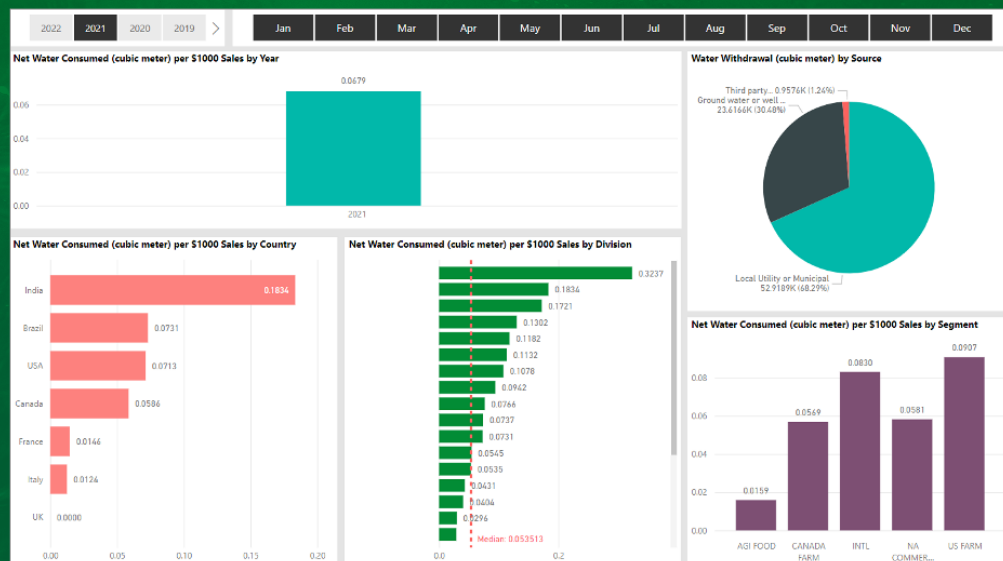
Water Efficiency & Recycling

AGI's manufacturing processes consume minimal water to produce high quality products. Nevertheless, we recognize the need and value in tracking our water consumption data so we can reduce net water consumption wherever possible and monitor appropriate water discharge. We track net water consumption largely through utility bills.

Across all facilities, AGI's net consumption of water was approximately 77,209 cubic meters in 2021.



Similar to our energy data tracking, we developed an internal workflow application to streamline monthly data collection of water consumption and cost data from all of our facilities worldwide. This data is consolidated into a common dashboard and reviewed by management to track progress.



In terms of water management, our current focus is on installing and increasing the use of water meters for different process areas, where feasible, to better calibrate our water consumption for specific water intensive equipment and manufacturing processes.

AGI has several water-reducing initiatives, particularly around paint-line water recycling, that are in the concept or planning stages.

AGI operates several manufacturing facilities in high water stress locations, per the [World Resources Institute's \(WRI\) Water Risk Atlas](#). We have a specific emphasis on tracking and reducing freshwater usage in these areas to help minimize the strain AGI is placing on critical shared resources.

SITE: Facility Type: City / Country:	AGI INDIA Manufacturing & Office Bangalore / India	AGI EMEA Manufacturing Bologna / Italy	AGI EMEA Manufacturing Fiesso / Italy	AGI ALBION Manufacturing Albion, NE / U.S.	AGI GRAND ISLAND Manufacturing Grand Island, NE / U.S.
WATER STRESS LEVEL:	EXTREMELY HIGH	HIGH	MEDIUM-HIGH	MEDIUM-HIGH	MEDIUM-HIGH

Scope 1 & 2 GHG Emissions

As a manufacturer with operations around the world, we strive to understand the full picture of AGI's environmental impact. As a result, for the first time, we have measured the greenhouse gas (GHG) emissions within our organizational boundary for scope 1 and 2 in alignment with the GHG Protocol using 2021 as a baseline year. Scope 1 and 2 include all emissions from AGI owned or controlled assets including purchased electricity. To ensure our collection process was streamlined and accurate, we engaged a third-party consultant that specializes in GHG measurement for support in building the proper tools and process to ensure an accurate result.

The baseline study involved engagement of over 200 people across AGI to support the data collection and verification process. In addition, this was an opportunity to create awareness on climate change and receive feedback from our global team on methods to improve data collection processes going forward. The 2021 baseline study will help AGI identify opportunities for reduction and to prepare for audit-ready future disclosures.

AGI's scope 1 emissions for 2021 were ~20,137 tCO₂e (tonnes of carbon dioxide equivalent) with ~77% attributable to stationary combustion, ~23% associated with mobile combustion and ~0.01% attributable to wastewater treatment. Scope 2 emissions for 2021 were ~12,915 tCO₂e and wholly related to purchased electricity.

The following table summarizes AGI's GHG emissions for 2021:

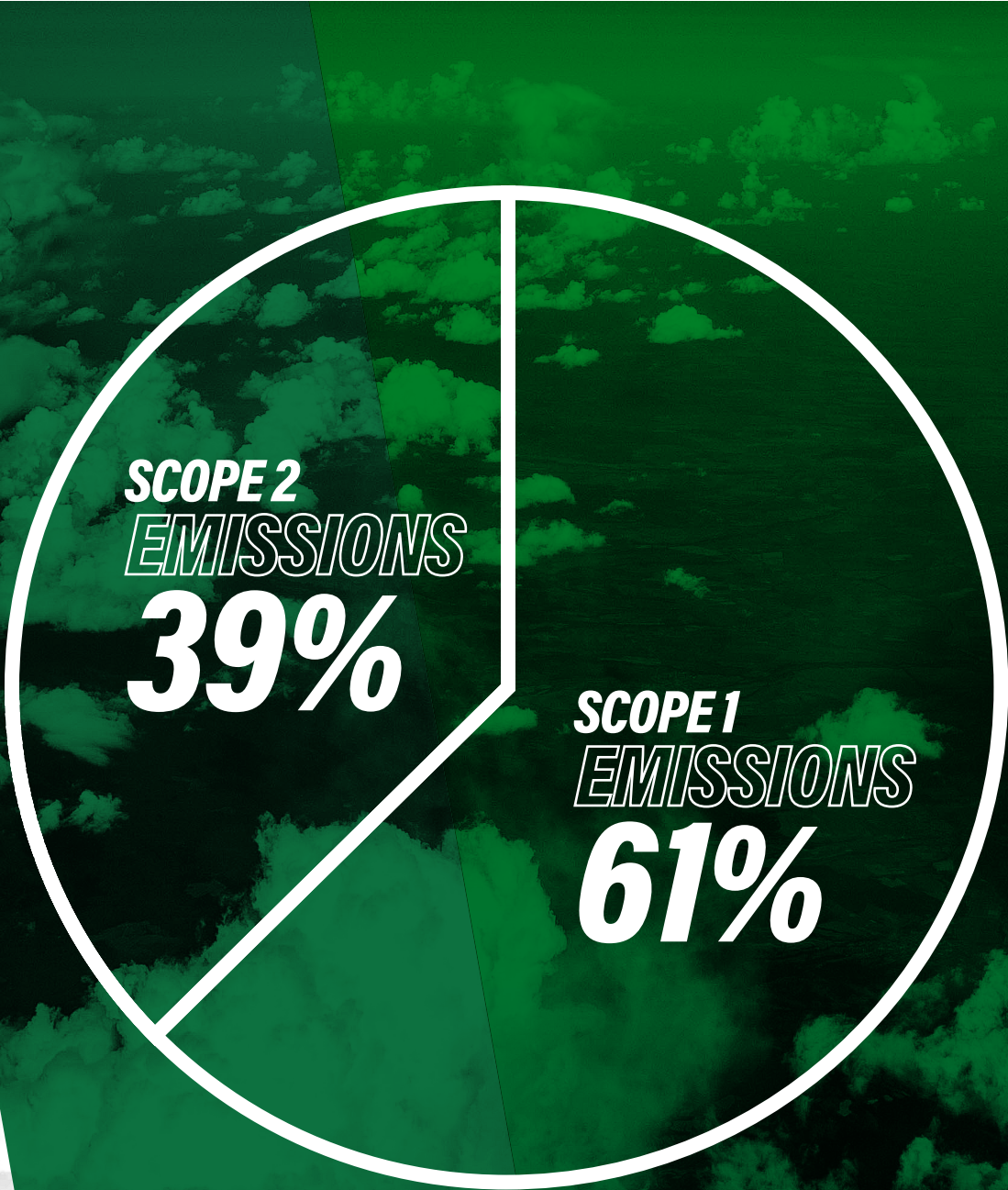
Scope	Activity Type	Fuel Source	Total Emissions (tCO ₂ e)
Scope 1	Stationary combustion	Natural Gas	10,681
		Propane	3,055
		Diesel	110
		LPG	1,646
		Gasoline	20
	Mobile combustion	Gasoline	767
		Diesel	1,962
		Biodiesel	1,448
		Propane	409
		LPG	37
		Wastewater Treatment	
	Scope 1 - Total		20,137
Scope 2	Purchase Electricity		12,915
	Scope 2 - Total		12,915
	Scope 1 & 2 - Total		33,052

Natural gas accounted for 53% of AGI's total scope 1 emissions as it is the most common heat source for production facilities. With most facilities located in colder climates, energy used to heat production plants and warehouses drove AGI's GHG emissions. Scope 1 mobile emissions were largely driven by emissions related to company-owned vehicles.

Overall, AGI's scope 1 emissions accounted for 61% of scope 1 & 2 total emissions while scope 2 accounted for 39%.

We remain committed to the reduction of GHG emissions across our operations.

Climate-related risks are identified and monitored through our enterprise risk management processes. Our next steps will include implementing a process that allows for the ongoing collection of GHG emissions data across our global operations in a similar manner to energy and water.



PROGRESS ON RESPONSIBLE CONDUCT

Governance, Organizational Effectiveness & Employee Skilling

AGI's governance structure includes our Board of Directors and its committees, together with our Executive Team. Current Board committees include the Audit Committee, Compensation and Human Resource (HRC) Committee, Environmental, Health and Safety (EHS) Committee and the Governance, Sustainability, and Social Responsibility (GSSR) Committee. Policies and procedures define the roles and responsibilities of the Board and Executive Team.

Our approach to sustainability oversight at AGI is aligned with best practices of other TSX-listed peers. The GSSR Committee of the Board serves as the lead for sustainability and ESG oversight, with other Board committees providing support on certain topics where they have specific skills, expertise, and experience that can help steward progress on those areas most efficiently. This approach ensures that we are maximizing the skill set of our Board of Directors, promotes visibility across the full Board, and helps position AGI to effectively manage our sustainability program in the years ahead.

Focus Area	Material Topics	Board Committee Oversight
People Well-Being	Worker Health & Safety	EHS
	Community Engagement	GSSR
	Diversity & Inclusion	HRC
Sustainable Manufacturing	Energy Use & Management	EHS
	Water Efficiency & Recycling	EHS
	GHG Emissions Scope 1 & 2	EHS
Responsible Conduct	Governance, Organization Effectiveness, and Employee Skilling	GSSR
	Ethical Conduct	Audit
	Legal Risk Management	Audit
	Supply Chain Continuity	GSSR
	Responsible Supply Chain	GSSR
	Data Governance & Security	GSSR
Compelling Solutions	Product / Service Excellence	GSSR
	Technology & Innovation	GSSR
	Product User Safety	GSSR

From an organizational effectiveness and employee skilling perspective, we continue to make resources available to all employees that can help them grow and develop professionally. In late 2021, we launched an organization-wide subscription to LinkedIn Learning, with resources available to all employees with email access. Employees are able to spend time on subjects that matter most to them, their role at AGI, and their development priorities. This empowers our workforce to prioritize the highest impact areas for their development journey.

Ethical Conduct

Acting in an ethical manner is one of AGI's core values and is embedded in every aspect of our business. As a global operation with employees, partners, and agents working all over the world, it is critical that anyone representing AGI strictly adheres to acceptable and ethical business practices. In addition, it is vital that any potential risks are identified and dealt with immediately. Our compliance program fosters an ethical culture and raises awareness of our Code of Business Ethics to mitigate corruption and other compliance risks. The Code of Business Ethics sets out the basis rules, standards and behaviors that all AGI employees and contractors must follow.

Annually, we distribute an ethics questionnaire package across AGI, including to key partners and agents. The objective is to proactively surface any potential ethical concerns and have an official record of responses. Leveraging a third-party for expertise in organizing the content, tailored specifically to AGI's needs, our questionnaire package covers topics including conflict of interest, integrity in business dealings, and compliance with AGI's Code of Business Ethics, among other areas.

In addition, it is essential that AGI avoids business dealings with individuals, companies, or governments that could pose a concern to AGI's reputation. We encourage people to raise concerns about suspected violations of our Code of Business Ethics with management, internal audit, and our legal department.

To better vet and understand the background of AGI's partners, agents, suppliers, customers, or other parties, we have invested in new tools and third-party databases to help us review potential partners. In 2022, AGI subscribed to Visual Compliance, a software service that specializes in global trade compliance. It is a particularly helpful tool for AGI in international business settings that promotes greater visibility and understanding of the parties we deal with. As our business expands in areas outside of North America, having access to these types of tools will help reduce the chances of AGI becoming associated with parties who do not meet AGI's standards for ethical conduct and acceptable business practices.

CODE OF BUSINESS ETHICS

ETHICS HOTLINE

INSIDER TRADING POLICY

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

HARASSMENT AND VIOLENCE PREVENTION POLICY

SUPPLIER ETHICS POLICY

Legal Risk Management

Closely tied to our progress on ethical conduct, is our broader effort on legal risk management overall. We have made an effort to update, document and formalize several key policies that help protect AGI. These include Anti-Corruption and Anti-Bribery, Harassment and Violence Prevention, as well as Supplier Ethics policies. These policies were reinforced through web-based training provided to all relevant AGI employees. We will continue progressing our efforts to formalize key policies, reinforced through training, throughout 2023 and the years ahead.

Supply Chain Continuity

One of AGI's key objectives is to develop the supply chain infrastructure to ensure continuity and minimize the risk of unplanned business interruption. In addition, establishing organization-wide coordination is also critical to enhancing our approach in managing the supply chain and ensuring costs are carefully managed. To provide the proper focus and expertise to this area, AGI hired a highly experienced global leader to oversee, organize, and coordinate the supply chain and procurement functions.

AGI is a global manufacturing and distribution company relying on an international supply base. A significant portion of our procurement needs include raw materials and technical componentry. The supply base for these items is generally regional with reasonable supply and alternative suppliers in most cases. Our more complex mechanical and electrical goods have multiple vendors with supply agreements. To manage our supply chain risks we have implemented the following key initiatives:

- Product standardization for component specification and manufacturing methods to reduce opportunities for failure
- Purchases organized via category management to ensure there are multiple viable suppliers active in each spend area
- Supplier certification to qualify new suppliers including financial and operational audits
- Vendor performance management tools to identify when specific vendors are trending in a negative direction, allowing for early corrective action to be taken
- Multiple supply agreements and memorandums of understanding to achieve supply security, performance, and flexibility where possible within our North America and international regions
- We also maintain relationships with secondary and tertiary suppliers in addition to maintaining safety stock at our manufacturing facilities
- Regular review meetings with key suppliers on specific critical materials to ensure supply continuity
- Use of recycled material: a portion of our steel purchases are sourced from electric arc furnaces which primarily use scrap and recycled metal
- Improving our planning and forecasting capability to anticipate disruption risk

Responsible Supply Chain

At AGI, we carefully review new and existing supplier relationships, especially in areas outside of North America. We are not aware of any suppliers or procurement practices that conflict with our supplier ethics policy. AGI is fully committed to procurement practices that meet or exceed legal requirements for Canadian headquartered companies, regardless of the jurisdiction in which we are conducting business. We strive to ensure that our supplier operations are free from ethical or legal deficiencies and have taken steps through our Legal Risk Management workstream to ensure we are proactive in vetting our supplier partners to ensure compliance with AGI standards and alignment with our ESG priorities.

Data Governance & Security

With our operations becoming more interconnected, and the pace of system and network sophistication increasing across the globe, AGI recognizes the need to properly protect the data, systems, and critical IT infrastructure required to run the business. Our Global IT team has made progress on several initiatives to increase AGI's resiliency to third-party risk, natural disasters, or system failures.

Internally, we have completely overhauled the data backup process into a more sustainable and resilient solution. This will allow AGI to recover from any security incident faster and with more control than in previous years. This is further supported by a more mature approach to our vulnerability management program which included a series of strategic hires within the Global IT team. Internally, we now have the skills and experience to identify priority areas of our systems to be addressed as well as the capability to develop robust action plans to resolve issues that may arise.

To further enhance our proactive approach, we have also engaged third parties for additional support. AGI has secured the services of an industry leader in Managed Security Service Provider to monitor and react to threats within the AGI IT environment. In addition, another third-party is helping to increase the frequency of external and internal network scanning to proactively identify areas that require investigation.

With the trend of unwelcome individuals and groups targeting company email to access systems, we have implemented training programs to ensure the entire AGI workforce is educated on preventing potential threats. Phishing simulation emails distinct to each user are regularly distributed with additional training provided to those who require it. AGI employees have flagged, as phishing, more than 2.5x the number of emails sent as part of the phishing simulation, demonstrating a keen awareness of suspect emails and a cautious approach across our employee base.

Beyond phishing simulations, training and awareness courses on a number of IT security topics have been circulated around the organization with 1,854 hours of training logged in 2021 and 3,969 hours logged in 2022. Security courses are tailored each quarter to reflect the threat landscape.



PROGRESS ON COMPELLING SOLUTIONS

Product / Service Excellence

AGI strives to offer products and services that exceed customer expectations for quality, longevity, and reliability. We have made progress in several areas to ensure that AGI stays on the cutting-edge of what our customers require. This includes the formation of our Global Product Management (GPM) team, our Product Integrity Program (PIP), Lean/Green belt training, Quality Manufacturing Systems (QMS) certification, and the development of standard operating procedures for our engineering department, among many other initiatives.

Global Product Management

AGI has a successful history of conceiving, designing, and introducing new products and product enhancements. AGI is continually improving its product development process to further improve concept-to-delivery time. In late 2021, AGI established a centralized Global Product Management team to further focus our efforts and leverage our resources into strategic product road mapping, product development, as well as product rationalization. This Global Product Management team collects 'voice of customer' data across all regions to develop and launch market leading products that delight customers.

The GPM team also develops global product platforms to reduce complexity, improve cost position, and enhance manufacturing flexibility. For example, we have made significant progress in consolidating several variations of commonly produced storage bins and material handling systems into just two or three design protocols which can be leveraged across all relevant AGI facilities. This enables AGI to produce consistent products across multiple locations, reduce technical risk, reduce design expenses, and create manufacturing flexibility across our network. For some products, the Global Product Management team is working towards a single unified design which can be used globally.

Product Integrity Program

AGI's Product Integrity Program is rooted in the spirit of continuous improvement. The program is led internally by a dedicated resource with a unique engineering and legal background ideally suited to the position. The PIP is focused on managing open warranty issues to extract lessons learned which can be applied to future projects. This not only increases quality and customer satisfaction but also reduces future warranty costs. In addition to being centrally coordinated, this proactive



approach and the cataloging/categorization of underlying issues helps AGI identify root causes that need to be addressed in our quoting, design, and manufacturing processes. In some cases, further investigation highlights instances where AGI products were not the source of the warranty claim. In these situations, we will still work with our customer and other equipment suppliers to resolve, but save on warranty expenses that otherwise may have been incurred in the past.

Lean/Green Belt Training

Our continuous improvement efforts are anchored in developing our people and investing in their skills. To support this goal, we are delivering Lean Six Sigma Green Belt certification for employees across North America. Three internal team members are driving this effort, holding seven sessions in 2022 with twelve facilities and corporate employees participating. AGI now has 132 actively trained Green Belts across North America who are driving a wide array of continuous improvement initiatives. In 2023, we plan to expand this training to our international facilities.

Quality Management System

AGI is committed to building the capabilities and skill set required to support comprehensive quality management systems (QMS) at the plant-level. Within AGI's network, four facilities in Canada are ISO9001 certified and will continue to maintain that certification. In 2022, our Grand Island, Nebraska facility became the first U.S. plant to achieve ISO9001. Two other facilities in the U.S. are actively pursuing this certification. In addition, development of an AGI Quality Management System is planned to begin in 2023, with a heavy emphasis on deployment to facilities that do not have a comprehensive quality management system already in place. The AGI QMS will be based on the ISO9001 criteria, allowing facilities that are not third-party certified to be compliant to an international quality standard.

Engineering Standard Operating Procedures

From an engineering perspective, AGI has developed several standard operating procedures over the last 24 months to increase product quality, reliability, and functionality. These include our Bid Review Process (BRP), Technical Risk Assessment (TRA), and Contract Authorization Request (CAR) processes. These three phases of review are employed on our larger commercial projects as well as customer orders that involve equipment from more than one AGI facility. It highlights the key areas where engineering and design work requires heightened focus to ensure our products are completely safe and operate efficiently. Tied to the standard operating procedures used by our engineering group, the GPM team supports by helping to streamline areas of our product portfolio, making designs simpler and thereby decreasing engineering as well as assembly risk. As we continue to evolve our approach to design and engineering work, we expect our ability to reduce product risk and increase standardization to yield commercial benefits as we become an increasingly strategic partner to our customers around the world.

Technology & Innovation

At AGI, we are committed to continued innovation across our product lines to deliver advanced technology, automation, functionality, and features that add value to our customers.

For example, we developed a platform to help digitize our equipment, capture critical operational data, and promote more efficient and informed decision-making for growers. Our AGI Digital product suite includes farm management software, IoT hardware and automation, controls for bin monitoring, automated grain conditioning, soil probes, and weather stations. These are trusted IoT enabled devices and sensor technologies that capture data across seeding, growing, storage, and conditioning which enables complete crop production management.

In addition, our catalogue of equipment solutions continues to evolve. Our new BCX3 conveyor has been engineered to accommodate all commodities, reducing the need for having multiple conveyor products on-hand as well as other upgrades to cleaning, movement, hydraulic systems, and belt drives. Our EZEE-DRY storage bin is the first ever roof-top grain drying system which eliminates the need for portable drying systems and reduces the overall amount of grain handling required.

There are two other areas of product innovation that are worth highlighting in more detail – our Farmobile PUC and the NECO Mixed Flow Grain Dryer.

Case study: Farmobile PUC

The Farmobile PUC enables the real-time automation and standardization of critical data collection from virtually any piece of equipment used in the field. This unique ability to capture machine and agronomic data across the entire farming process – from seeding through to harvest – has created opportunities for AGI to play a leading role in the formation of carbon credit markets where complete, reliable, verifiable data is a prerequisite to measuring the carbon impact of grower operations.

In June 2022, AGI announced a pilot project with Truterra, LLC, the sustainability solutions subsidiary of Land O'Lakes, one of America's largest farmer-owned cooperatives representing over 300,000 agricultural producers. The pilot project integrates information supplied by AGI Digital products on field activity data (primarily via the Farmobile PUC) into existing Truterra sustainability tools used by farmers. This is expected to solve critical data entry, accuracy, and consistency issues which can inhibit carbon credit market participation if not properly and verifiably collected. The aim of this initiative is to increase carbon market access and participation by Truterra members. Truterra and AGI Digital are working in partnership to develop a full integration plan, including initial grower enrollment and data delivery in early 2023.

AGI also joined the Ecosystem Market Consortium (ESMC) with the goal of helping to generate a system of record, using the Farmobile PUC hardware and data services, that could ease the data validation burden on growers, agronomists, and other relevant



participants in carbon credit markets. By providing field data applicable to the monitoring, reporting, and verification of carbon credits, significant data management challenges required to enable a functioning carbon credit market are steadily being overcome. ESMC collaboration has successfully progressed from a set of limited pilot projects to broader regional initiatives which incentivize growers to take the necessary steps to generate marketable carbon credits.

Case study: NECO Mixed Flow Grain Dryer

The NECO Mixed Flow Grain Dryer was designed with energy efficiency as a key feature. In addition to maximizing the test weight of dried grain, a key component to maximizing the value of grain sold, the NECO Mixed Flow Grain Dryer's screenless design requires less energy than other dryer systems. This generally translates into savings of 20%–30% on fuel costs. Moreover, this dryer is capable of processing most grain commodities, enhancing the flexibility of grower operations.



Product User Safety

AGI products are always designed with user safety as a mandatory feature. We take our responsibility to educate AGI customers on the best practices in using our equipment seriously. A formal Product Safety and Compliance Program (PSCP) has been developed to ensure we meet the standards and regulations for the markets in which AGI products are sold and used. The main improvements to the PSCP in 2022 involved documenting best practices and beginning the rollout of product guidelines focused on user safety including relevant technical information. Areas documented include incident investigations, risk assessments, compliance assessments, and consistency improvements throughout the organization.

At industry tradeshows and conventions, we routinely offer safety courses and seminars focused on best practices for the safe construction and building of new storage bins as well as preventative measures to help prevent grain engulfment in existing bins. Our BinManager, a core product within our AGI Digital business, offers users the ability to monitor the condition of their crop remotely without a 30-40 foot (or more) climb to the top of their bin which can be potentially hazardous depending on weather conditions or the experience of the operator.

In August 2022, a two-day internal training session on product safety risk assessments was held in our new Chicago office. Attendees included the AGI engineering and product management teams. Engineers and designers learned to evaluate how users interact with AGI's products, discover potential safety hazards, and identify ways to reduce safety risks to an acceptable level. Leveraging the training provided, an initiative to review and document potential product safety risks, risk reduction methods used, and evaluate opportunities for safety improvements across AGI's current product catalog is underway.

Our Contribution to the United Nation's Sustainable Development Goals (SDGs)

UN SDG	Relevant AGI Sustainability Focus Area	Commentary	Additional Information (See relevant section of report)
	People Well-Being	The safety and diversity of our workers, impact to the communities in which we operate, and diversity of our employee base remain top priorities for AGI.	(Worker Health & Safety, Community Engagement, Diversity & Inclusion)
	Sustainable Manufacturing	Recognizing that the resources we use for manufacturing are limited, AGI has focused on the reduction of energy and water consumption, while maximizing the use of recycled / sustainable input materials to ensure we minimize the environmental impact of every product we produce.	(Energy Use & Management, Water Efficiency & Recycling)
	Responsible Conduct	Through stringent governance practices, ongoing employee training, and continued focus on ethical conduct – AGI recognizes its role to play as a socially responsible and ethical corporate citizen.	(Governance, Organizational Effectiveness & Employee Skilling, Legal Risk Management, Ethical Conduct, Supply Chain Continuity and Responsible Supply Chain)
	Compelling Solutions	AGI is committed to providing the highest quality products and services to our customers, we strive to have AGI products and services exceed expectations for longevity, quality, and reliability.	(Product / Service Excellence, Technology & Innovation, Product User Safety)



AGI 2021 SASB INDEX

AGI BACKGROUND

AGI is committed to sustainable business practices. Our products and services are designed to help reduce post-harvest losses and spoilage of grain through proper handling, aeration, conditioning, storage, and monitoring. This naturally aligns AGI with critical food supply issues and global sustainability objectives. Building on this foundation, we are further enhancing our sustainability efforts. AGI's sustainability strategy is centered around four focus areas: people well-being, sustainable manufacturing, responsible conduct, and compelling solutions.

Our 2021 SASB Index is our first disclosure aligned with SASB disclosure topics and accounting metrics as defined for the 'Industrial Machinery & Goods' sector and applicable to AGI's business.

DISCLOSURE TOPICS AND ACCOUNTING METRICS

Energy Management

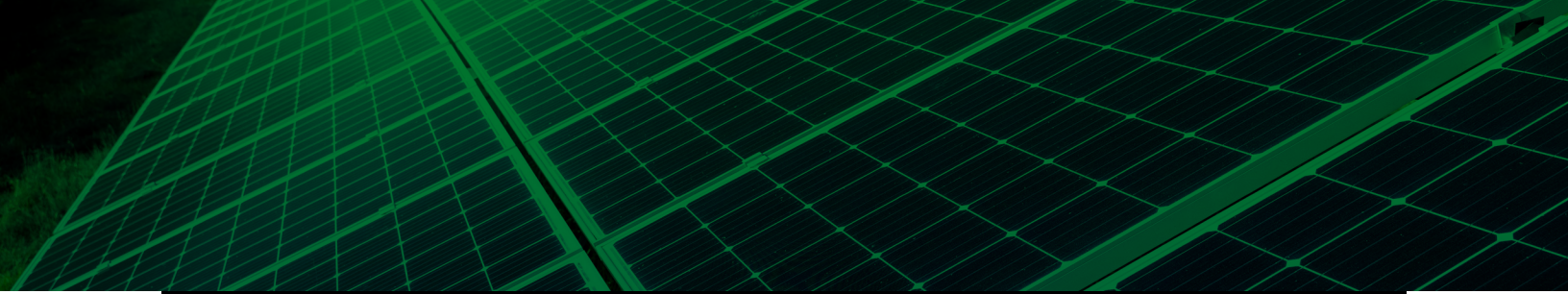
Our production facilities consume energy for metal fabrication and supplementary manufacturing processes required to create AGI products. We strive to measure and improve the energy intensity of our manufacturing operations.

SASB CODE	Metric	Unit of Measure	2021 Disclosure
	Total energy consumed	GJ	~399,975 at our manufacturing facilities globally <i>(Updated December 2022)</i>
	Percentage grid electricity	(%)	~32% at our manufacturing facilities globally
RT-IG-130a.1	Percentage renewable	(%)	<ul style="list-style-type: none"> AGI is harnessing renewable energy at two locations in Italy - an office building and a manufacturing facility. AGI's scope 1 emissions for 2021 were 20,137 tCO₂e (tonnes of carbon dioxide equivalent) with ~77% attributable to stationary combustion, ~23% associated with mobile combustion and ~0.01% attributable to wastewater treatment. <i>(Updated December 2022)</i> Scope 2 emissions for 2021 were ~12,915 tCO₂e and wholly related to purchased electricity. <i>(Updated December 2022)</i> The outcome of this process will help shape our renewable energy sourcing strategy.

Employee Health and Safety

Worker health and safety remains our number one priority. AGI has a safety policy and a comprehensive system that proactively monitors and guides safety performance at the facility level – the AGI Safety Management System (ASMS).

This ASMS promotes continuous improvement over and above local, state, provincial, and federal rules, and regulations. Our safety performance is monitored and assessed based on leading and lagging indicators, allowing each facility to work towards improving their own performance goals while ensuring all rules and regulations are met or exceeded.



SASB CODE	Metric	Unit of Measure	2021 Disclosure
RT-IG-320a.1	Total recordable incidence rate	(Count x 200,000) /hours worked	<ul style="list-style-type: none"> 4.28 for our locations in the U.S. We are in the process of standardizing the data collection process across all facilities globally.
	Fatality rate	(Count x 200,000) /hours worked	Zero
	Near miss frequency rate	(Count x 200,000) /hours worked	<ul style="list-style-type: none"> AGI tracks near-miss information throughout many of our facilities. Currently, we are in the process of standardizing the data collection process across all facilities globally.

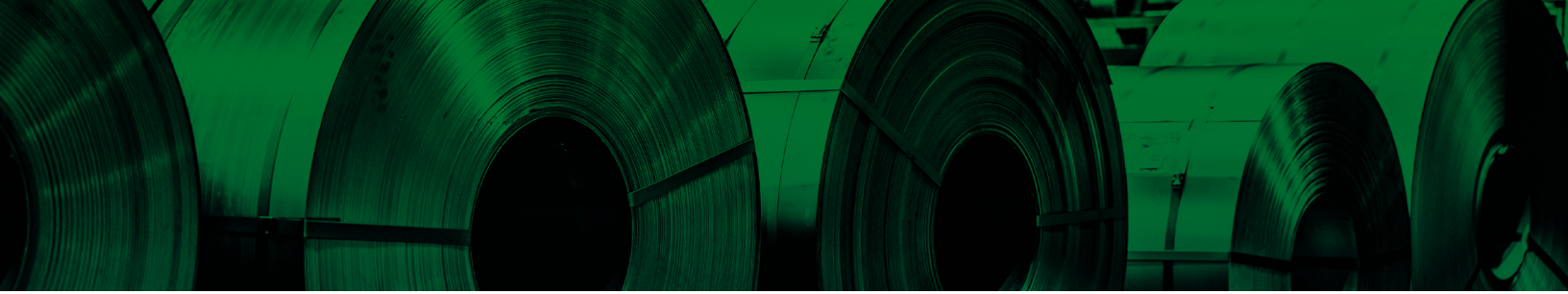
Fuel Economy & Emissions in Use-Phase

AGI endeavors to continuously improve and upgrade our products and technologies to best meet customer requirements for energy efficiency and emissions management. AGI meets the regulatory requirements regarding local emissions in all geographies where our products are sold.

SASB CODE	Metric	Unit of Measure	2021 Disclosure
RT-IG-410a.4	Sales-weighted fuel efficiency for non-road equipment	Gallons per hour	We are developing a methodology to calculate the fuel efficiency of AGI augers and conveyors sold across different geographies.
	Sales-weighted emissions of: 1. Nitrogen oxides (NOx) and 2. Particulate matter (PM) for: a. Marine diesel engines, b. Locomotive diesel engines, c. On-road medium- and heavy-duty engines, and d. Other non-road diesel engines	Grams per kW/h	We are developing a methodology to calculate the emissions of AGI augers and conveyors sold across different geographies.

Remanufacturing Design & Services

SASB CODE	Metric	Unit of Measure	2021 Disclosure
RT-IG-440b.1	Revenue from remanufactured products and remanufacturing services	Reporting Currency	We service non-warranty parts and components to extend the life of our portable equipment for our farm customers.



Materials Sourcing

SASB CODE	Metric	Unit of Measure	2021 Disclosure
RT-IG-440a.1	Description of the management of risks associated with the use of critical materials	Not applicable	See disclosure below

AGI is a global manufacturing and distribution company relying on an international supply base. A significant portion of our procurement needs include raw materials and technical componentry. The supply base for these items is generally regional with reasonable supply and alternative suppliers in most cases. Our more complex mechanical and electrical goods have multiple vendors with supply agreements.

To manage our supply chain risks we have implemented the following key initiatives:

- Product standardization for component specification and manufacturing methods to reduce opportunities for failure
- Purchases organized via category management to ensure there are multiple viable suppliers active in each spend area
- Supplier certification to qualify new suppliers including financial and operational audits
- Vendor performance management tools to identify when specific vendors are trending in a negative direction, allowing for early corrective action to be taken
- Multiple supply agreements and memorandums of understanding to achieve supply security, performance, and flexibility where possible within our North America and international regions
- We also maintain relationships with secondary and tertiary suppliers in addition to maintaining safety stock at our manufacturing facilities
- Regular review meetings with key suppliers on specific critical materials to ensure supply continuity
- Use of recycled material: a portion of our steel purchases are sourced from electric arc furnaces which primarily use scrap & recycled metal
- Improving our planning and forecasting capability to anticipate disruption risks

Activity Metrics

AGI's activity metrics for 2021 are as stated below.

SASB CODE	Metric	Unit of Measure	2021 Disclosure
RT-IG-000.A	Number of units produced by product category	(#)	Proprietary
RT-IG-000.B	Number of employees	(#)	4,258

ADVISORIES

We have taken care to ensure the information in this document is accurate. However, the data presented in this document includes aspirational goals, approximations and estimates, which will differ from actual results, and is for informational purposes only. We disclaim any liability whatsoever for errors or omissions. Further, some of the information in this document may have been disclosed previously in other AGI public disclosure, and such disclosure is not intended in any way to be qualified, amended, modified or supplemented by information herein.

"Material" may be used within this document to describe topics for voluntary sustainability reporting that are considered to have the potential to significantly affect sustainability performance in our view and may be important in the eyes of internal or external stakeholders. However, "material" for the purposes of this document should not be read as equating to any use of the word in other AGI public reporting or filings.

With this document, we hope to increase your knowledge of AGI and our operations. However, this document does not provide investment advice, and readers are responsible for making their own financial and investment decisions.

There is no single standard system that applies across companies for compiling and calculating the quantity of greenhouse gas emissions and other sustainability metrics attributable to our operations. Accordingly, such information may not be comparable with similar information reported by other companies. Our GHG emissions are derived from various internal reporting systems that are generally different from those applicable to the financial information presented in our consolidated financial statements and are, in particular, subject to less sophisticated internal documentation as well as preparation and review requirements, including the general internal control environment. We may change our policies for calculating these GHG emissions and other sustainability metrics in the future without prior notice.

This document contains certain forward-looking information – that is, information related to future, not past, events and circumstances – which may relate to our strategies, focus, goals, ambitions, aims, targets, plans, objectives, operations, results and financial performance. The use of any of the words "target", "goal", "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends", "potential" and similar expressions are intended to identify these forward-looking information. Forward-looking information involves risk and uncertainty because it relates to events and depends on circumstances that will or may occur in the future and are outside of our control. Statements containing forward-looking information are only predictions. Actual results or outcomes may differ from those expressed in such statements. Although we believe that the expectations reflected in the forward-looking information are reasonable, we cannot guarantee future results, levels of activity, performance or achievement since such expectations are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause our actual results to differ materially from those expressed or implied in any forward-looking information contained in this document.

More particularly and without limitation, this document contains forward-looking information regarding the following: that we will continue to build on the sustainability progress made so far and that we will continue to hold ourselves accountable in progressing on our sustainability journey; that we will further advance our sustainability journey in coming years; our belief that advancing sustainability practices are mutually beneficial to our overarching strategic objectives; that we continue to expand to new levels; our anticipation of even more success in 2023 and well into the future in meeting our sustainability goals; our belief that success in executing our sustainability strategy will enable us to deliver on our corporate mission; our intention to finalize the identification of key measures and where relevant, establish targets to track our performance; our commitment to a sustainable future and related focus areas; our corporate mission; that our sustainability focus areas enable us to deliver on our corporate mission; the objectives of our people well-being, sustainable manufacturing, responsible conduct and compelling solutions focus areas and how we intend to achieve such objectives; the benefits of the AGI Safety Incident App; our 2023 safety initiatives; our commitment to providing equal employment opportunities; our 2023 D&I initiatives; the benefits of AGI's enhanced hiring and compensation programs and processes; the benefits of AGI's D&I initiatives; our sustainable manufacturing initiatives, including to improve the energy intensity of our manufacturing operations; our strategies to manage and reduce our energy consumption and our energy reduction initiatives; our water management focus and objectives and water reduction initiatives, particularly in high water stress locations; the benefits to be derived from AGI's 2021 GHG emission baseline study; our commitment to the reduction of GHG emissions across our operations; our plan to implement a process that allows for the ongoing collection of GHG emissions data; the ability of our governance

structure to position AGI to effectively manage our sustainability program in the years ahead; the benefits to be derived from our new tools and databases for vetting third parties we deal with; our legal risk management initiatives for 2023 and the years ahead; our objective to develop our supply chain infrastructure to ensure continuity and minimize the risk of unplanned business interruption and our initiatives to manage our supply chain risks; our commitment to procurement practices that meet or exceed legal requirements for Canadian headquartered companies and the steps we take in this regard; the benefits to be derived from the overhaul of our data backup process and strategic Global IT team hires; our plan to expand our lean/green belt training to our international facilities in 2023; our commitment to building the capabilities and skill set required to support comprehensive quality management systems at the plant level, including our plan to begin development of an AGI quality management system in 2023; that we expect our ability to reduce product risk and increase standardization to yield commercial benefits; our commitment to continued innovation across our product lines; our plans in 2023 for our pilot project with Truterra, LLC; our commitment to sustainable business practices; that we are further enhancing our sustainability efforts; our sustainability strategy and related focus areas; our objective to measure and improve the energy intensity of our manufacturing operations; that worker health and safety remains our number one priority; and our proposed future sustainability programs, practices, initiatives, strategies, goals, plans and reporting and the impact and timing thereof.

Forward-looking information is based on a number of factors and assumptions which have been used to develop such information but which may prove to be incorrect. In addition to other factors and assumptions which may be identified in this document, assumptions have been made regarding and are implicit in, among other things: our ability to continue to implement and the success of our sustainability programs, practices, initiatives and plans, the timing thereof and the impact on AGI achieving its goals relating thereto; our ability to improve the energy intensity of our manufacturing operations; our ability to manage and reduce our energy consumption; our ability to reduce our water consumption; our ability to reduce GHG emissions; our ability to execute our risk management strategies; the availability of the capital, labour and services required to successfully implement our sustainability programs, practices, initiatives and plans on the timetable anticipated and to achieve our related goals; and the cost to implement and maintain our sustainability programs, practices, initiatives and plans.

Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which have been used. Although AGI believes that the expectations and assumptions on which the forward-looking information are based are reasonable, undue reliance should not be placed on the forward-looking information because AGI can give no assurance that they will prove to be correct. Since forward-looking information addresses future events and conditions, by its very nature it involves inherent risks and uncertainties, most of which are beyond our control. Actual results could differ materially from those currently anticipated due to a number of risks and uncertainties. These risks and uncertainties include, but are not limited to: the risk that we are unable to implement our sustainability programs, practices, initiatives and plans in part or in full and/or on the anticipated timetable and/or that they are not successful in accomplishing our sustainability goals; the risk that we are unable to improve the energy intensity of our manufacturing operations materially or at all; the risk that we are unable to reduce our energy consumption materially or at all; the risk that we are unable to reduce our water consumption materially or at all; the risk that we are unable to reduce GHG emissions materially or at all; the risk that we are unable to execute our risk management strategies; the risk that the capital, labour and/or services required to successfully implement our sustainability programs, practices, initiatives and plans are not available in part or at all and that as a result we are unable to achieve our sustainability goals on the anticipated timetable or at all; the risk that the cost to implement and maintain our sustainability programs, practices, initiatives and plans is higher than currently anticipated or subsequently increases such that the implementation and/or maintenance of one or more of such sustainability programs, practices, initiatives and plans becomes uneconomic; the risk that we determine to allocate our financial, managerial and/or operational resources to priorities other than the achievement of our sustainability goals due to factors outside of our control or otherwise, including due to a deterioration in general economic conditions, a deterioration in AGI's financial position and/or performance, the onset (or continuance) of a global pandemic such as the coronavirus (COVID-19) pandemic or another contagious disease, or that AGI incurs material financial liabilities as a result of remediation costs and/or equipment rework and/or litigation.

These and other factors, assumptions, risks and uncertainties that could influence actual results are described in more detail in AGI's most recently filed annual information form (the "AIF") and annual and quarterly management's discussion and analysis (collectively, the "MD&As"), and other documents we file from time to time with securities regulatory authorities. The AIF, the MD&As and other documents we file from time to time can be accessed on our website at www.aggrowth.com or under AGI's profile on SEDAR at www.sedar.com.

We have included the above summary of assumptions and risks related to forward-looking information provided in this document in order to provide readers with an understanding of our future operations and such information may not be

appropriate for other purposes. Readers are cautioned that the foregoing lists of factors are not exhaustive. These forward-looking information are made as of the date of this document and AGI disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws. The forward-looking information contained in this document is expressly qualified by this cautionary statement.

GLOSSARY OF TERMS

AGI Digital	AGI's digital business segment
B	Billion
C\$ or \$	Canadian dollars
D&I	Diversity and inclusion
EMEA	Europe, Middle East and Africa
ESG	Environmental, Social, and Governance
GHG	Greenhouse gas
GJ	Gigajoules
IoT	Internet of things
IT	Information technology
kW/h	Kilowatt-hour
m ³	Cubic meter
SASB	Sustainability Accounting Standards Board
Scope 1 emissions	Direct emissions from owned or controlled sources
Scope 2 emissions	Indirect emissions from the generation of purchased energy
SDGs	Sustainable Development Goals
tCO ₂ e	Tonnes of carbon dioxide equivalent
TSX	Toronto Stock Exchange
UN	United Nations
~	Approximately

