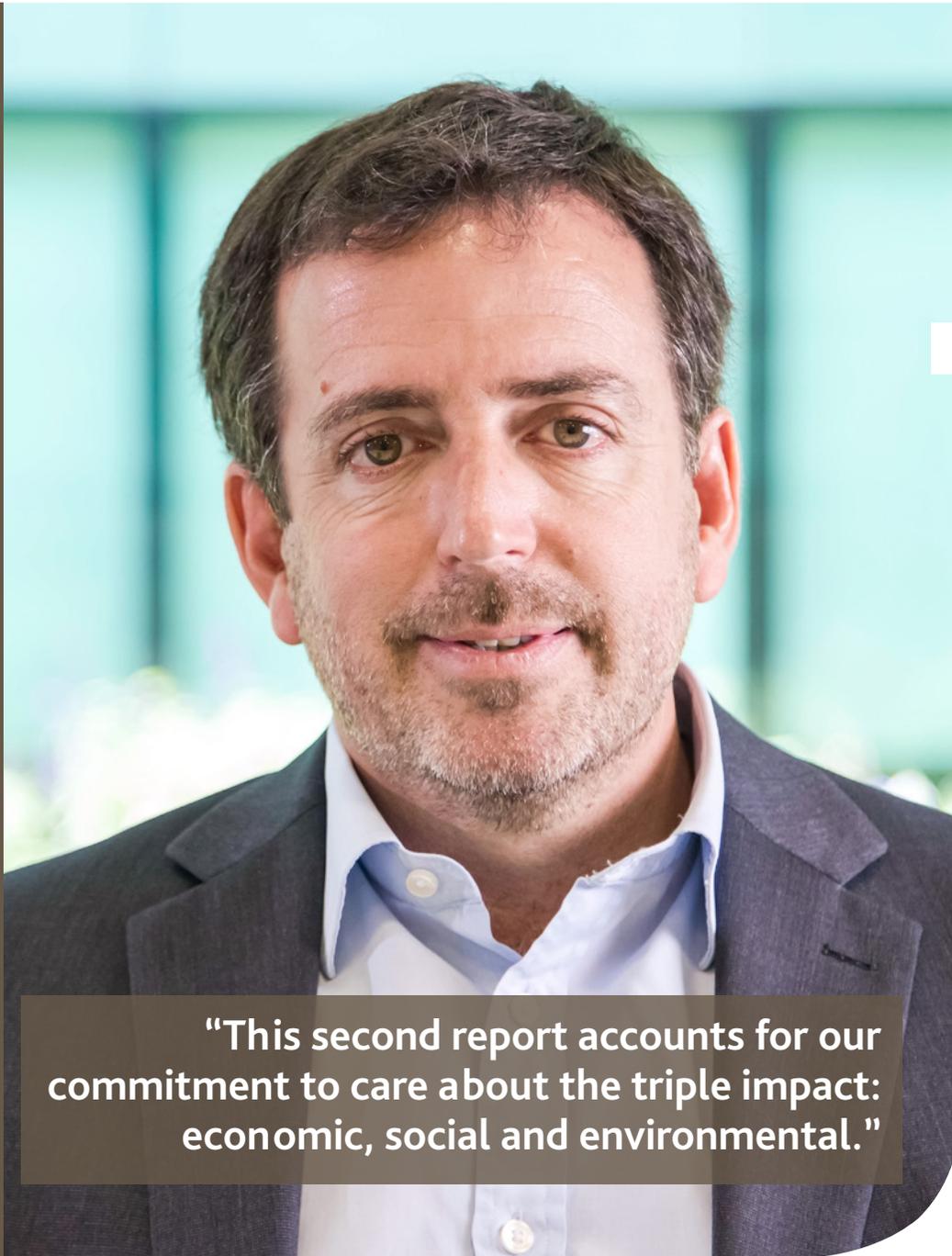


SUSTAINABLE DEVELOPMENT

SUSTAINABILITY REPORT
2018

 **adecoagro**
growing energy





“This second report accounts for our commitment to care about the triple impact: economic, social and environmental.”

SUSTAINABLE DEVELOPMENT [102-14][102-15]

From the outset, we established the foundations of a sustainable development model, which we implement every day to be the company that we envisage.

Last year we published our first Sustainability Report, under the standards of the Global Reporting Initiative (GRI). This second report accounts for our commitment to care about the triple impact: economic, social and environmental. In line with this purpose we implement real actions that are described in this report.

Trust, Transparency, Efficiency, Innovation and Sustainability are our core values that guide our company at all levels. We have already assumed the challenge of putting them into practice on a daily basis. We must continue channelling our best efforts in order to create value for our investors, suppliers, customers and communities. We believe this is the way to achieve sustainable development.



Mariano Bosch
Co-Founder and CEO

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ADECOAGRO AT A GLANCE ^[102-7]

7,743 employees in Argentina
Brazil and Uruguay > **2.4** million tons in total production

3 ethanol, sugar and energy plants > **11.4** million tons of processed
sugarcane

5 grain storage and processing plants > **192** thousand planted hectares

3 rice mills > **40.3** thousand hectares
of irrigated rice cultivation

3 free-stall dairy operations > **101.3** million liters
of milk production

We are low cost producers of food and renewable energy.

Since 2011, our shares have been listed in NYSE under the ticker AGRO.

We have a profitability-oriented sustainable production model in place.

Our company is based on the following values: trust, efficiency, transparency, innovation and sustainability.

We are committed to the development of local communities.

AWARDS

BRAZIL

Companies Plus - 1st place Sugar and Ethanol Companies Plus - 3rd place Featured Companies in the Midwest Region

Assessing the size and financial performance of companies in their respective sectors. Jornal Estadão is the one who decided this award.



Best in People Management Award
4th place in the 3001 to 7000 employees category (for Adecoagro Vale do Ivinhema).

10th edition of VisãoAgro Centro-Sul Award, for Ivinhema Plant Industrial Area

Categories: Ethanol Production and Yoshiyuki Matsuoka as Best Managers. Visão Agro is who gives this award.

The Best in People Management Award
4th place in the category from 1,001 to 1,500 employees (for Usina Monte Alegre)

The objective is to point out the companies that stand out in the management of people, and for this, a survey in a random sample is applied among our employees.

Jornal Valor Econômico e Mercer is the institution that build this ranking.

Valor 1000 Award
3rd place in the Sugar and Alcohol sector
Are awarded the companies that stood out in 2018 from 8 accounting and financial indicators. Jornal Valor Econômico e Mercer is the institution that build this ranking.



Fermentec Excellence Award
2018/2019 Harvest
Category: Microbiological Analytical Performance.

Recognition of high standards of technical compliance
- 2017/2018 crop (for both Ivinhema farming and Industrial area)

Based on 150 indicators, the Biomass Energy Research Institute (BENRI) assesses the operational performance of companies in the sugar-energy sector. The rating obtained by our units represents high operating efficiency. The institution which gives this recognition is Benri - Biomass Energy Research Institute.



Champion of Agricultural Productivity Award
2018/2019 (for Usina Angelica)
Classification between the best agricultural productivity indexes of south-central Brazil, achieved by using the best technologies and production and the most modern methods of agricultural management in sugarcane crop. CTC e Grupo Idea is the institution that gives this award.

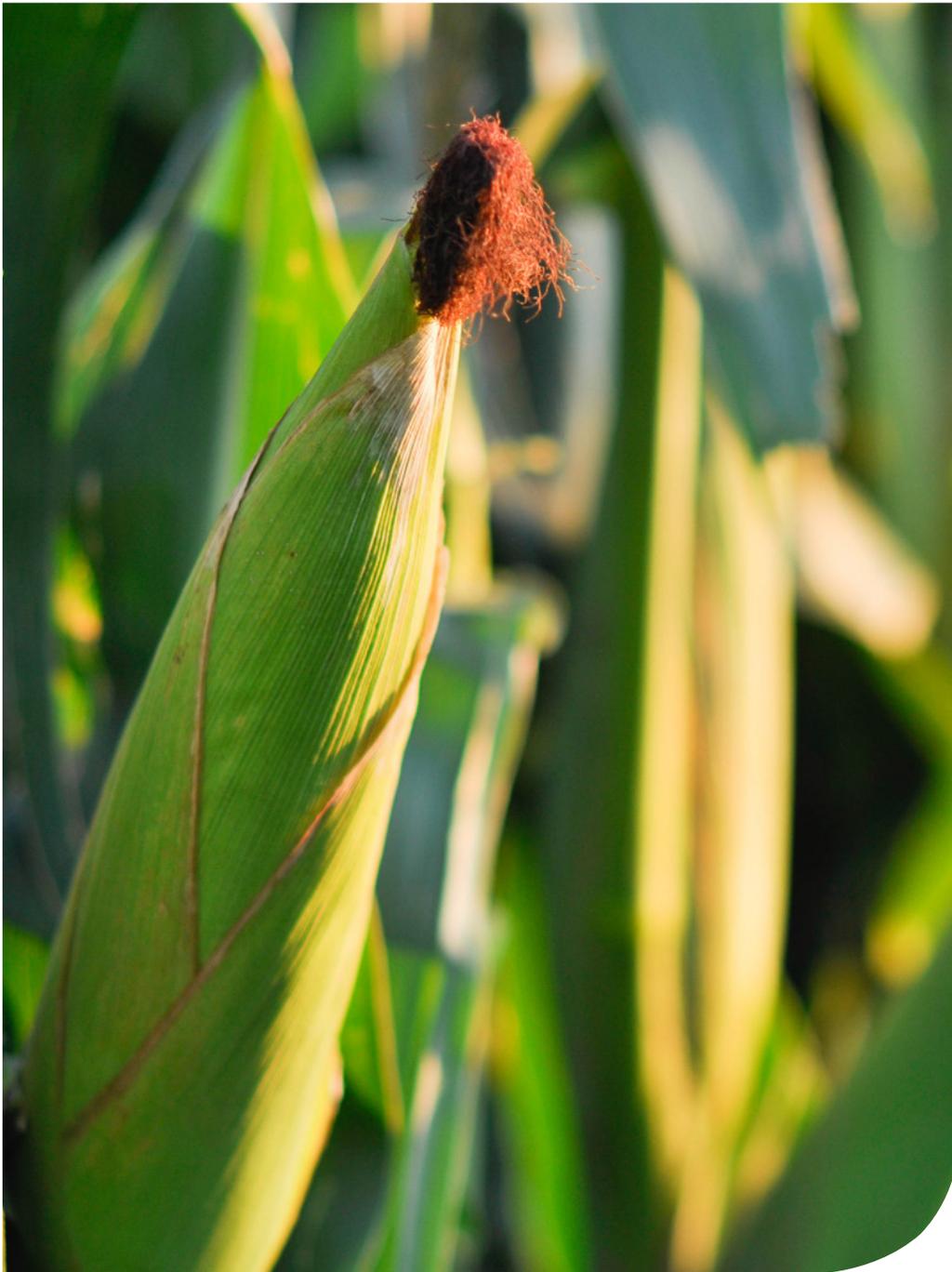


Agro Seal More Integrity
Recognition of efforts and practices to combat fraud, bribery, corruption and social responsibility and sustainability. The Ministry of Agriculture makes this reconnaissance.



MasterCana Award 2018 - Sugar Mill of the Year
MasterCana is the most traditional award in this sector since 1988, which recognizes the merit of people and organizations that stand out for their distinction in the human, technological and socioeconomic enrichment of Brazilian agribusiness. ProCana Brasil is the institution that awards the prize.

Recognition for the quality of work performed in the category: Microbiological Analytical Performance (for Usina Monte Alegre)
Fermentec delivered the award.



ABOUT THE REPORT [102-53][102-54]

We hereby introduce our second Sustainability Report to inform our stakeholders the results of operations of our business units in Argentina, Uruguay and Brazil for the year commencing January 1, 2018 and ended December 31, 2018.

This report has been prepared in accordance with the GRI Standards: Core option. ●

To enhance our communication, feel free to submit any comment or suggestion to:
infoadecoagro@adecoagro.com

MATERIALITY

[102-44] [102-46] [102-47]

The list of issues which are relevant to Adecoagro was determined through a materiality process comprising three stages:

- **Identification and Prioritization** of material business issues together with Operations Heads in Argentina, Uruguay and Brazil, the Sustainability, Human Resources, Standard of Living and Social Responsibility departments, and each business unit management.
- **Benchmarking** against other industry reports.
- **Validation** of issues which are essential to Adecoagro's sustainable management. The list of material issues was validated by the Directors of the Operations, Legal, Human Resources and Sustainability areas.

Below is a detail of the weight assigned to material issues, previously tied to the GRI standards, in order to establish the content of this Report.

Relevant Issues	Weight	Boundary
Operating Profitability and Efficiency Use and Transformation of Productive Soil Human Capital Management: Decent Work, Salaries, Breaks and Benefits Relationship with Local Communities Good agricultural and manufacturing practices to mitigate environmental impacts Occupational health and safety Product quality and safety Supplies management Food safety Employee training and development	STRATEGIC	Shareholders, Employees, Government, Customers, Society. Shareholders, Government, Society. Employees, Government, Opinion Leaders, Society, Candidates. Employees, Government, Community, Opinion Leaders, Suppliers. Employees, Government, Community, Opinion Leaders, Suppliers, Contractors, Shareholders, Consumers. Employees, Contractors. Consumers, Customers, Suppliers, Society. Suppliers, Customers. Consumers, Customers, Suppliers, Society. Employees, Candidates.
Regulatory compliance Relationship with stakeholders and transparency Development of local economies Impact of our operations on the communities Waste management Effluent management Certification, training and deployment of management systems Technological Innovation Cooperation and internal communication channels Water consumption and its impact Living conditions of agricultural workers Climate change Emission management Biodiversity Power consumption in production and distribution processes Contractor management	RELEVANT	Government, Shareholders, Customers, Society. Community, Opinion Leaders, Government, Employees. Suppliers, Employees, Government, Society, Community. Community, Government, Society, Employees. Employees, Government, Community. Employees, Government, Community. Employees, Suppliers, Customers. Employees, Suppliers, Contractors. Society, Employees, Government. Employees, Government, Community. Employees, Community. Employees, Government, Community. Employees, Government, Community. Community, Society, Employees. Employees, Suppliers, Contractors, Community. Contractors, Suppliers, Employees.
Product labelling Freedom of association	NON-RELEVANT	Consumers, Customers, Suppliers, Society. Employees, Government, Community



SECTION 1
About Us



1.1 Who We Are [102-1] [102-5] [102-10] [102-45]

We are one of the leading agroindustrial company in South America with 16 years' track record. We produce and manufacture food and renewable energies in Argentina, Brazil and Uruguay.

We were founded in 2002 by a group of Argentine entrepreneurs.

2002: Adecoagro foundation in Argentina with 74 thousand hectares of agricultural and livestock production.

2004: Land acquisition in Uruguay and Brazil for the production of crops under the same sustainable model.

2005: First steps in the sugar, ethanol and energy business, with the acquisition of the Monte Alegre Mill in Minas Gerais (Brazil).

2006: Further expansion of our agricultural business and vertical integration through the acquisition of Pilagá S.A., with over 88,000 hectares of land and two rice-processing facilities in Argentina. Expansion of the sugar-ethanol-energy business in Mato

Grosso do Sul (Brazil). The construction of the Angelica Plant begins.

2007: Expansion of the rice business by introducing the Molinos Ala brand in the Argentine market. The construction of the first free-stall dairy operation in the region begins in the province of Santa Fe (Argentina).

2011: Adecoagro begins trading on the New York Stock Exchange. The construction of the second Sugar Mill in Mato Grosso do Sul begins - Ivinhema (Brazil) - consolidating the sugar, ethanol and energy cluster.

2012: The construction of the 2nd free-stall dairy operation in Santa Fe begins.

2013-16: Adecoagro carried out a rapid and huge expansion of sugar, ethanol and energy business. Second mill Ivinhema is completed during this period, more than doubling crushing capacity.

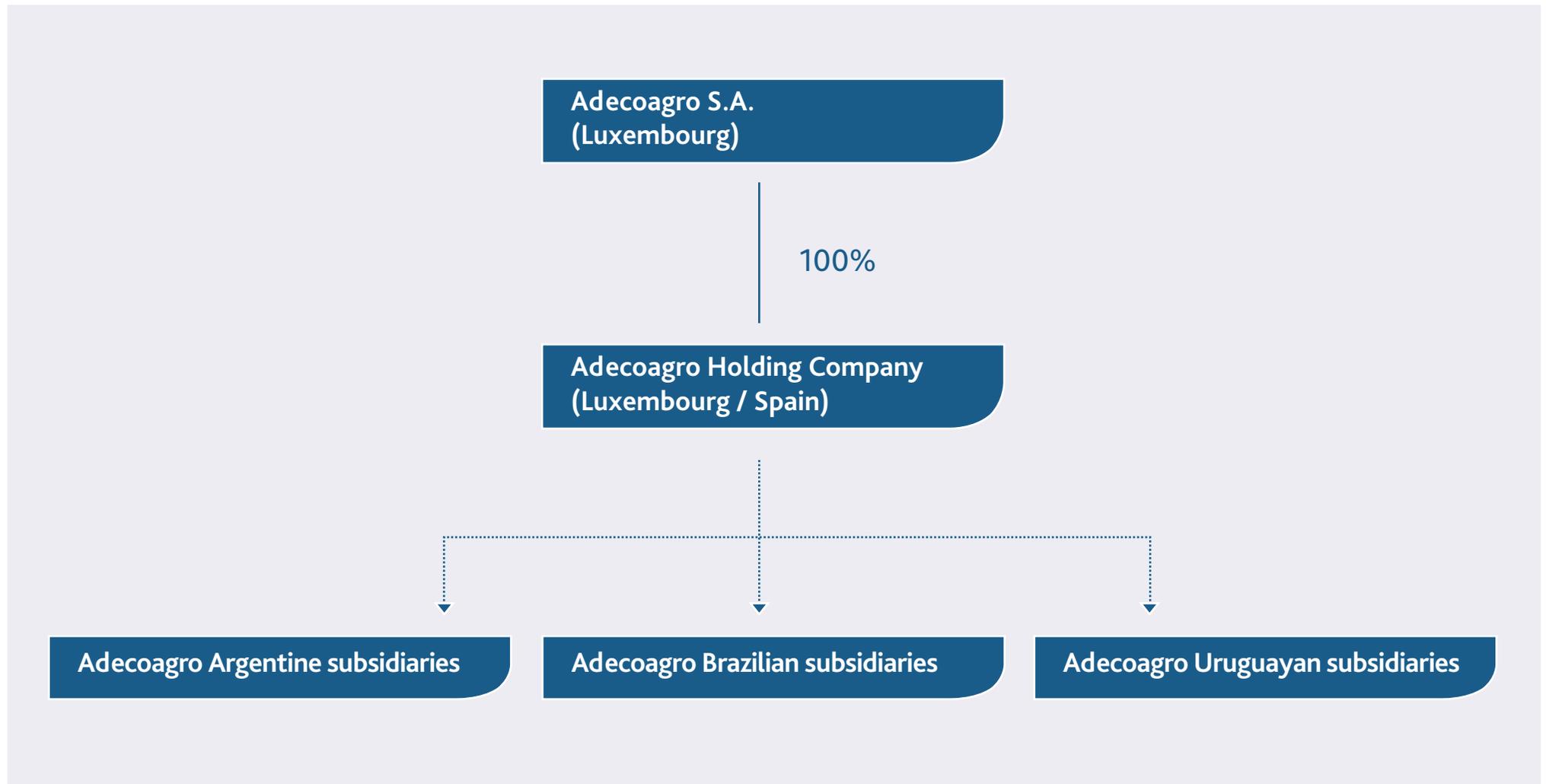
2017: Inauguration of a biodigester in Santa Fe (Argentina) for the generation of electrical energy through manure obtained from cows. Launch of the Molinos Ala rice snacks. Adecoagro issues a US\$500 million bond that matures in 2027.

2018: The operation of our 3rd free-stall dairy in Santa Fe begins. Inauguration of our production plant for rice crackers and snacks in Pilar (Buenos Aires, Argentina). ●



Adecoagro S.A., a company incorporated in Luxembourg, is the parent company of the Adecoagro Group, through which it lists its shares in NYSE.

Adecoagro S.A. directly and indirectly controls its subsidiaries in Spain, Argentina, Brazil and Uruguay.



1.2 Financial Highlights ^[201-1]

Currency: Thousands of US\$

Economic Value Generated (EVG)

Net revenues	829,466
--------------	---------

Economic Value Distributed (EVD)

Operating expenses	487,010
Salaries and benefits	140,524
Payments to financing institutions	42,106
Payments to governments	51,869
Investments in the community	569
TOTAL	722,078

Economic Value Retained (EVR)

EVG – EVD	107,388
-----------	---------

FINANCIAL RATIOS

ASSETS	2,277,372
SHAREHOLDERS' EQUITY	1,108,145
LIABILITIES	1,169,227
SALES	829,466

Ethanol, Sugar & Energy

Farming (Crops¹, Rice², Milk, Others)

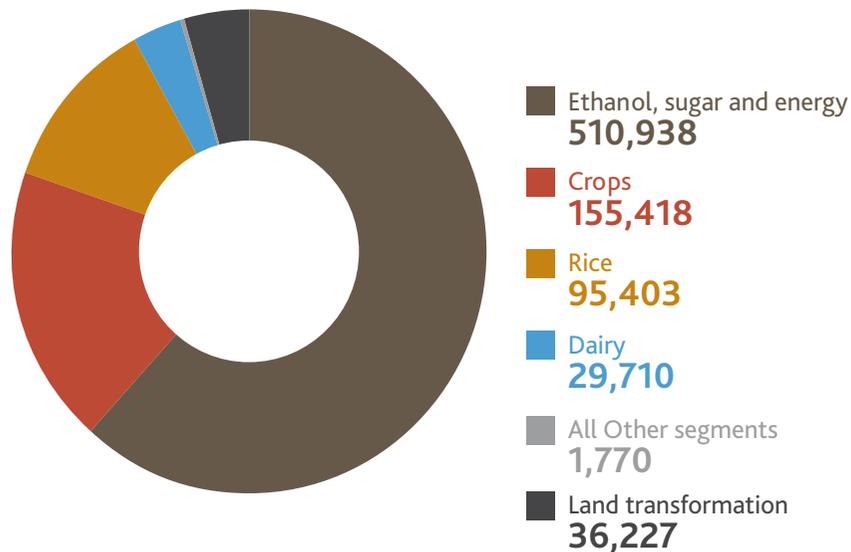
Total

Sales	510,938	318,528	829,466
-------	---------	---------	---------

¹It includes soya, corn, wheat, sunflower and cotton, among others.

² Sales of processed rice, including gross rice purchased from third parties and processed at our facilities.

Sales by Business ^[102-7]



Figures stated in thousands of US\$.

TOTAL: 829,466

¹ Crop production is exclusive of 155,300 tons of forage.

² States in tons of paddy rice produced in own and leased land.

³ Raw milk produced in our free stalls.

Production

Harvest Year 2017-2018

Crops (tons) ¹	537,181
Rice (tons) ²	276,693

Production

2018

Milk (thousands of liters) ³	101,300
Sugar (tons)	344,137
Ethanol (m ³)	675,001
Energy (exported MWh)	705,539

For more information, see our financial statements at: <https://www.sec.gov/Archives/edgar/data/1499505/000162828019004963/agro1231201820-ffinal.htm>

Our mills are conveniently located in Mato Grosso do Sul, an area of extensive lands with high production potential and suitable topography for mechanized farming, allowing us to deliver high yields and sucrose content. These mills have also high flexibility to produce both sugar and ethanol, allowing us to customize production according to changes in market prices.

Adecoagro Vale Do Ivinhema S.A.

Angelica

This cluster is comprised by two mills with a total crushing capacity of 11,5 million tons.

The mill has a crushing capacity of 5.5 million tons. The mill has a storage capacity of 120 thousand m3 of ethanol and 90 thousand tons of sugar.

Ivinhema

It is our second mill in the cluster. The plant has a crushing capacity of 6 million tons, and storage capacity for 40 thousand m3 of ethanol and 120 thousand tons of sugar.

Usina Monte Alegre (UMA)

This mill has a crushing capacity of 1.2 million tons and is suitable for sugar, ethanol and bioelectricity production.



Ivinhema Mill in Mato Grosso do Sul (Brazil).



Girasoles del Plata facility in Buenos Aires province (Argentina).



In Argentina and Uruguay we are engaged in the crops, dairy and rice businesses.

CROPS

As concerns crop production, we have a planted area of 192,000 hectares (we own 60% of such area), with a total production of 537 thousand tons/year. Our main crops include soybeans, corn, wheat, sunflower, barley, cotton and forage.



RICE: FULL INTEGRATION

We are one of the largest rice seed producers in the region. We are also the top exporter of rice in Argentina and one of the major exporters in South America. We supply a product that meets the most rigorous standards of quality to the most demanding markets.

We grow our rice in the northeast region of Argentina, one of the best agronomic areas worldwide for an efficient production of irrigated rice.

Our focus is set on field productivity, industrial performance and culinary quality.

We produce rice in Argentina only.

Farm	Industry	Marketing
<p>We have an area of over 40,300 planted and irrigated hectares.</p> <ul style="list-style-type: none"> – Production of over 276,7 tons of paddy rice per year. – Precision leveling and irrigation monitoring and crop follow-up with cutting-edge technology. – We have important agreements with international Research & Development organizations. 	<p>We have 3 rice mills with dryers in Corrientes, Santa Fe and Entre Ríos. These mills have a processing capacity of 335,000 tons of paddy rice per year.</p> <p>We constructed a production plant for rice crackers and snacks with an annual capacity of 1,800 tons.</p>	<p>71% of total production is exported to Brazil, Europe, Iraq, Mexico, Peru, Costa Rica and Chile. In the domestic market we have 18% market share, with diversified products.</p>

VALUE CHAIN



MolinosAla





DAIRY

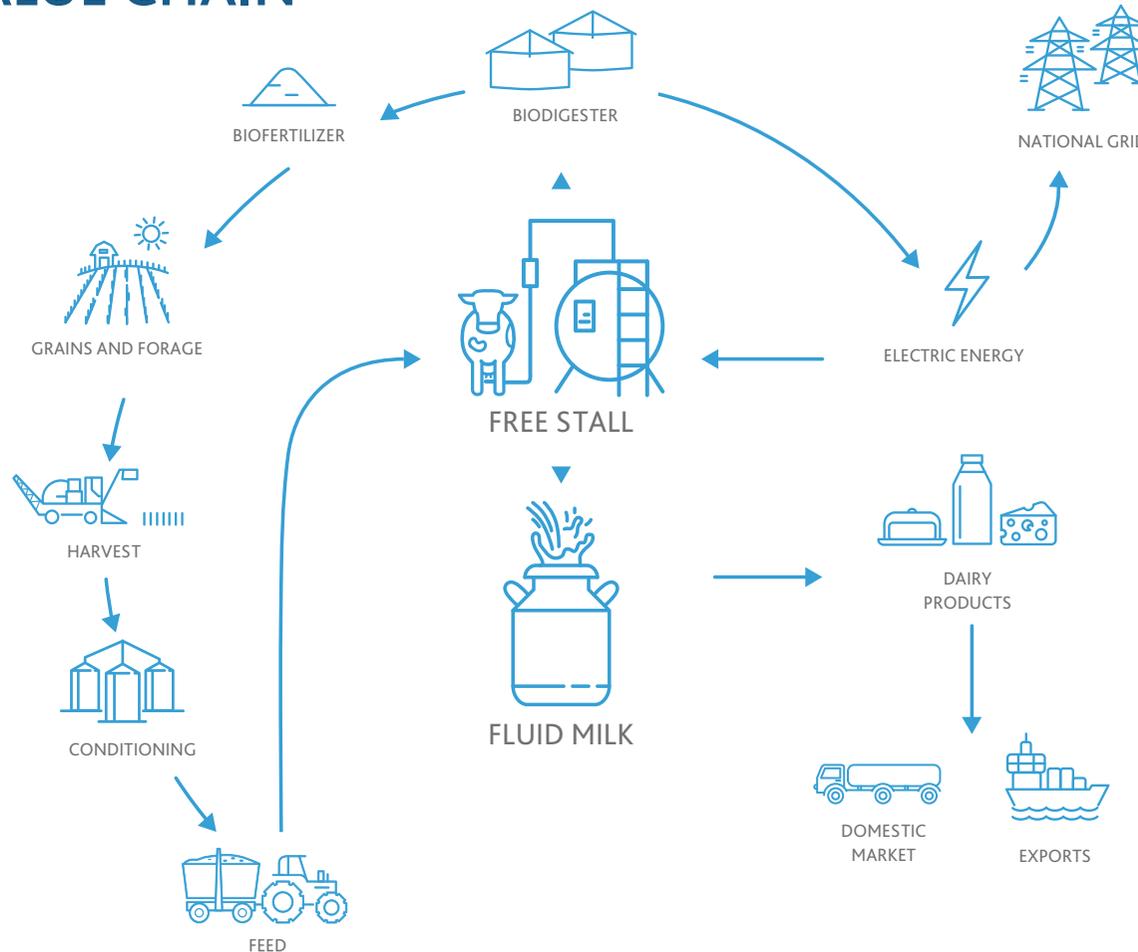
Through our state-of-the-art free-stall dairy operations located in the Humid Pampas, we have led a paradigm shift in South America. In the region, feed (cereals, oil seeds and forage) is efficiently produced, with optimal weather and animal health conditions for an adequate cow comfort, improving productivity, reproduction rates and milk quality.

Milk Production

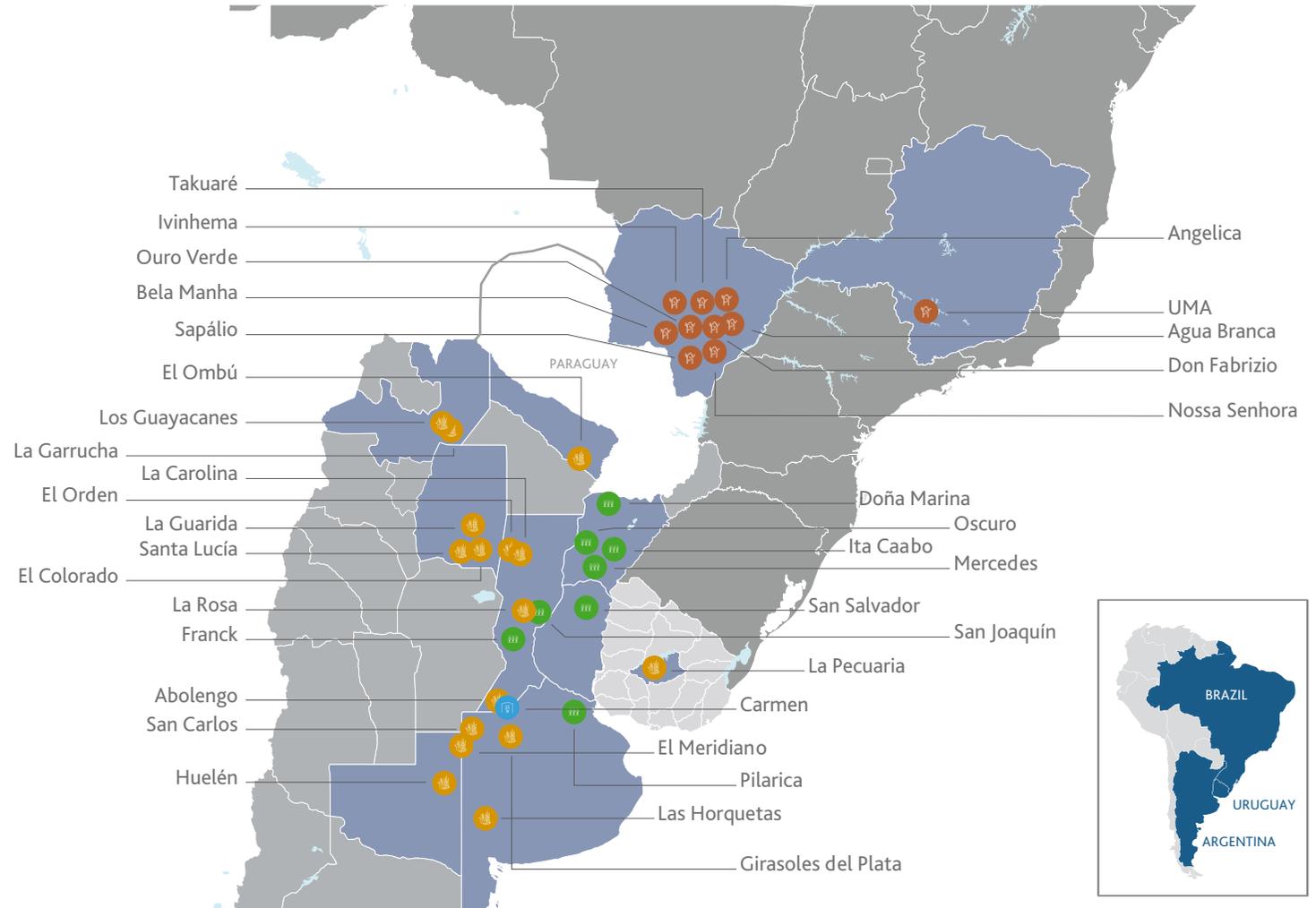
- 3 free-stall dairy operations
- 7,600 milking cows
- Annual production of 101.3 million liters of high quality raw milk

Our production process is connected to a biodigester that converts effluents from the dairy operation into 9,100 Mwh of electrical energy. This facility enhances the sustainability of our operation and helps reduce greenhouse effect emissions, improving effluent management and collecting valuable nutrients which are then reused in the fields.

VALUE CHAIN



1.4 Where We Are [102-4]



-  Crops
-  Sugar, Ethanol and Energy
-  Dairy
-  Rice

1.5 Commitments and Strategic Partnerships ^[102-12] ^[102-13]

In order to strengthen our representation, we participate in several institutions, including:

In addition, since 2010 we have adopted the International Financial Reporting Standards (IFRS), and are subject to the Sarbanes Oxley Act, also known as the "Public Company Accounting Reform and Investor Protection Act."

Associations Organizations Institutions	Participation in Boards of Directors	Participation in Projects Committees	Other Financial Assistance	Organization's Representatives
Asociación Argentina de Consorcios Regionales de Experimentación Agrícola (AACREA)		x	x	GTA (Adecoagro Technical Group)
Asociación Argentina de Girasoles (ASAGIR)		x	x	Commercial Manager
Asociación Argentina de Productores en siembra Directa (AAPRESID)	x	x	x	Head of Agriculture for Northern Buenos Aires - Southern Santa Fe / GTA
Asociación Correntina de Plantadores de Arroz (ACPA)	x	x	x	Rice Business Manager
Asociación para el desarrollo, rehabilitación e integración de personas discapacitadas (ADERID)		x	x	Head of CSR
Associação das Industrias Sucoenergéticas de Minas Gerais (SIAMIG)		x	x	General Manager of Monte Alegre Unit
Banco de Alimentos		x	x	Head of CSR
Asociación de Pequeñas y Medianas Empresas Lácteas (APYMEL)		x		Dairy Manager
Associação de Produtores de Bioenergia de Mato Grosso do Sul (BIOSUL)		x	x	Sugar, Ethanol and Energy Director
Cámara de Industriales Arroceros de Entre Ríos (CIAER)		x		Manager of the Rice Department
CREA Guanaco-Las Toscas			x	Head of Agriculture Southern Area
CREA PLANTAS		x	x	Commercial Manager
Cimientos		x	x	Head of CSR
Club Regatas de Corrientes		x	x	Head of CSR / Manager of the Rice Department
Conciencia		x	x	Head of CSR

1.5 Commitments and Strategic Partnerships (Continued)

Associations Organizations Institutions	Participation in Boards of Directors	Participation in Projects Committees	Financial Assistance Others	Organization's Representatives
Instituto Nacional de Tecnología Agropecuaria (INTA)		x		Manager of the Dairy Business
Instituto para el Desarrollo Empresarial (IDEA)	x	x	x	CEO / HR Manager
Facultad de Ciencias Exactas y naturales de la Universidad de Buenos Aires		x	x	Environment and Technical Development Manager
Federación de Acopiadores		x	x	Commercial Manager
Federación Empresarial de Corrientes (FECOR)	x	x	x	Manager of the Rice Business
Federación Uruguaya de grupos CREA (FUCREA): CREA LA CUCHILLA		x	x	Head of Agriculture in Uruguay
Fundación Abrinq			x	HR / Quality of Life and Social Responsibility
Fundación CONIN		x	x	Head of CSR
Fundación Directorio Legislativo		x	x	Manager of Crop Business in Argentina and Uruguay
Grupo La Rreja		x	x	Head of Agriculture in Western Buenos Aires and La Pampa / GTA
Grupo Chacra Bandera		x	x	Head of Agriculture in the Northwest of Argentina and Santiago del Estero / GTA
Grupo Agrícola Las Lajitas		x	x	Head of Agriculture in Salta
Grupo CREA Comercial		x	x	Head of Procurement - Agricultural Supplies
Grupo CREA Empresas		x	x	Director of Operations - Agriculture in Uruguay / Manager of Agricultural Department in Argentina and Uruguay
Grupo Trigo Sudeste		x		Adecoagro Techinal Group
Sociedad Rural Venado Tuerto	x	x		Head of Agricultural Department in Northern Buenos Aires - Southern Santa Fe
Solidagro		x	x	Head of CSR / Manager of the Rice Business
Unión de la Industria de Caña de Azúcar (UNICA)		x	x	Director of the Sugar, Ethanol and Energy Business
Universidad Nacional del Nordeste (UNNE)			x	Head of CSR / Manager of the Rice Business
ABRASCA – Associação Brasileira das Companhias Abertas		x	x	Controllership
ANEFAC – Associação Nacional dos Executivos de Finanças, Administração e Contabilidade		x	x	Controllership
Organis - Conselho Brasileiro da Produção Orgânica e Sustentável			x	General Manager of Monte Alegre Unit
Sociedade Rural Brasileira	x	x	x	Sugar, Ethanol and Energy Director
União da Indústria de Cana-de-Açúcar (ÚNICA)		x	x	Sugar, Ethanol and Energy Director



SECTION 2
Governance, Ethics and Integrity

2.1 Our Senior Management Team [102-18] [202-2] [405-1]

Our corporate governance model provides us a strong structure to ensure accountability, transparency, and independence. In addition, our Senior Management Team is comprised by a highly qualified team with over 20 years' experience in developing projects in the agribusiness sector.

All members of the Senior Management Team are men.

50% of the Senior Management Team' members are from 30 to 50 years old. 50% of the Senior Management Team' members are over 50 years old.

85.7% of Adecoagro's senior management members* are part of the local community.

Name	Position	Since
Mariano Bosch	CEO and Co-Founder. Agricultural engineer graduated from the University of Buenos Aires. Has 23 years' experience in the development of agribusiness projects.	2002
Carlos A. Boero Hughes	CFO. Holds a degree in Business Administration from the University of Buenos Aires and an MBA from the Universidad Católica Argentina (Argentine Catholic University). Executive program at INSEAD'S Business School. Has 26 years' experience in financial markets and agribusiness.	2008
Renato Junqueira Santos Pereira	Director of the Sugar, Ethanol and Energy Department. Member of Senior Management since 2014. Agricultural engineer graduated from the University of São Paulo. Holds an MBA from the University of California.	2010
Walter Marcelo Sánchez	Commercial Director and Co-Founder. Agricultural engineer graduated from the University of Mar del Plata. Has 26 years of experience in agricultural business, trading and market development.	2002
Emilio F. Gnecco	Legal Director. Lawyer graduated from the University of Buenos Aires. Former legal advisor of Adecoagro, as he worked as an associate at Marval, O'Farrell & Mairal. Has 21 years of experience in M&A and corporate law.	2005
Mario José (Pepe) Imbrosciano	New Businesses Director. Agricultural engineer graduated from the Universidad Católica Argentina (Argentine Catholic University). Holds an MBA from the Instituto de Altos Estudios (IAE). Has 21 years of experience in agribusiness management.	2003
Ezequiel Garbers	General Manager of Argentina & Uruguay and Co-Founder. Agricultural engineer graduated from the University of Buenos Aires. Holds an MBA from the Instituto de Altos Estudios (IAE). Has 28 years' experience in the development of agribusiness projects.	2002
Leonardo Berridi	General Manager of Brazil. Agricultural engineer graduated from the National University of La Plata. Previous job: Vice President of Pago Viejo S.A.	2004

(*) It relates to directors, managers of main corporate areas, and business unit managers.

2.2 Ethics [102-16] [102-11]

2.2.1 VISION

Our vision is to become a leading food and renewable energy company, contributing to strengthen the wealth and general welfare of the communities in which we are immersed.

Mission

- Consolidating a sustainable production model to generate attractive returns for our shareholders, as well as to ensure our customers' satisfaction, our people's development and health, and the preservation of the environment.

2.2.2 VALUES



TRUST

Building trustworthy relationships: We build honest and long-lasting relationships with our employees, suppliers, customers, investors and communities.



INNOVATION

Fostering innovation: We use cutting-edge technology, and develop new practices and tools to expand production boundaries.



TRANSPARENCY

Transparency in everything we do: We have an honest and sincere approach to the information we provide and in interpersonal relationships.



SUSTAINABILITY

Sustainable production: We take care of the environment and foster regional economies, achieving attractive results.



EFFICIENCY

Maximizing efficiency: We maximize the productivity of our assets, streamlining each and every process, at the lowest cost of production.

2.2.3 CODE OF ETHICS AND BUSINESS CONDUCT

At Adecoagro, our operations in Argentina, Uruguay and Brazil abide by the same **Code of Ethics and Business Conduct** (2015). The Code was developed for our directors, managers, executives and employees and, to the extent applicable, by our suppliers and contractors, to understand what it is expected from them and help them fulfill their obligations.

The Code does not purport to be an exhaustive guide of the Company's policies, or a list of all applicable regulatory or legal liabilities, but rather a set of overall guidelines that will help them solve the ethical and legal issues they may come across in discharging their duties. This Code should be regarded as a directive or as a minimum standard, and should be mandatorily observed.

The Code also involves awareness of and compliance with the following policies of Adecoagro, namely:

- FCPA (US Foreign Corrupt Practices Act) Guidance;
- Policy for Reporting Accounting Concerns;
- Confidential Information Policy.

All our directors, managers, executives and employees are required to read and sign the Code annually, and our Internal Audit area delivers annual training courses to reinforce the content of the Code. These training courses may be delivered face-to-face or on-line, or in the form of brochures with relevant information.

2.2.4 CODE OF CONDUCT

We have a Code of Conduct in place that provides guidance to our employees as to how they are expected to fulfill their obligations in accordance with applicable laws, and our policies and requirements.

All employees of Adecoagro's companies are expected to comply with this Code of Conduct.



Every employee is required to sign our Code of Ethics and Conduct.

2.3 Communications and reports channels ^[102-17]

2.3.1 REPORTING CHANNELS

We have a Reporting Channel in place thorough which our senior management members can receive anonymous reports.

The Legal Department, Corporate Internal Auditor Manager, and the Manager of the respective area are primarily responsible for the mechanisms for advice. Our Audit Committee will oversee the manner in which concerns raised by our employees are dealt with.

The mechanisms for advice and concerns about ethics are informed to employees through annual training, and are also available 24 hours at:

 Toll Free:
 0800-444-0277

 OMBUDSPEOPLE
 0800-601-6896
 contatoseguro.com.br\adecoagro

 Toll Free:
 5411-4836-8680 (Chief Ethics Officers)
 212-659-4970 / Fax: 001-212-884-9547
(External Advisers)

 E-mail
 canaldedenunciasbrasil@adecoagro.com
 egnecco@adecoagro.com
 vivero@haysneboone.com

The service is available in the local language of each country.

All reports are kept confidential and anonymous, as stated in the abovementioned mechanisms. The Corporate Internal Audit area is involved in the resolution of all cases, and the Chief Compliance Officer then presents the respective conclusions at meetings of the Audit Committee.

2.3.2 INTERNAL COMMUNICATION

We have established internal communication channels under our “open door” policy, pursuant to which our employees may raise all their concerns, complaints and/or suggestions.

2.3.3 EXTERNAL COMMUNICATIONS AND GRIEVANCE PROCEDURES

We have a procedure in place in order to:

- Receive and record external communications from the community related to social, environmental, and occupational health and safety matters; as well as labor-related claims from our contractors' employees.
- Review and assess the concerns raised in such communications and determine how to deal with each of them;
- Give the respective answers, and follow up on and document them;
- Adjust the management program accordingly.

Claims or concerns may be raised:

- Personally, at our offices.
- By calling the office site, person in charge and/or our headquarters.
- By email to: infoadecoagro@adecoagro.com

 Concerns & Claims > Reporting Channel
 0800-601-6896
 contatoseguro.com\adecoagro

2.4 Compliance ^[419-1] ^[307-1]

To us, compliance with applicable laws and regulations is utterly important to build a health relationship with the society and to ensure the due process and the growth of our company, among other things.

The Corporate Legal area is kept abreast of the changes in applicable laws and regulations (through training, newsletters, legal information systems, etc.) and from time to time notify the other areas of the company about the laws and regulations applicable to each of them. In certain specific cases, we draft procedures to ensure compliance with applicable laws and regulations. ●

We have not been imposed fines or penalties on social or financial grounds.

We have not been imposed fines or penalties under the environmental laws in 2018.



2.5 Stakeholders and Transparency [102-40] [102-42] [102-43]

During 2018, we identified our stakeholders.

We classified such stakeholders in:

Internal stakeholders
employees, shareholders, etc.

Direct stakeholders
customers, suppliers, contractors, distributors, financial institutions.

Affected by our activities or interested in the project
government, media, NGOs, families living nearby, vulnerable groups and native communities.

Then, we prioritize them.

Finally, we design our action plan, that includes:

- Prevention and mitigation of social and environmental impacts.
- Community Liaison plans.



Proteger program in Angelica, Mato Grosso do Sul (Brazil).



Escola Nota 10 Project in Mato Grosso do Sul (Brazil).



The Minister of Agroindustry (Argentina) and the local Major (Christophersen, Santa Fe) in the inauguration of our first biodigester.



Students of the local school carrying the Argentine flag in this inauguration.



SECTION 3
Our Sustainable Model



SECTION 3
Our Sustainable Model

In line with our corporate mission, we assume responsibility for taking care of our planet and preserve its natural resources for the generations to come.

In this regard, our production model is based on sustainability standards aimed at producing food and renewable energy on the basis of three development pillars: economic, social and environmental.

Such standards require the implementation of good practices and Integrated Management Systems that foster operational efficiency and that minimize risks and impacts.

3.1 Operating Profitability and Efficiency [102-11]

We are in the constant search for efficiencies and enhanced profitability. Accordingly, we analyze each and every production decision that we make, with a view to maximize positive impacts on the three development pillars, and always leveraging innovation.

CROPS

We define a planting plan for each harvest year, based on the benefits of crop rotation and the profit margins of each crop.

We review the costs incurred per field and per crop on a monthly basis in order to follow up on margins and deviations from the budget set at the beginning of the harvest year, and additionally comparing them to the costs incurred the previous month.

To do this, we rely on the following tools:

- Expenditure budget, monitoring its compliance and explaining its main deviations.

- Indicators to assess the production volume, contractual performance, sustainability, and production cost.

RICE

Based on the area and water available in each rice farms, we define a planting plan and calculate the profit margins for each field. We review the costs incurred per parcel on a monthly basis in order to follow up on margins and deviations from the budget set at the beginning of the harvest year, comparing them to the costs incurred the previous month.

On the basis of the capacity of our plants and the production plan, the industrial area develops a raw material sourcing plan (paddy rice) and prepares an industrial expenditure budget. During the year, we follow up on actual vs. budgeted costs, and on several industrial efficiency indicators.



Sugarcane in Mato Grosso do Sul (Brazil).



Ivinhema Mill in Mato Grosso do Sul (Brazil).

SECTION 3

Our Sustainable Model

SUSTAINABILITY REPORT
2018

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DAIRY

Based on the existing cows and our strategic expansion plans, we estimate the number of milking cows and, hence, milk output. Then, we develop a revenue and expenditure budget on the basis of such estimates. During the year, we follow up on the performance of the several business sectors and their respective compliance with the budget.

ETHANOL, SUGAR AND ENERGY

Based on the availability of sugar cane, we estimate agricultural productivity, crushing volume, and sugar, ethanol and energy output. Depending on our strategic plans, we also develop budgets for sugarcane field expansion and acquisition of agricultural and industrial equipment. Based on these estimates, we develop revenue budgets and production costs. We monitor costs on a monthly basis with each area leader to ensure compliance with the budget. Sales are maximized depending on the flexibility of the sugar-ethanol production mix and according to expected market prices for each product.



Rice seed production in Corrientes (Argentina).

3.2 Technological Innovation

We strive to develop and implement new technologies in order to gain operating efficiency both in production and in support processes. In turn, innovation may allow us to reach markets with specific requirements with potential to improve our businesses.

Therefore, we allocate sufficient resources to test, develop and deploy innovative solutions. Innovations may be developed in-house or in association with other technology suppliers.

The innovations so implemented are then measured, at pilot scale, to assess their efficiency in terms of cost-reward to the business. If the results or projections are favorable, we define a deployment strategy at larger scale. Innovation deployment processes typically follow production cycles which, in the case of field production, are usually annual. Deployments at an industrial level may often have a shorter cycle from testing and development to implementation.

We implement several solutions, depending on the business and its specific needs:

CROPS

- Precision Farming: use of GPS technology in most agricultural activities (planting, spraying and harvest); specific-site management areas (soil depth and type, etc.).
- Biotechnology: control of plagues, diseases and weeds.
- Digital Platforms: solutions for more efficient crop management systems (plague monitoring, crop georeferenced information, etc.).

RICE

- Genetics: improvements in field and industrial production performance and culinary quality.
- Genetics + Selective Herbicide: specifically selected seed for optimized weed control.

- Efficient Irrigation Systems: Precision Leveling (Zero Level or Controlled Slope); poly-pipe irrigation.
- Precision Farming: use of GPS technology in most agricultural activities; use of Yield Maps for harvest-year analysis.
- Digital Platforms: information management and crop monitoring (in-house development).
- Online Machinery Management: tractor monitoring and management (joint development with technology company).
- Irrigation Monitoring: use of drones, flow-meters and other sensors with integrated management to the digital platform (in house and joint development with technology company).
- Automation: deployment of robots in industrial processes.



Technological innovation is a key for efficiency and sustainability.

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DIARY

- Free-stall Production Model: best-in-class efficiencies in transforming feed into milk.
- Animal Comfort: controlled and semi-automated environment (temperature and humidity).
- Biodigester: conversion of manure into biogas, and biogas into renewable energy (electricity).
- Biofertilizer: use of “digested” material as biofertilizer in crop fields.
- Sexed Semen: for faster inclusion of best cow genetics.
- Digital Platforms: for enhancing the management of production, reproduction and animal health information.

ETHANOL, SUGAR AND ENERGY

- Sustainable Production Model: involving by-product recycling.
- Ongoing Harvest: without off season period in between (unlike the traditional model).
- Highly Efficient Co-generation: generation of large amounts of renewable energy in excess for sale.
- High Production Flexibility: from 45% to 70% of ethanol (the remaining portion is sugar).
- Online Machinery Monitoring: digital platform for geo-based management of machinery and vehicles (particularly, harvest and logistics).
- Genetic Improvement: “pre-sprouted seedlings” for faster incorporation of the most efficient and adapted varieties.
- Biofertilizer Logistics: vinasse concentration for a more efficient biofertilizer distribution.
- Digital Platform: for sugarcane plantation monitoring (changes in biomass and anomaly follow-up).
- Biogas Production: development of a biodigester at semi-commercial scale with proprietary technology, for truck fuel production and/or electricity generation.

3.3 Good Practices

Our production model is guided by a long-term vision embracing current performance and future potential. As our activities are related to natural resource-based manufacturing, we follow Good Practices to conduct our business taking care of the Environment and the Community.

Such practices are implemented across all stages of our production processes, and we develop operating policies and procedures to meet our stated goals.

CROPS AND RICE PRODUCTION

- **Regional Diversification:** for the sake of diversifying risks and driving the deployment of local communities, we conduct our agricultural business in several productive areas in Argentina, Uruguay and Brazil.
- **Operating and Business Management in Leased Land:** We reach “win-win” arrangements with land owners through:
 - Rental systems with pricing tied to future production.

- Agricultural management proposal with crop rotation and implementation of good practices.

- **Use of Soil:** in order to streamline the use of our resources, we define crop rotations, fertilization, and selection of hybrids and varieties, based on the quality of each productive environment. In Corrientes, we added a new forestation business unit.
- **No Till System:** we adopt No Till in the entire planted area, except in some specific cases which require otherwise. In this way, we seek to strengthen the sustainability of our productive system, not only by reducing erosion risks and organic matter loss, but also by improving the quality of our soils.
- **Cover Crops:** we rely on this practice for weed management, uncovered soil protection, carbon balance, and reduced use of agrochemicals. This harvest-year, we applied this practice in 5% of the area during 2017, and in 2018 we increased that number to the 25% of the area. In 2018 we planted more than 45,000 hectares with cover crops.



Wheat in Humid Pampas (Argentina).



Rice gathering plant in Argentina.

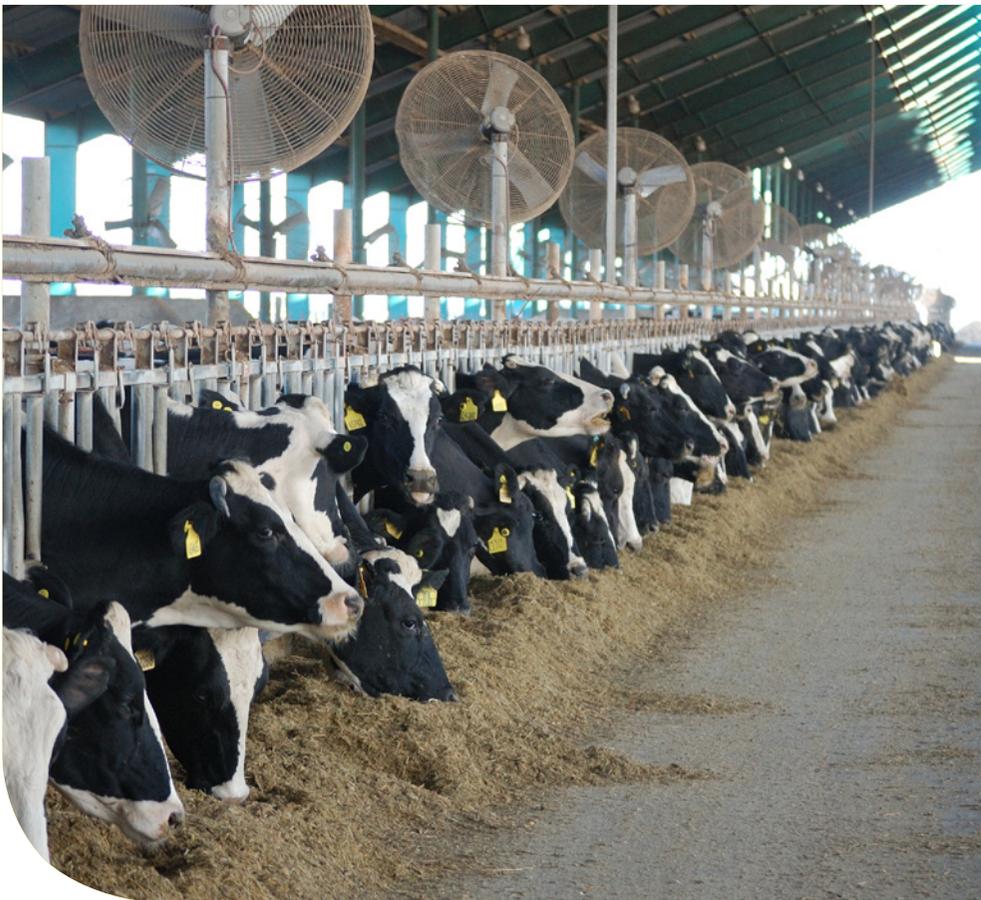
- **Adecoagro Technical Group (GTA):** Through our Technical Group, we support the growth and development of our teams. The GTA is in charge of:
 - Communicating Good Practices;
 - Defining Crop Protocols per area;
 - Developing and executing the technical training plan;
 - Conducting agronomic trials;
 - Reviewing the harvest-year outcomes in order to develop strategies for the next harvest-year.
- **Irrigated Rice Farming:** for the sake of adequate water management and in order to attain high productivity levels, we apply the following good irrigation practices and technologies:
 - Early – Fast – Low – Ongoing Irrigation
 - Zero Level Systematization
 - Poly-pipe Irrigation (in steep land)
 - Ongoing Monitoring (with Drones)
 - Flow-meters (irrigation channels)
- **Dry Harvest:** this system is regarded as a good agricultural practice in rice farming, as it is mainly intended to reduce water consumption, keep a water reserve for the next harvest-year,

and substantially reduces land preparation activities.

RICE MILLS

- **Good Manufacturing Practices (GMP) & HACCP:** Our mills are implementing GMP, consisting of ensuring the appropriate health conditions and requirements for the manufacturing, packaging, storage and distribution of safe and suitable food for human consumption.

Additionally, we embrace hazard analysis and critical control points in our business to ensure food safety.



Fans and sprinklers collaborate with cow comfort.

DAIRY PRODUCTION

Our free stalls have operating manuals in place which set out certain requirements and cautions to ensure animal welfare and increased efficiency in milk production, while taking care of the environment.

Within this framework, we have implemented the use of manure from free stalls as raw material for the production of biogas, and the subsequent generation of electricity. Such electricity is then injected and marketed to the local grid.

In order to ensure animal welfare, our free stalls are equipped with:

- Clean and dry sand beds;
- Sufficient drinking water;
- Constant cleaning of the aisles through which cattle moves around;
- Cooling and venting system and water sprinklers for enhanced cattle environmental comfort;

Cows are mostly fed from our own agricultural production; resulting in cost savings and mitigating the potential impact of transportation.

ETHANOL, SUGAR AND ENERGY

The sugarcane agribusiness poses several opportunities for adoption of good practices which result in operational benefits, but also in lesser environmental impacts. Some of these practices include:

- Use of the organic waste from the process as crop biofertilizers,
- Water recirculation in the industrial process,
- Use of wastewater and vinasse for crop bio-fertigation,
- Soil management practices, such as terraces and contour levies, to achieve productivity gains and ensure soil preservation.

Adecoagro's Environmental Policy sets out specific requirements in connection with the adoption of suitable practices to streamline the use of natural resources, and to encourage the prevention of pollution.

Several practices were adopted in this business unit, which are mentioned in the following page:



Sugarcane in Mato Grosso do Sul (Brazil).

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- Delimiting permanent preservation areas;
- Monitoring wetland areas;
- Building terraces at ground level or at a slope: it is a mechanical practice used to handle rainwater flows, controlling erosion processes;
- Road building in ridges: used for agricultural machinery traffic and field delimitation. To avoid erosion processes caused by rains, ridges are built at roads in order to channel water inside the fields, minimizing the risks of erosion processes and sedimentation of waterways;
- Plantation of cover crops (Crotalaria): this practice involves seeding special crops which are then incorporated to the soil and contribute to its production capacity, enabling nitrogen uptake, improving the soil structure, and favoring soil aeration and water infiltration. In turn, this practice improves soil fertility, enhances its biological activity, and protects it against the direct impact of rains.
- Compost leveraging the organic waste from the agro-industrial process, filter cake, and boiler ashes;
- Simple Class B liquid organic fertilizers obtained from the vinasse concentration process, in which a substantial portion of the water contained in this effluent is recovered and the returned to be reused in the industrial process, obtaining biofertilizer as an end product;
- Liquid effluent treatment, using water treated for other purposes, preventing the discharge of effluents in water bodies;
- Water circulation system for the industrial process, maintained in a closed loop.

3.4 Ongoing Improvement ^[102-11]

We strive for the ongoing improvement of our processes and activities, by monitoring, reviewing and adjusting them to comply with all applicable statutory requirements and other commitments undertaken by our Company.

We conduct periodic Integrated Internal Audits in our facilities, in order to see to the compliance with all legal requirements, our established procedures, and other commitments undertaken by Adecoagro. The audits revolve around issues related to food quality and safety, occupational health and safety, and environment.

Upon completion of an audit, auditors draft the respective reports detailing proposed improvements, which are then monitored through each facility's management plan.

In turn, we have deployed Management and Administration Software to handle all the documentation related to the Integrated System.

CERTIFICATIONS

In line with our sustainability vision, we have our Management Systems certified in order to guarantee the quality of our processes, and minimize risks and impacts on the jurisdictions where we operate.

We have the following certifications and implementations underway (described next):

CROPS AND RICE PRODUCTION

ISO 9001 Certification: Since 2007, we have been certifying our cereal and oil seed production under this standard in order to manage the quality of our processes and increase our customers' satisfaction through an ongoing improvement process.

RTRS Certified Soybeans. Since 2011, we have been certifying our soya under this standard. This is an international initiative by the main representatives of the soybeans value chain, including producers, industry, trade, finance and the civil society, in order to foster the sustainable use and growth of soybeans production, while also ensuring an environmentally friendly, socially acceptable, and financially viable production.



Franck Mill in Santa Fe (Argentina).



Vinhema Mill in Mato Grosso do Sul (Brazil).

RICE MILLS

Our rice mills are currently implementing the Global Market Standard. This certification ensures food safety across the entire supply chain.

- **Sedex Members Ethical Trade Audit (SMETA):** We receive audits from our customers under the SMETA standard. It is one of the social audit process most frequently used worldwide. It offers an internationally accepted method to assess the supply chain activities, including labor rights, health and safety, environment and trade ethics.

ETHANOL, SUGAR AND ENERGY

Bonsucro Certification: This is a global initiative focused on improving the social, environmental and economic sustainability of sugarcane and its by-products. This certification ensures buyers, suppliers and consumers that sugar and ethanol are produced with a view to comply with five main standards: legal compliance; impact on biodiversity and ecosystems; human and labor rights; production and processing efficiency; and ongoing improvement.

U.S. Food and Drug Administration: The FDA is a US federal agency responsible for regulating the food and drugs used in the country. By being registered with the FDA, we are allowed to export sugar to the US and other countries with equivalent requirements.

RFS2 – EPA is a standard implemented by the US Environmental Protection Agency (EPA) aimed at increasing biofuel production and consumption in the US. Sugarcane ethanol is a low-carbon renewable biofuel that may substantially contribute to reduce greenhouse gas (GHG) emissions.



We have our Management Systems certified in order to guarantee the quality of our processes.

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Low-Carbon Fuel Standard (LCFS): LCFS is part of the public policy of the state of California, US, to reduce GHG emissions. The standard seeks to achieve a 10% reduction by 2020 in carbon emissions from California transportation system to achieve the same levels as in 2010. Brazilian ethanol is considered as one of the least carbon-intensive fuels.

Green Seal: It is a certification granted to Brazilian power plants producing biomass energy which conduct business in accordance with energy efficiency criteria and good sustainability practices in agricultural and industrial activities. Certified Plants: Angelica and Monte Alegre.

Unidades Almacenadoras en el Ambiente Natural (UAAN) Certification: The UAAN certification ensures Adecoagro's customers that our warehouses were built in accordance with the rules and procedures established by CONAB (Companhia Nacional de Abastecimento, Brazil), strengthening our customers' trust and confidence. Certified Plants: Angelica and Ivinhema.

Register of Sugar Exporters to Colombia: Our Brazilian plants registered in the program for sugar exporters to Colombia meet the health requirements and controls on sugar production and storage process, ensuring its quality.

This register is a door to the Colombian market.

Organic Sugar: Since 2017, we have been certifying the organic sugar produced by the UMA de Minas Gerais plant. Organic products are manufactured under sustainability criteria, without agrochemicals or synthetic processing agents.

Certifications in Argentina

ISO 9001	RTRS
Certified Agricultural Farms: Carmen Abolengo San Carlos El Meridiano Las Horquetas Huelén Los Guayacanes La Rosa Oscuro Itá Caabó San Joaquín Ombú Doña Marina Semillero ITC	Certified Agricultural Farms: Carmen Abolengo San Carlos El Meridiano Las Horquetas Huelén La Rosa
Implementation underway in the following agricultural facilities: Santa Lucía La Guarida El Orden La Carolina	ISO 14001
	Implementation underway in: Biodigester (Free Stall # 1 & 2)
	GLOBAL MARKET
	Implementation underway in: San Salvador Mill Mercedes Mill Franck Mill
	SMETA
	Audited Plant: Franck Mill

Certifications in Brazil (Plants)

BONSUCRO	FDA	Organic Certification in Brazil
Monte Alegre	Monte Alegre	Monte Alegre
Angelica	Angelica	
Invihema	Invihema	

EPA	CARB
Angelica	Angelica

PRODUCT QUALITY AND SAFETY ^[416-1]

Food safety is an essential part of our business since, as an agri-food company, one of the main goals stated in our quality policy is protecting consumers' health.

By focusing on food safety, we primarily seek to analyze all potential physical, chemical and biological hazards that may endanger our products.

We have deployed the Hazard Analysis Critical Control Point (HACCP) to monitor each of the critical stages of the process and guarantee the safety of our products.

We apply the following practices in managing food safety:

- Guidelines and procedures available to our employees, which are stored in our corporate IT system;
- Infrastructure improvements through periodical audits of equipment and buildings.
- Cleanup plan detailing the areas to be cleaned, cleaning methods and elements, and the individuals responsible for each task.

- Employee training programs about operations, handling of chemicals, and plague control.
- Water microbiological testing, and microbiological monitoring of environment, personnel, equipment, raw materials and products, to validate the programs in place.
- We also have traceability processes to identify the raw materials used in finished products.

3.5 Supply Chain

Adecoagro's supply system is key to ensure the quality and safety of our products. Therefore, we take care of relationships and define internal procedures setting out the requirements our contractors and suppliers are bound to meet.

3.5.1 SERVICE PROVIDERS - CONTRACTOR MANAGEMENT

We seek to build long-term relationships with our contractors in order to increase our operational efficiency, improve the quality of our processes, and mitigate the risks inherent to our activity.

We have a procedure in place entitled "Rules for Contractors" applicable to all works or service contracts and to the contractors which are party to each of them. Such rules set forth several minimum requirements and standards on several subjects, and detail the respective responsibilities of each party to a contract.

These requirements are related to:

- Social and labor practices.

- Legal compliance.
- Non-discrimination and equal opportunities.
- Child and forced labor.
- Freedom of association and collective bargaining.
- Health, safety and environment.

We make sure our employees enjoy the rights afforded to them under applicable local laws and regulations, and international ILO standards, specifically endorsed by the countries in which we operate.

We have a training program in place for our contractors that deal with issues related to occupational health and safety, environment, and good practices in operations.

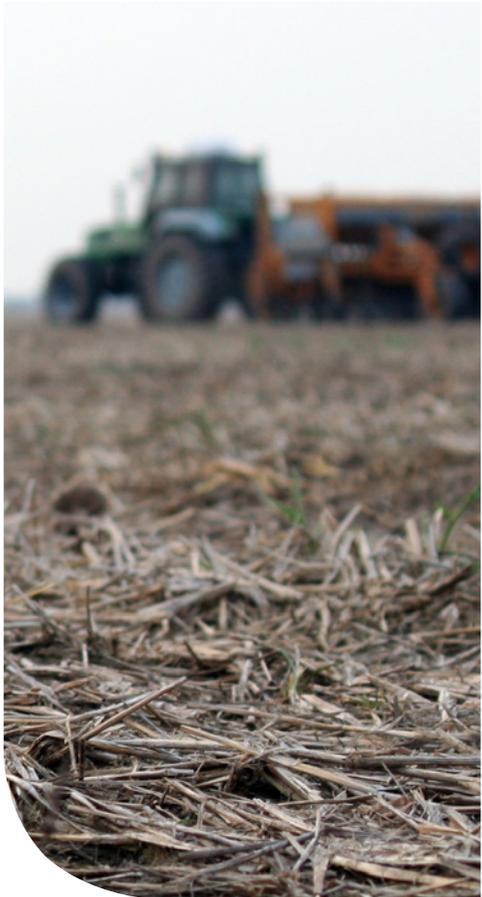
Some of these training courses include:

- **Good Practices for Agrochemical Use:** We have a "Procedure for the Responsible Use of Agrochemicals" in place which details the good practices to

be followed, respecting the safe distance for agrochemical application to protect the health and safety of the individuals handling these products.

We deliver annual training courses together with CASAFE (Chamber of Agricultural Health and Fertilizers). All contractors and individuals handling agrochemicals at our sites are invited to participate in these training sessions.

We review the quality of contractors' work and their compliance with Safety and Environmental issues for as long as they remain in our facilities. Contractors are periodically audited, and we recommend action plans to address the audit findings. In turn, upon completion of their engagements, contractors are assessed following the "Contractor Assessment" procedure. These practices foster contractors' development and ongoing improvement in our processes.



We have a procedure in place entitled "Rules for Contractors".

3.5.2 SUPPLIER MANAGEMENT

The needs or requirements of our production processes are handled expeditiously, under the firm commitment to retain companies who are in the constant search for improving performance and sustainability.

As a market differentiating strategy, Adecoagro seeks to run its processes at the least possible cost; therefore, managing the cost of supplies is one of the most efficient methods to gain competitiveness.

In turn, we have a Procurement Policy in place which sets out the guidelines for managing several supplies used in our agricultural, industrial and administrative processes.

At each negotiation round, we carry out a cost assessment and review the outcomes through benchmark studies, analysis of indicators, and cost savings studies. The outcomes of these efforts are reported to the several business units in technical reports developed by the Procurement area.

[102-9] We have 4,759 suppliers in Argentina and Uruguay, 95% of which are local suppliers.

[204-1] In Argentina, 98% of expenses are incurred in local suppliers; in Uruguay, 15% is incurred in local suppliers.

INFORMATION ON MATERIALS USED IN 2018 ^[301-1]
ARGENTINA AND URUGUAY

Type of non-renewable material by item	Quantity (kilograms)	Quantity (liters)
Farm Production ⁽¹⁾	7,975,038	49,531,190
Fertilizers		35,103,216
Fuel and oils	1,353,217.68	11,794,842
Seeds	6,621,820	
Agrochemicals		2,633,132
Free Stalls	47,124,275	305,589
Supplements ⁽²⁾	39,572,252	
Silage and wet grains	4,183,295	
Mineral Concentrates ⁽³⁾	3,368,728	
Cleaning chemicals		305,589
Balanced feed		
Industry	6,190,810	
Packaging ⁽⁴⁾	3,560,990	
Flour	2,629,820	
Total	61,290,123	49,836,779

⁽¹⁾ Crops and rice production.
⁽²⁾ Feed supplements: Gluten Feed, flour and soybeans pellets.
⁽³⁾ Vitamin concentrates for lactation, milking and pre-delivery.
⁽⁴⁾ Packaging of products for sale in domestic market.

BRAZIL

Type of non-renewable material by item	Quantity (kilograms)
Packaging	
Angelica	-
Monte Alegre	147,793
Ivinhema	-
Lubricants	
Angelica	48,870
Monte Alegre	193,781
Ivinhema	58,170
Supplies	
Angelica	8,333,559
Monte Alegre	1,766,307
Ivinhema	3,369,188
Total weight of non-renewable materials used	13,917,668

Type of renewable material	Quantity (kilograms)
Wood chips	
Monte Alegre	8.253.430
Total weight of renewable materials used	8.253.430



SECTION 4
Our Team



People are our most valuable asset. They define our spirit and identity. We believe the only way to achieve our goals is by offering a suitable and safe work environment that favors the professional and personal development of our employees, to build a strong team committed to our goals and values under challenging scenarios.

In this regard, our actions are guided by our Integrated Policy, our Code of Ethics and Conduct, and our Values.

Personal and professional development, ongoing support and training, a dynamic work environment, and the opportunities we offer, are some of the tools we rely on to retain employees.

4.1 Our Employees ^[102-8]

We have over 7,700 direct employees in Argentina, Uruguay and Brazil.

Below is a detail of some indicators related to our team and its geographic distribution:

4.1.1 AS PER TYPE OF EMPLOYMENT CONTRACT AND GEOGRAPHIC DISTRIBUTION ^[102-41]

Employees by Gender

■ Men
■ Women



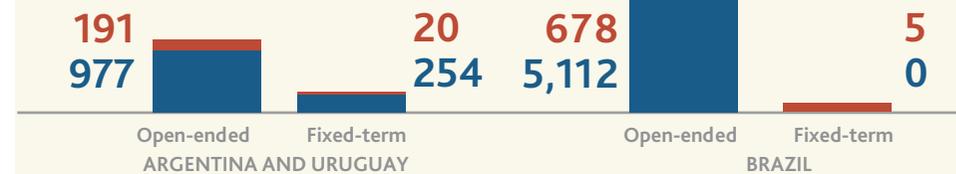
Employees by employment contract and by region

■ Open-ended Term
■ Fixed-term



Employees by employment contract and by gender

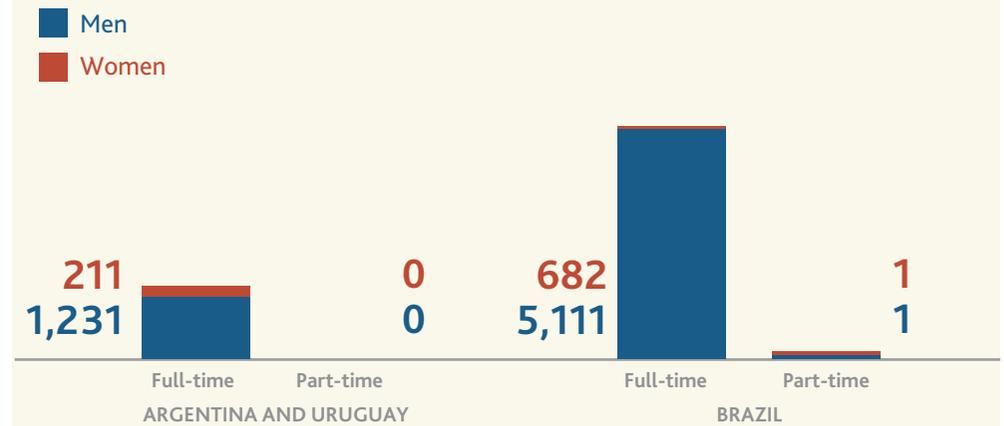
■ Men
■ Women





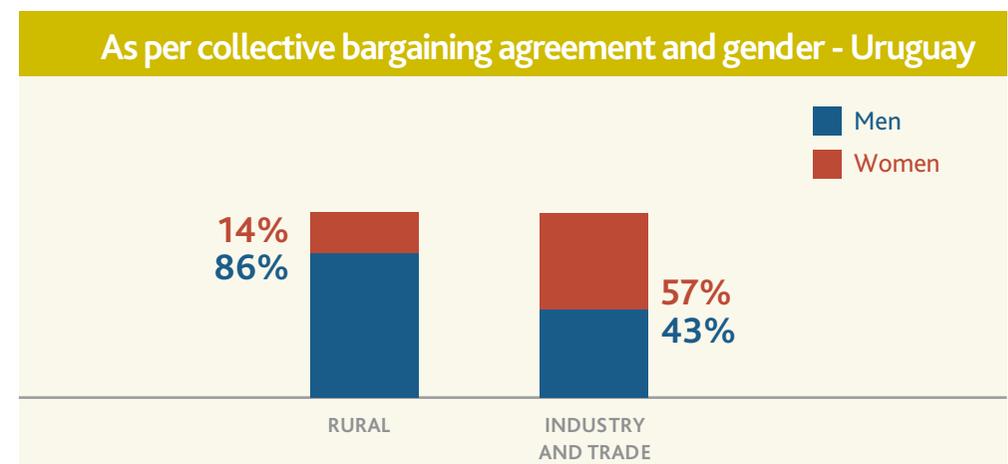
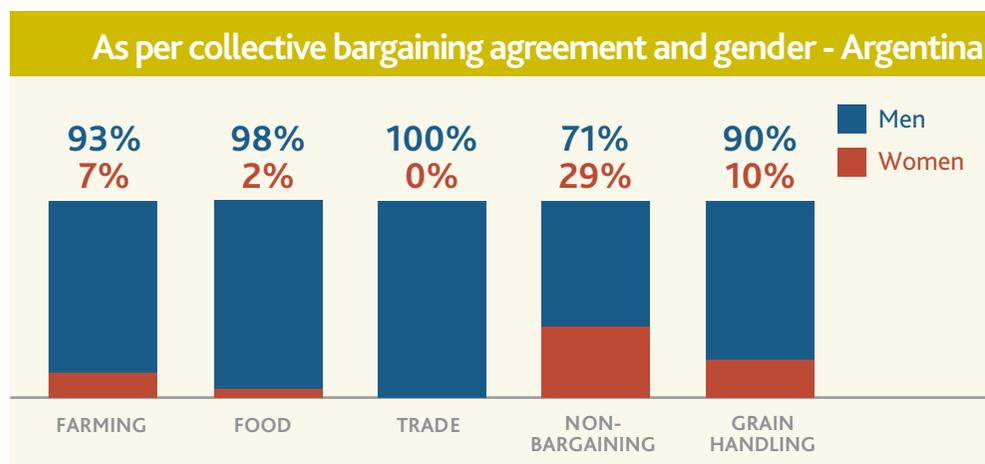
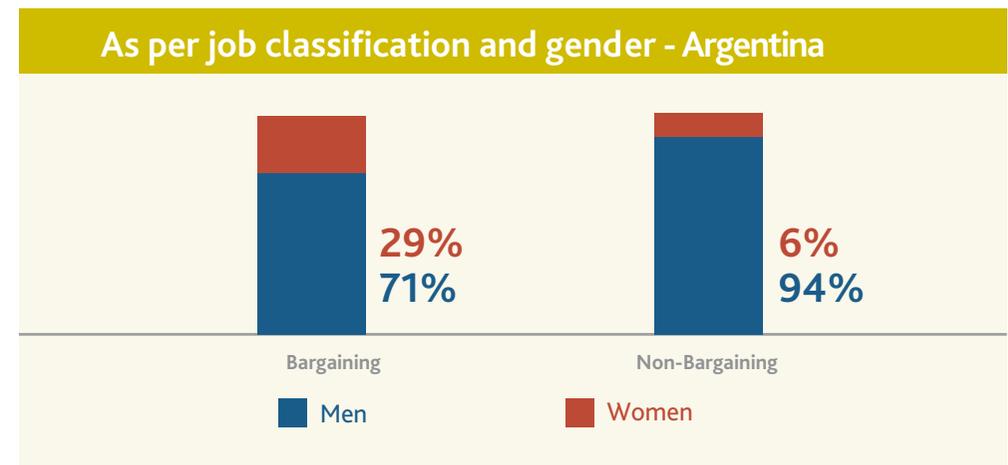
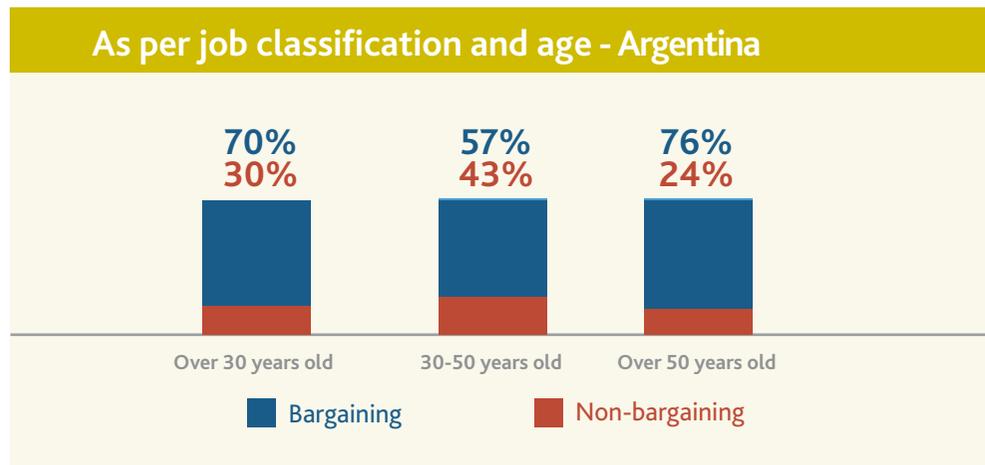
Adecoagro members in Ivinhema, Mato Grosso do Sul (Brazil).

Employees by employment contract and by gender



In Argentina and Uruguay, 64% of our employees are subject to collective bargaining agreements. In Brazil, all employees are subject to collective bargaining agreements.

4.1.2 AS PER JOB CLASSIFICATION AND GENDER [405-1]



LABOR CATEGORIES BY GENDER - BRAZIL	% Men	% Women
Senior Management Team	100	0
Managers	83	17
Supervisors	90	10
Coordinators / Team Leaders	93	7
Leadership	73	27
Operations	88	12

4.2 Human Capital Management

The HR department strives to offer safe working conditions, adequate breaks, ongoing development, salaries tied to job responsibilities, and career opportunities.

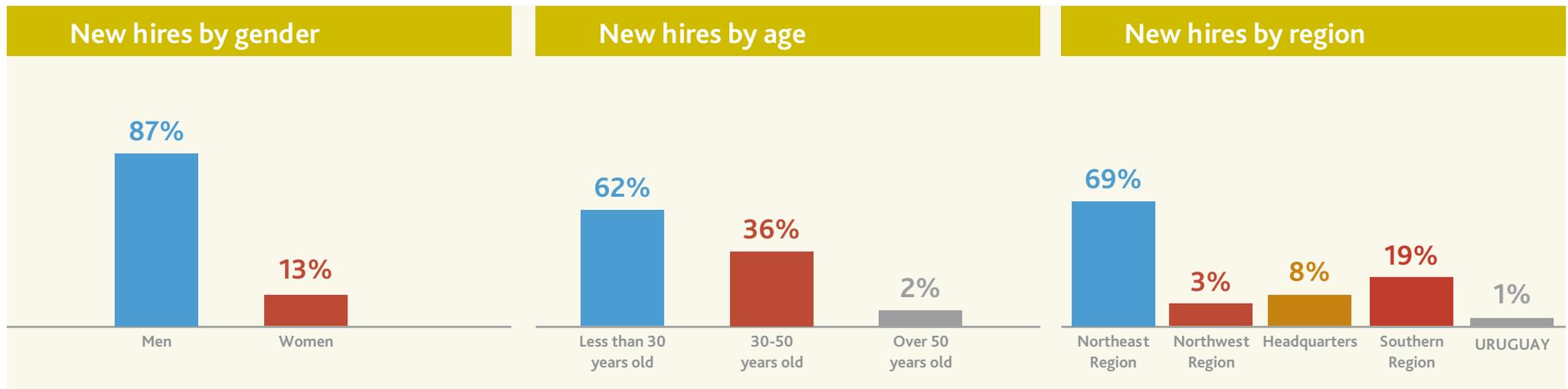
Beyond legal requirements, we seek to update our employment practices offering benefits, investing in our employees' Standard of Living, and fostering their development. In addition, we strive to build adequate and meaningful relationships with the trade unions representing our employees.

Our human capital management practices are guided by policies and procedures that describe what we expect from our employees and clearly state the terms of employment.

4.2.1 MANAGEMENT AND RETENTION INDICATORS ^[401-1]

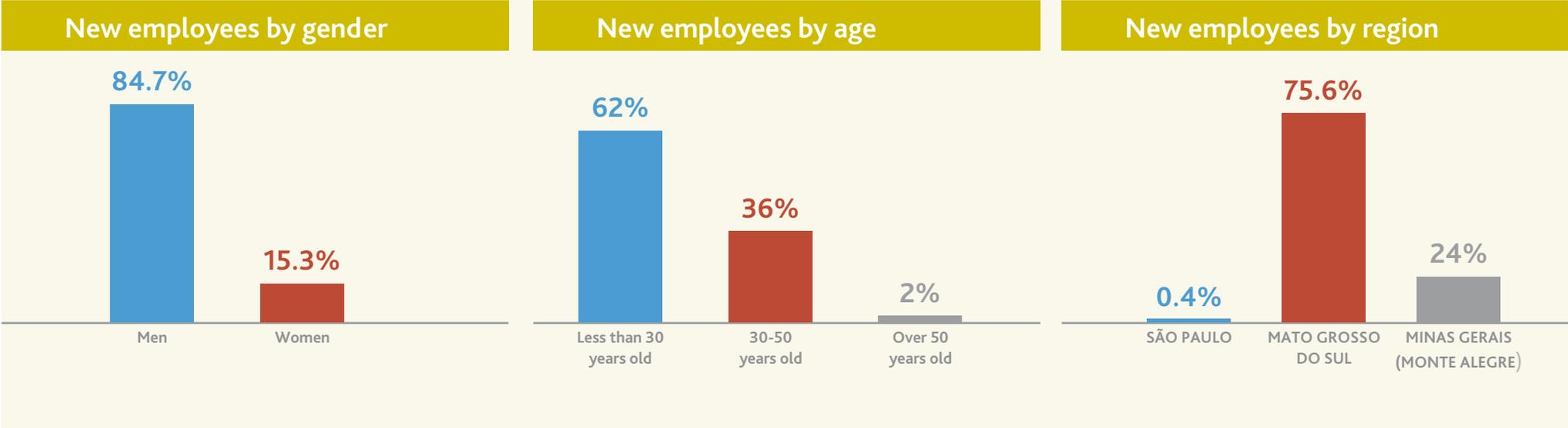
The HR department maintains monthly management indicators, including attrition and turnover rates, analysis of employee termination reasons, replacement costs, and other people management indicators. These indicators are submitted to and discussed with several leaders, devising action plans in order for people management to be more strategic and aligned with the challenges faced by each business and the company.

Hiring Rates - Argentina and Uruguay



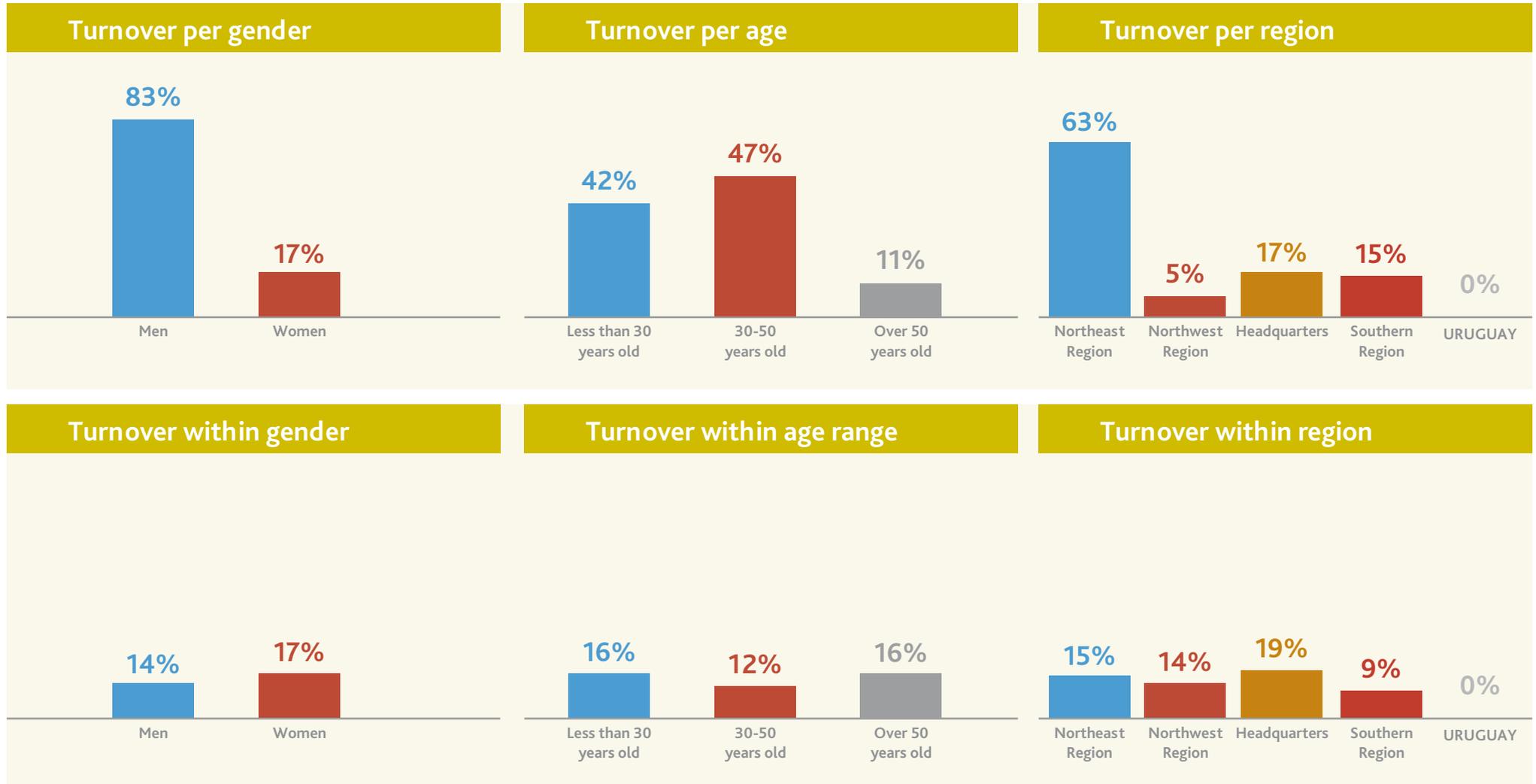
Ratios calculated on the basis of total new hires or turnover on total payroll at period-end in each case.

Hiring Rates - Brazil

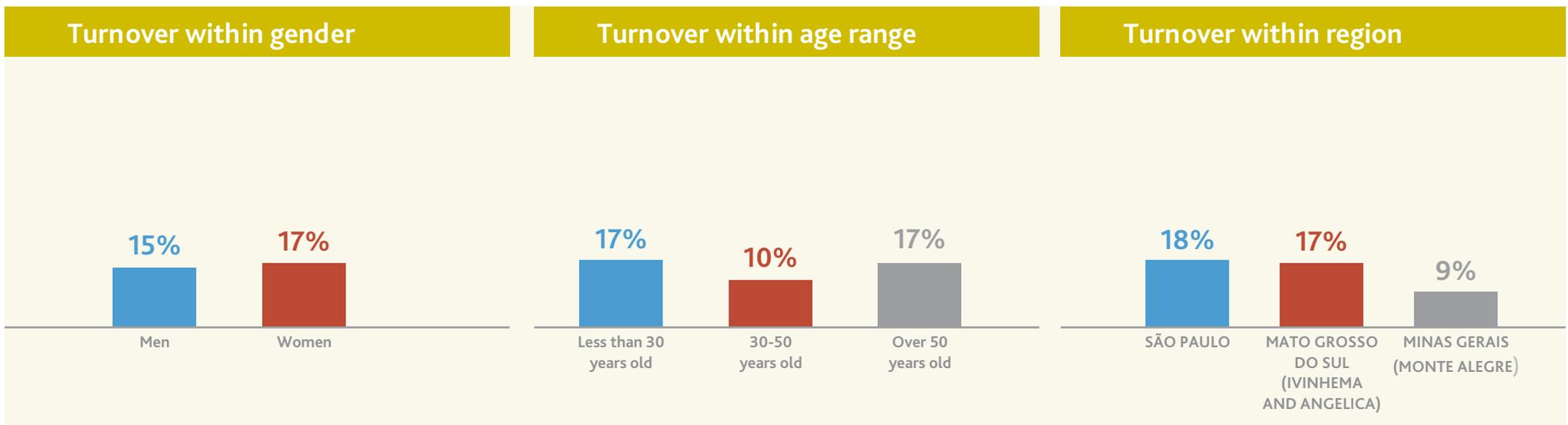
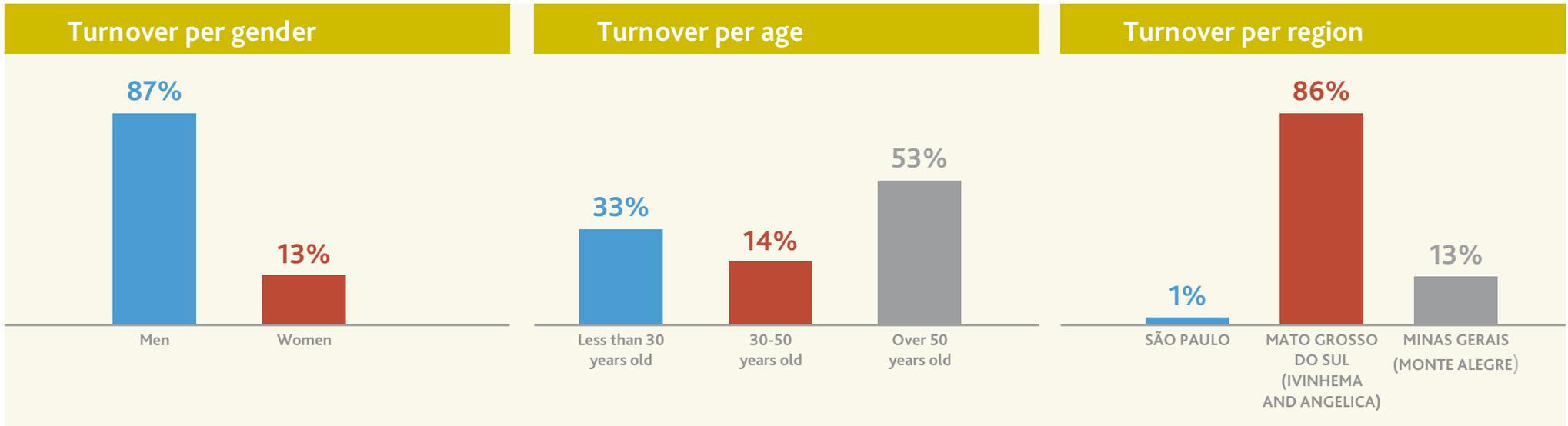


Ratios calculated on the basis of total new hires or turnover on total payroll at period-end in each case.

Turnover Rate - Argentina and Uruguay



Turnover Rate - Brazil



4.3 Benefits and Rewards ^{[405-2] [202-1]}

At Adecoagro, we comply with applicable laws and regulations governing local minimum wage. Salaries are calculated in accordance with collective bargaining, **with no difference between the basic pay earned by women and men.**

Ratio of entry level to local minimum wage by gender	ARGENTINA ¹	URUGUAY ²	BRAZIL ³		
			Monte Alegre	Minas Gerais	São Paulo
	100%	120%	106%	128%	191%

⁽¹⁾ Argentina: the minimum wage used in the calculation is that prevailing since 1/07/2018: \$10.000 (Argentine Peso).

⁽²⁾ Uruguay: the minimum wage used in the calculation is that prevailing since 1/01/2018: \$13.430 (Uruguayan Peso).

⁽³⁾ Brazil: reported data is broken down due to pay differences among regions. The minimum wage used in the calculation is R\$ 954 (Brazilian Real).



Adecoagro members in Mato Grosso do Sul (Brazil).

We strive to offer attractive employment conditions to retain our talents. Therefore, we seek to distinctively reward high-performing employees, to satisfy our needs for qualified and engaged professionals.

We have an employee compensation policy in place that clearly defines the criteria for managing positions and salaries, seeking internal and external consistency with the employment market.

In order to improve our employees' Standard of Living and in line with our retention plan, we offer benefits consistent with best market practices.

Some of these benefits include:

- World-class medical and dental insurance for the entire family group;
- Prescription assistance;
- Cafeteria, lunch or meal vouchers, depending on the production unit.
- Transportation;
- Life insurance;
- School kits for our employees' children,
- Discounts on gyms, fruits at the office and other healthy life habits.

4.4 Maternity and Paternity Leaves 2018 ^[401-3]

Argentina and Uruguay

Breakdown of maternity/paternity/parental leaves 2018	Men	Women	Total
Employees entitled to parental leaves in 2018	1,230	211	1,441
Employees that took parental leaves in 2018	25	9	34
Employees that returned to work in 2018 after their leaves	25	8	33
Employees that returned to work in 2017 after their leaves	41	8	49
Employees that returned to work in 2017 after their leaves and that have retained their jobs 12 months after returning to work	36	4	40

Return-to-Work and Retention Rates in 2018 (%)	Men	Women	Total
Return-to-Work Rate	100%	89%	97%
Employee Retention Rate	88%	50%	82%

Brazil

Breakdown of maternity/paternity leaves 2018	Men	Women	Total
Employees entitled to parental leaves in 2018	5,081	670	5,751
Employees that took parental leaves in 2018	314	27	341
Employees that returned to work in 2018 after their leaves	210	27	237
Employees that returned to work in 2017 after their leaves	229	17	246
Employees that returned to work in 2017 after their leaves and that have retained their jobs 12 months after returning to work	229	17	246

Return-to-Work and Retention Rates in 2018 (%)	Men	Women	Total
Return-to-Work Rate	67%	100%	70%
Employee Retention Rate	100%	100%	100%

4.5 Training and Development ^[404-1]^[404-2]

At Adecoagro, we are convinced that our business success is closely tied to the development of our employees. We will only achieve excellence in our processes through our employees, appreciating their ideas and suggestions and building high-performing teams, through reciprocal cooperation and commitment. We are committed to creating a work environment that drives creativity, engagement and trust, to achieve the results desired by all stakeholders.

Therefore, we offer our employees several training courses, technical education and behavioral programs that contribute to the development of our team, and that ensure that we are all equipped with the required knowledge to carry out our activities and business.

All employees go through an onboarding and training process before assuming their roles. This includes overall information on the company and guidance as to Health, Safety and Environment, Standard of Living and Social Responsibility, Training and Development, Communication and Employment Practices standards and programs.

As a result of the performance reviews, we map training and development requirements every year, together with each area head. This mapping exercise results in our employee training and development plan.

In doing this, we seek to build an outstanding team maximizing their existing strengths and minimizing opportunities for improvement.

Through our training and development policy, we strive to develop training courses which also contribute to the communities in which we operate, including, for instance, incentives to new graduates, technical courses, theoretical and hands-on education for several positions, leadership development, environment, health, and the relevant behavioral skills.

For instance, in the region where the Angelica and Ivinhema mills are located, there are scarce qualified professionals meeting the requirements and skills required for our several positions.



Training program in Brazil.



Training on the correct use of machinery and elements in Brazil.

This is due to the fact that the region is comprised by cities with less than 25,000 inhabitants, with limited technical training or higher-education offerings, and few institutions that offer training and development opportunities. Accordingly, the main focus of the training process is placed on developing new professionals and retraining our current employees in leadership positions and mechanized farming. We also offer scholarships, specific technical courses and other types of training.

At the **Monte Alegre Unit (MG)**, our focus is on leadership development and succession plans as it is an almost centenary unit with many managers in retirement.

Most of our projects are related to training and development, and are created with a view to minimizing the impact of the gap between the required qualifications for our business and the employability of community members and our employees.

The Talent Pool process carried out in Brazil is intended to identify each employee's career growth potential through a peer assessment process.

This is an utterly important People Management tool. In addition to providing organizational information for succession, training and development plans, Talent Pool also allows to identify infrastructure and mobility needs and career prospects, while also ensuring the development of business leaders.

At a glance, Talent Pool answers questions which are essential to the human capital strategy.

After training needs have been identified and following completion of training courses, we measure the efficiency of these actions.

The Training and Development procedure is subject to internal and external audits. Most of the actions taken have mapped indicators which are regularly monitored and assessed. In most cases, we conduct pre- and post-test learning assessments, and reaction and efficiency assessments to guarantee that the expected results are actually achieved and that the process adds value. ●

Training - Argentina and Uruguay

Category	Men-hours	Average hours per employee
Directors	80	13
Managers	1,150	31
Supervisors	3,100	18
Analysts	3,596	6
Operations	9,900	15

In Argentina and Uruguay, the training program is sorted out in 5 groups: Quality, Technical, Human Resources, Integrated Management System, and Occupational Health and Safety.

Within each of these groups, we deliver training on:

QUALITY

- Good Manufacturing Practices
- Quality System Implementation
- 5S Basics
- Introduction to HACCP
- Operating and Quality Procedures
- Operating Standardized Sanitation Procedures

- Cleanness and tidiness
- Food Safety System
- Thermometer Calibration
- Fumigation
- Gluten-free Food

GTA

- Analysis of several crop harvest-year
- Fertilization Workshop
- Cubic capacity (storage)

HR

- Update on Labor Issues
- Human Resource Management
- Coaching
- International Trade
- Excel
- Income Tax
- Languages

- Leadership
- Master Degree in Economics
- Senior Management Post-Graduate Studies
- Strategic Management Post-Graduate Studies
- HR Post-Graduate Studies

INTEGRATED MANAGEMENT SYSTEM

- Integrated Policy Communication
- Waste Management
- Introduction to ISO 9001
- Introduction to the Integrated Management System
- RTRS (Round Table on Responsible Soy-bean Association)

OCCUPATIONAL HEALTH AND SAFETY

- Ergonomics
- Rodent-transmitted Diseases

- Accident Investigation
- Safe Handling of Agrochemicals
- Safe Operation of Tractors
- Load Handling
- Emergency Plan
- Fire Prevention
- Hazard Prevention
- First Aids
- Occupational Health and Safety Roles
- Personal Health
- Rice Dryers
- Work at Height
- Use of Forklifts

In Brazil, training programs are primarily focused on the following issues:

- Training program for new hires
- Mechanized maintenance of agricultural machinery
- Machinery and equipment maintenance
- Harvester Operator
- Automotive Maintenance Technician
- Automotive Electricity Technician
- Driver
- Administration and Logistics
- Trainee Leader, for new growth opportunities for our employees
- Scholarships: college and postgraduate studies, MBAs, technical and language programs, both locally and abroad.
- Safety, Health and Environment
- Hearing Protection
- Hand Care
- Accident Prevention
- Standard of Living and Social Responsibility
- Professional Training: congresses, seminars, accounting, computing, law, etc.
- Young Trainees: training for the community teens to develop future talents
- Leadership
- Ongoing Improvement Teams
- Internal awareness campaigns on Occupational Safety, Selective Waste Collection, Oral Health, "Nós cuidamos da cana" (Taking Care of the Sugarcane), among others.

Training - Brazil

Category	Men-hours	Average hours per employee
Directors	157	52
Managers	1,846	59
Supervisors	6,834	83
Team Leaders	33,498	66
Operations	274,265	55

4.6 Performance Reviews [404-3]

Every year, all our employees at centralized areas or senior staff are subject to performance reviews. These reviews provide the HR department with information on training, retention, reward and internal mobility plans.

The appraisal is based on the employee's performance with respect to the goals set for his/her position and skills associated with our corporate values.

In Brazil, we used the Talent Pool Program to assess employees with leadership level and Sr Analysts, accounting for 10% of Brazil's total headcount.

In Argentina and Uruguay, we assessed all non-bargaining employees.

698 senior managers and analysts are evaluated in the talent pool process - Develop Program (career, succession and development) conducted annually since 2014.

Operational employees will be assessed on 6 organizational competencies and goals or objectives in the Performance Appraisal process that will begin in 2020.



Our employees are subject to performance reviews.

4.7 Employees' Health and Safety ^[403-1] ^[403-2] ^[403-3]

Pursuant to the commitment undertaken and documented in our Integrated Policy defined by our senior management and other country-specific policies, we seek to foster occupational health and safety by improving our processes and work environment.

We have professionals in place responsible for the Occupational Health and Safety areas of our several business units. We periodically check the hazards associated to each job, including unsafe behaviors displayed by our employees. Based on this, we schedule several actions to eliminate or minimize the existing risks in our operations, in order to achieve a zero-accident goal. ●

4.7.1 ANALYSIS OF RISK FACTORS

In our operations in Argentina, Brazil and Uruguay, there are no jobs with high exposure to or risk of developing serious diseases.

In spite of this, as required by Brazilian laws, every year Adecoagro deploys the Environmental Risk Protection Program (PPRA) (physical, chemical and biological risks). The goal of the program is understanding and determining control measures on risk agents by job position to which employees

are exposed. We also implement the Medical and Occupational Health Monitoring Program (PCMSO) to check on the occupational health of our employees.

In Argentina and Uruguay, we are required to file an annual Statement of Risk Agents (physical, chemical and/or biological) to which our employees are exposed during working hours and/or by job position. On the basis of such statements, the workers' compensation insurer (ART) defines the medical checks that should be made in order to protect the health of our risk-exposed employees. ●

4.7.2 TRAINING AND FOLLOW-UP TO PREVENT ACCIDENTS

In line with our Occupational Health and Safety Policy, Adecoagro fosters the ongoing education, development and training of our employees.



Employees in Pilarica plant in Buenos Aires' province (Argentina).

We have an annual training plan in place which defines the training needs of each business, on the basis of the risks associated to each job position.

Some of the issues on which our employees receive training include:

- Development and purposes of Occupational Health and Safety programs;
- Workers' rights and employer's obligations;
- Use of personal protective equipment
- Prevention of unsafe behaviors and conditions to prevent accidents;
- Fires and how to combat them with fire extinguishers, hydrants, etc.;
- Safety in fuel loading and unloading operations;
- Procedures related to work at height, enclosures, hot work, equipment lockout and tagging, machinery handling, etc.;
- Man overboard (rescue procedures for employees working at pumping stations), etc.
- Responsible use of phytosanitary products;
- Safe car driving;
- Safe operation of tractors, heavy machines and forklifts.

We periodically conduct internal and external audits in order to see to the compliance of established procedures and applicable requirements. Based on the results of these audits, we define work plans at each area or sector. Improvement actions are then proposed both in management and facilities to ensure our employees' safety. ●

4.7.3 MIXED OCCUPATIONAL HEALTH AND SAFETY COMMITTEES ^[403-1]

All sugar-ethanol units in Adecoagro Brazil have Occupational Health, Safety and Environment Committees (SSTMA) comprised by supervisory and managerial levels. These committees hold monthly meetings.

In addition to the SSTMA committees, all units have Internal Accident Prevention Committees (CIPA) in place, comprised by employees at all levels of the organization, which represent workers and the employer on an equal basis. Below is a detail of the scope of action of each existing committee.



Employee training to improve his job processes.

In Argentina, we currently have two Mixed Occupational Health and Safety Committees. Both committees are based in two facilities located in the province of Santa Fe: Molino Franck and Carmen.

These committees hold quarterly meetings with the attendance of their several members (Business Manager, Head of Occupational Health and Safety, and employees or their representatives). The purpose of these meetings is putting forward opportunities for improvement in connection with the respective issues or concerns.

At Adecoagro Brazil, all employees are represented at Occupational Health and Safety Committees and at Internal Accident Prevention Committees (CIPAs) by professionals rendering Specialized Services in Occupational Safety Engineering and Occupational Health (SESMT).

The mixed safety committees in place in Argentina also represent all of our employees from such facilities (Molino Franck and Carmen).



ACCIDENT RATIOS

At Adecoagro, we have procedures in place to act upon occupational accidents/incidents. We have the necessary procedures to analyze the root-cause of accidents, propose improvement actions, and see to their implementation in order to prevent recurrence.

The following indicators are monthly monitored by the Occupational Health and Safety team, which are based on the information and/or accidents recorded during the period.

Rate of days lost due to accidents at work

Business Unit per Country	Accident Frequency Rate (AFR) ¹	Rate of days lost due to accidents at work
Rice industry (Argentina)	29	1.5
Rice production (Argentina)	12	1
Free Stall (Argentina)	20.5	0.5
Agriculture (Argentina and Uruguay)	0	0.2
Livestock (Argentina)	14	0.4
Sugar and ethanol (Mato Grosso do Sul, Brazil)	10.6	0.1
Sugar and ethanol (Minas Gerais, Brazil)	8.4	0.1

Absenteeism

In 2018, the absenteeism rate across all Adecoagro's sites stood at 3.95%, including sick leaves, excused and unexcused absences, suspensions, and workers' compensation leaves.

⁽¹⁾ Accident Frequency Rate (AFR): Number of accidents times worked hours by all workers by business. In labore accidents are considered only, excluding in itinere accidents or first aids.



SECTION 5
Environment

Environmental Management

At Adecoagro, we are aware that our operations have an impact on the environment; therefore, we strive to analyze the impact of our operations in order to prevent it and/or minimize it.

Our actions and decisions in this regard are guided by our Environmental Policy, which sets forth specific requirements in connection with the adoption of suitable practices to streamline the use of natural resources, improve energy efficiency, encourage the prevention of pollution, and foster the use and production of renewable energy.

This policy serves as our environmental management framework, and is implemented through procedures that establish modus operandi and work plans with business-specific goals, objectives and indicators.

All our environmental management actions are regularly monitored through controls and internal and external audits, to see to the compliance with applicable laws and regulations and specific requirements (such as some certifications and standards promoted by the World Bank).



No Till planting.

5.1 Soil Management

As land is one of our main assets, we are committed to implementing an efficient and sustainable management approach. Therefore, by taking care of soils, we can achieve high productivity levels, with low environmental impact.

In this regard, our production is focused on efficiency and we strive to use appropriate levels of technology for soil utilization and preservation.

Some of our soil preservation practices include:

- **Land Transformation and Use of Productive Soil.** Our soil utilization strategy consists for selecting the best crop or production for each environment. By implementing good practices suitable to each type of environment, we seek to increase the productivity of each of them.
- **No Till:** this technology is implemented in crop production areas, as it allows us to increase efficiencies and improve soil productivity. The residues that cover the soil help reduce the risks of water and wind erosion, while also increasing rainwater uptake. As residues are naturally and slowly incorporated to the soil, it turns into organic matter, improving soil fertility over the time and, hence, enhancing its productive potential, while also reducing the need for using gasoil or agrochemicals.
- **Crop Rotation.** We establish a crop rotation plan at each of our facilities, considering soil properties, topography, weather conditions, weeds and plagues. In this way, we manage to control the dynamics of each facility, minimizing the need for chemical controls typical of monocultures or unscheduled rotations, while also developing the productivity of environments with limiting factors, such as the lowlands traditionally used in livestock activities.
- **Rice-over-Rice System:** specially designed for rice flat lands, with ongoing nutritional balance monitoring by ongoing tracking of several nutrients, availability analysis, annual changes from field to field, and variable fertilization.
- **Balanced Fertilization:** We define fertilization levels based on each productive soil and their expected yields, considering predecessor crops and analyzing each field in order to incorporate the required nutrients, at the appropriate time to ensure optimal utilization.
- **Precision Farming:** Most of our agricultural machinery is equipped with GPS technology, resulting in a more efficient utilization of supplies, by reducing overlapping and/or failing areas. In addition, by using this technology, fertilization can be achieved at variable doses within the same field, on the basis of soil and yield map analyses to optimize the efficiency of the fertilizer in use.
- **Use of Biofertilizers:** the use of this technique helps improve the balance of soil nutrients while reducing fertilization costs, and is implemented in agricultural areas where we produce the main feed for the free stalls, as well as in sugarcane production. In sugarcane production, we have managed to increase the vinasse application area, through previous vinasse concentration. This reduces the need for and the costs of land transportation, while also mitigating the risk of soil saturation and increasing the agricultural productivity of sugarcane areas.
- **Cover crops:** we rely on this practice for weed management, uncovered soil protection, carbon balance, and reduced use of agrochemicals. This harvest-year, we applied this practice in 5% of the area during 2017, and in 2018 we increased that number to the 25% of the area.

5.2 Use of Resources

We are aware of the global environmental problems resulting from the current consumption levels of natural resources.

At a global level, we consume more natural resources than our planet can provide. Based on these facts, we are committed, as a company, to streamlining the use of natural resources in our operations.

First of all, we identify how and to what extent we use natural resources; then, we develop actions, good practices and controls through rigorous indicators across the entire operation and across our several processes.

Energy

We produce large amounts of renewable energies, particularly ethanol, but also electricity, and have a strong role in the region's energy sustainability. We produce ethanol from sugarcane, which has a very high energy efficiency. Our renewable energies are primarily generated from sugarcane bagasse and biogas from milking cows manure, though to a lesser extent. Our production of renewable energies not only covers some local demand, but also generates an excess that is marketed to the local grid.

At present, we manage information on energy consumption across all our business units and facilities connected to the electricity grid, and information on fuel consumption in our processes.



Renewable energy in Brazil.

ARGENTINA ^[302-1]

Source of Energy	Consumption in Original Measurement	Unit	Conversion Factor ⁽⁵⁾	Consumption Amount (GJ)
Natural gas ⁽¹⁾	2,787,980	m ³	0.032	90,407
Diesel ⁽²⁾	5,067,885	liters	0.032	182,845
Gasoline ⁽²⁾	131,367	liters	0.036	4,183
LPG ⁽³⁾	1,248,779	Kilograms	0.025	30,738
Electricity ⁽⁴⁾	37,377,121	kWh	0.004	134,558
TOTAL				442,731

⁽¹⁾ Natural Gas: it corresponds to consumption in processes at Las Horquetas, Molinos Franck and San Salvador.

⁽²⁾ Diesel and Gasoline: 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 direct data on fuel consumption by our own vehicles, as arising from the respective invoices, in addition to agricultural machinery data, calculated on the basis of the estimated number of liters to be consumed vis-a-vis the planted area.

⁽³⁾ LPG (Liquefied Petroleum Gas): it corresponds to LPG consumed for processes in the storage plant, Molino Mercedes and, to a lesser extent, to LPG consumed in heat generation at one of our grain facilities.

⁽⁴⁾ Electricity: consumption across all operations and facilities connected to the grid.

⁽⁵⁾ Sources: Ministry of Energy and Mining. Office of the Argentine President.

Third National Release on Climate Change. Argentine Secretariat of Environment and Sustainable Development.

BRAZIL ^[302-1]

Source of Energy ⁽¹⁾	Consumption in Original Measurement	Unit	Conversion Factor ⁽²⁾	Consumption Amount (GJ)
Purchased electricity Angelica	2,957,000	kWh	0.004	11,828
Purchased electricity Ivinhema	2,699,000	kWh	0.004	10,796
Purchased electricity UMA	1,506,000	kWh	0.004	6,024
Self-generated electricity Angelica	462,412,000	kWh	0.004	1,849,648
Self-generated electricity Ivinhema	176,931,000	kWh	0.004	707,724
Self-generated electricity UMA	66,005,490	kWh	0.004	182,648
Electricity sold Angelica	308,070,000	kWh	0.004	1,232,280
Electricity sold Ivinhema	364,354,000	kWh	0.004	1,457,416
Electricity sold UMA	45,661,900	kWh	0.004	182,648
Diesel Angelica	435,714	liters	0.00004	17
Diesel Ivinhema	777,175	liters	0.00004	31
Diesel UMA	4,773,000	kcal	0.00004	190
Biomass Angelica	35,084	tons	0.007	245,588
Biomass Ivinhema	1,497,276	tons	0.007	10,481
Biomass UMA	297,180	kcal	0.007	2,080
Self-generated steam Angelica	2,904,496	tons	3.365	9,773,629
Steam Ivinhema	2,915,177	tons	3.365	9,809,571
Steam UMA	-	tons	3.365	
Total Angelica	-			13,112,990
Total Ivinhema	-			11,996,019
Total UMA	-			373,590
TOTAL BRAZIL	-			25,482,599

⁽¹⁾ Electricity: industrial park. Steam: industrial processes.⁽²⁾ <http://webcalc.com.br/Conversoes/form/energia> y <http://www.antoniolima.web.br.com/arquivos/podercalorifico.htm>



Rice.

Water

At Adecoagro, we believe water plays a key role in sustainable development; therefore, preserving this resource is utterly important in the light of the existing water access challenges.

Against this backdrop, we strive to adequately manage water consumption in our activities, taking care of the impact of our effluents in order to prevent environmental pollution, while leveraging a portion of such effluents to recover nutrients that then return to the soil as fertilizers.

Rice

Total average water consumption in rice irrigation is approximately 9,000/11,000 m³/ha.

This figure includes the amount of water perspired by the crop to produce biomass, evaporation, and losses from water infiltration and supply to the farm. It also includes the required volume of water to maintain a constant sheet of water during the entire crop cycle, for 90-100 days, and on an ongoing basis.

Total water consumption for irrigation depends on the applicable management strategies. To ensure the correct management of irrigation water, we work on the following processes:

- Irrigation initial time (3-4 actual leaves)
- Irrigation speed: (48-72 hours to complete frames)
- Sheet of water height (5-15 cm)
- Ongoing irrigation
- Loss control
- Irrigation end time (15 days after blooming)

Dairy

At present, we do not have indicators available showing our actual water consumption in our business activities.

Yet, we plan to install flow-meters in water pump wells for a better consumption analysis. In addition, we are developing additional pivots to irrigate with the liquid biofertilizer produced in our facilities across a larger number of hectares.

In the future, we also plan to develop methods and technologies to identify a responsible use of water and take better advantage of rainwater.

Sugar and Ethanol

Water is an utterly important natural resource for the operation of our plants, as it is a source of steam, fosters industrial development, and provides a source of energy. We encourage the rational and controlled use of water in order to reduce consumption.

WATER CONSUMPTION DATA 2018 ^[303-1]

Managed data until 2018 is related to water consumption in free stalls, and water consumption data from irrigation pump flow-meters and reservoir water balance at rice facilities.

In Brazil, managed data is related to water consumption in processes at the Angelica and Ivinhema plants, from the collection of underground and waste water, and surface and underground water at the Monte Alegre/MG plant.

Water withdrawal by source type in m ³ (*)	ARGENTINA	BRAZIL	Total
Surface water	257,591,740	471,987	258,063,727
Underground water	4,345,469	4,250,954	8,596,423
Total water withdrawal			266,660,150

(*) The data corresponds to Argentina and Brazil. At present, we do not manage water consumption in grain operations in Uruguay or other processes.

Water recycled and reused ^[303-3] (*)	Argentina	Angelica and Ivinhema plants	Monte Alegre plant
Volume of recycled and reused water (m ³)	74,860,960	2,781,222	357,265
Total water withdrawal (m ³)	336,727,369	2,781,222	505,208
Percentage of recycled and reused water (%)	22%	100%	71%

(*) Water is reused by way of a closed-loop system.



Biodigester in Santa Fe (Argentina).

Effluent Management ^[306-1]

Adequate effluent management is key to prevent environmental pollution, and to take advantage of such effluents as biofertilizers. Due to their composition and volume, effluents require treatment before disposal, both as biofertilizers or for discharge to water bodies. Poor effluent management may damage soils, and surface and underground waters.

Our effluent-generating facilities (Freestall 1 and 2) treat effluents through lagoons, to be ultimately used as solid and liquid fertilizers. We have a procedure in place entitled "Manure Management Procedure," which describes the operational control of lagoons, and defines responsibilities and schedules. It should be noted that this treatment process is carried out at several lagoons and, before using effluents for irrigation, a portion of the water is in turn reused for free stall cleaning. We have a Biofertilizer Management Plan in place to manage the exit point of the treated effluent and separated solids and to monitor the use of such effluent in agricultural lands, to prevent soil contamination. The liquid is taken from the effluent treatment final lagoon, where it remains stored until

its total or partial use, according to parcel requirements.

In October 2017 we completed the construction of our first biodigester with a 1.4MWH of installed capacity. The facility generates electricity by burning biogas extracted from the effluents produced by our eight thousand milking cows. In November 3, 2017, we began the energy generation and the delivery of electricity to the local power grid. In addition to increasing revenues and securing our energy requirements, this facility enhances the sustainability of our free stall dairy operation by reducing greenhouse gas emissions, improving the effluent management and concentrating valuable nutrients which are applied back to the fields.

We already injected 9500 Mwh into the network, which represents 26 Mwh per day on average. Besides, more than 45,000 tons of manure were valued for energy generation and application as a biofertilizer. We also took advantage of more than 3,000 tons of industrial agro waste (grains, glycerin, dairy industry disposal).



Cluster in Mato Grosso do Sul (Brazil).

SECTION 5

Environment

SUSTAINABILITY REPORT
2018



We monitor the appropriate operation of lagoons through an annual Monitoring Plan, which defines monitoring parameters and frequency, at the several media that may be damaged (surface water and soil) and also at the point the effluent leaves the treatment process. Internal and external audits are conducted to assess compliance with undertaken commitments.

We have an effluent treatment station (ETE) in place at our ethanol and sugar plants, where effluents undergo several physicochemical and biological processes in order to substantially reduce potentially contaminating content. Following treatment, the effluent is used for sugarcane crop irrigation with wastewater.

For oil effluents generated by agricultural machinery, we have a waste-water treatment plant in place where the oil, once the effluent has been physically and chemically treated, is disposed of in an environmentally-friendly manner. Treated water is used to wash our vehicle fleet and is maintained in a closed loop. These treatment processes are monitored through regular analyses which are filed with state environmental authorities.

For the industrial effluent known as "vinasse," there is a concentration process in place where a large amount of the water contained in vinasse is recovered by evaporation, and returned to the industrial process for treatment and reutilization.

Effluent management data 2018 ^[306-1]

Effluent Source	Destination	Volume (m ³)
Waste water (AVI)	Crop fertirrigation	2,781,222
Waste water (UMA)	Soil fertigation	357,265
Concentrated vinasse (AVI)	Crop fertigation	290,724
Distillery (UMA)	Soil fertigation	445,936
Free Stalls treatment lagoons	Biofertilizer for agricultural lands	163,075
Water outlet for washing machines at the Pilarica Plant (organic sludge).	Operator performing biological treatment of organic waste	2,600
Total		4,040,822

5.3 Waste Management

All productive activities generate waste of different kinds and in different amounts, depending on the activity. Waste management is deemed a material issue as it applies to all our facilities and business units, each of which has specific features.

In this regard, we seek to ensure adequate waste management, minimizing negative impacts on the environment and on people, complying with applicable local laws and regulations, and reducing costs.

We have Waste Management procedures in place for each of our business units, customized to their respective specific features. These procedures establish the appropriate manners for waste classification, storage and disposal.

We deliver annual training on these procedures, in order to raise awareness among our employees and contractors about this issue, which contributes to achieve our goals in this regard.

We work with authorized suppliers for the collection and final disposal of hazardous waste, according to each province's local laws and regulations. Our headquarters maintains a waste disposal record across all facilities, including dates, amounts and final use.

Our waste management practices are subject to internal and external audits for ongoing improvement.



Rice Mill in Argentina.

Waste management data 2018 ^[306-2]

Argentina

Hazardous waste	Quantity	Disposal method
Empty agrochemical packaging (kilograms)	79,280	Recycling
Hydrocarbon-contaminated solids (kilograms)	1,683	Incineration
Pathological waste (kg)	2,266	Incineration
Total solid hazardous waste	80,963	
Mineral oil (liters)	12,420	Recovery, including energy recovery
Total liquid hazardous waste	12,420	
Non-hazardous waste	Quantity (kilograms)	Disposal method
Silo bags	447,690	Recycling
Solid waste in Free Stalls treatment lagoons	36,500,000	Reutilization (Biofertilizer)
Total non-hazardous waste	36,947,690	

Brazil

Hazardous waste	Quantity (kilograms)	Disposal method
Class I - Oil-contaminated waste	56,490	Co-processing
Class I	259,800	Co-processing and landfill
Used lube oil	38,520	Refining
Ambulatory	160	Incineration
Lamps	359	Decontamination
Batteries	27,020	Recycling
Total hazardous waste	382,349	

Non-hazardous waste	Quantity (kilograms)	Disposal method
Class II (non-recyclable)	251,580	Co-processing and landfill
Recyclable	2,035,000	Recycling
Big Bag	25,410	Recycling
Paper	24,730	Recycling
Plastic	22,100	Recycling
Iron	296,080	Recycling
Filter cake	42,251,000	Compost
Total non-hazardous waste	44,881,170	

5.4 Emission Management

At Adecoagro, we are aware of the current global effects of increasing greenhouse emissions on the atmosphere and on certain weather parameters, and we know that all the activities developed by our business units generate GHG and particulate matter.

In 2018, we calculated GHG emissions across all our business units, following the IPCC's guidelines.

The calculation of emissions according to the IPCC's guidelines will be taken as a baseline to set reduction targets and for comparative purposes with the years ahead. Particulate matter measurements at our plants revealed varying trends; when such measurements were not consistent with the thresholds set out in applicable laws or other standards, such as the World Bank's, we have taken the required structural measures to reach the permitted threshold. Our operating units in Brazil periodically monitor emissions. The results of such monitoring actions are compliant with local laws.

We use sugarcane bagasse as fuel for our electricity cogeneration process. In order to mitigate combustion pollution, we deployed a "Gas Washer" that helps guarantee a substantial reduction in atmospheric pollutants. In order to monitor the washer efficiency, we agreed upon and deployed an Atmospheric Emission Monitoring Program, together with the competent environmental authority, along with the annual measurements to verify the indicators set forth in Resolution No. 382 handed down by the National Environmental Council (CONAMA) dated December 26, 2006. Since the monitoring program was implemented, we could verify an adequate behavior of results, which means that the gas washing process has proved efficient. We file annual reports with the state environmental authorities. We have a Report Channel available for claims and complaints. However, we have not received any complaint in this regard.

The annual atmospheric emission surveys show that the washing system is efficient.

Emission data 2018 ^[305-1]

Greenhouse gas emissions by business unit ⁽¹⁾	Amount (tons of CO ₂ equivalent)
Industry	25,860
Rice	44,201
Dairy	2,692
Crops	28,393
Cattle	127,363
Sugar, Ethanol and Energy	461,665
TOTAL	690,174

⁽¹⁾ Overall considerations:

- Emissions were calculated following the IPCC's guidelines. The calculation was performed for the operations in 2018, considering partial data on the 2017-2018 and 2018-2019 harvest years.
- In farming, there was no burning of natural environments or harvest waste. No organic soils were planted.

Biogenic emissions ^(*)	Amount (tn CO ₂ eq)
Angelica Mill	1,185,715
Ivinhema Mill	1,342,399
Monte Alegre Mill	266,735

Other significant emissions	NOx (tons)	Particulate matter (tons)
Angelica Mill ^(a)	553.22	658.57
Ivinhema Mill ^(a)	710.62	616.89
Monte Alegre Mill ^(b)	0.06	17.8

^(a) Resolution No. 382 handed down by the National Environmental Council (CONAMA) dated December 26, 2006, which establishes maximum atmospheric emission limits for fixed sources.

^(b) We follow COPAM Regulatory Guideline No. 187 dated September 19, 2013, Exhibit I - Biomass from sugarcane and cereal beneficiaries; Table I-c - Conditions and LME for heat-generating processes from external biomass combustion; conformance to this standard is evidenced in the report.

5.5 Biodiversity ^[304-1] ^[304-2]

Since we conduct operations in several rural regions with varying features in Argentina and other countries in the region, it is important that we understand the potential value of their respective biodiversity. In turn, such value is tied to the relevance which biodiversity presentation has at a global level. The main substantial negative impacts from these operations would be concerned with habitat transformation and losses of species.

ARGENTINA

On the one hand, the relevance of biodiversity is expressly reflected in our integrated policy. On the other hand, we have developed Overall Biodiversity Guidelines, explaining the most relevant aspects of biodiversity management.

During 2018 we managed our biodiversity plan, which included different actions:

- Trainings
- Trap camera installation
- Placement of education posters
- Photographic survey
- More fields reviewed
- Inclusion of key points in the regulations for contractors, such as:
 - Is expressly prohibited:
 - cut wood in forests protected by law 26,331 (the sites are marked with signage).
 - to hunt.



Marsh deer.



Tramp camera installation.



Placement of education posters.



Biodiversity trainings.

1. EL OMBÚ

- Location: Colonia Presidente Yrigoyen, Formosa
- Total Area: 18,300 has
- Planted/Transformed Area: 7,100 has
- Area with Natural Habitats: 11,200 has
- Ecoregion: Humid Chaco
- Area: Oriental del Bajo del Rio Paraguay
- Biodiversity value defined by the presence of:
 - highly endangered ecosystems: forests in general, Albardón forests,
 - Red category
- (Very High Conservation Value)
- almost adjacent to the El Bagual Reserve IBA
- 12 species defining the Critical Habitat.



Maned wolf.



Bare-faced curassow.



Palm grove.

Taxonomic Group	Scientific Name	Common Name	Criteria
Mammals	Chacodelphys formosa	Chacoan pygmy opossum	END-DRN
Mammals	Ctenomys argentinus	Argentine tuco-tuco	END-DRN
Birds	Crax fasciolata	Bare-faced curassow	EN-DRN
Birds	Alectrurus risora	Strange-tailed tyrant	EN-DRN
Mammals	Tapirus terrestris	South American tapir	EN
Mammals	Tayassu pecari	White-lipped peccary	EN
Mammals	Bibimys chacoensis	Chaco crimson-nosed rat	DRN
Birds	Dolichonyx oryzivorus	Bobolink	EN-MI
Birds	Pseudocolopteryx dinelliana	Dinelli's doradito	MI-DRN
Birds	Sporophila hypochroma	Rufous-rumped seedeater	EN-DRN
Birds	Tryngites subruficollis	Buff-breasted sandpiper	MI
Birds	Sporophila ruficollis	Dark-throated seedeater	MI

End: Endemic Species / EN: Endangered Species / DRN: Restricted Distribution at National Level / MI: Migratory Species / DRG: Restricted Distribution (neighboring countries).

2. SAN JOAQUÍN

- Location: San Javier, Santa Fe
- Total Area: 37,300 has
- Planted/Transformed Area: 12,300 has
- Area with Natural Habitats: 25,000 has
- Ecoregion: Espinal
- Area: Humid Plain Pampas (Pampas Llanas Húmedas)
- Biodiversity value defined by the presence of:
 - Important Bird and Biodiversity Area (IBA) San Javier
 - environments with high biodiversity conservation value: savannah and savannah park
 - highly endangered ecosystems: Saladillo Dulce hygrophile forests
 - Red category (Very High Conservation Value)
 - 5 species defining the Critical Habitat.



Marsh deer.



Bobolink.

Taxonomic Group	Scientific Name	Common Name	Criteria
Birds	<i>Dolichonyx oryzivorus</i>	Bobolink	EN-DRN
Birds	<i>Gubernatrix cristata</i>	Yellow Cardinal	EN
Birds	<i>Sporophila ruficollis</i>	Dark-throated seedeater	MI
Birds	<i>Tryngites subruficollis</i>	Buff-breasted sandpiper	MI
Birds	<i>Porzana spiloptera</i>	Dot-winged crane	DRG

End: Endemic Species / EN: Endangered Species / DRN: Restricted Distribution at National Level / MI: Migratory Species / DRG: Restricted Distribution (neighboring countries).

3. ITA CAABO

- Location: Mercedes, Corrientes
- Total Area: 22,900 has
- Planted/Transformed Area: 15,900 has (including reservoirs)
- Area with Natural Habitats: 7,000 has
- Ecoregion: Espinal
- Area: Cuchillas Mesopotámicas
- Biodiversity value defined by the presence of:
 - Located 10 km south of Espinal in Mercedes IBA and 50 km south of the protected area Esteros del Iberá Natural Reserve
 - 4 species defining the Critical Habitat.



Yellow cardinal.

Taxonomic Group	Scientific Name	Common Name	Criteria
Birds	<i>Gubernatrix cristata</i>	Yellow Cardinal	EN
Birds	<i>Sporophila hypochroma</i>	Rufous-rumped seedeater	EN-DRN
Birds	<i>Sporophila palustris</i>	Marsh seedeater	EN-MI
Birds	<i>Tryngites subruficollis</i>	Buff-breasted sandpiper	MI

End: Endemic Species / EN: Endangered Species / DRN: Restricted Distribution at National Level / MI: Migratory Species / DRG: Restricted Distribution (neighboring countries).

4. OSCURO

- Location: Mercedes, Corrientes
- Total Area: 33,400 has
- Planted/Transformed Area: 14,500 has
- Area with Natural Habitats: 18,900 has
- Ecoregions: Espinal and Esteros del Iberá
- Aras: Cuchillas Mesopotámicas, Planicies Orientales, and Bañados del Río Corriente.
- Biodiversity value defined by the presence of:
 - Highly endangered ecosystems defining the critical habitat: several types of forests
 - Estancia Oscuro IBA
 - Red category (Very High Conservation Value) and Yellow category (Medium Conservation Value)
 - Located 10 km south of the protected area Esteros del Iberá Reserve
 - 8 species defining the Critical Habitat.



Palm grove.



Strange-tailed tyrant

Taxonomic Group	Scientific Name	Common Name	Criteria
Mammals	<i>Ctenomys dorbignyi</i>	D'Orbigny's tuco-tuco	END-DRN
Amphibia	<i>Argenteohyla siemersi pedersenii</i>	Pedersen frog	EN-DRN
Birds	<i>Gubernatrix cristata</i>	Yellow Cardinal	EN
Birds	<i>Alectrurus risora</i>	Strange-tailed tyrant	EN-DRN
Birds	<i>Sporophila ruficollis</i>	Dark-throated seedeater	MI
Birds	<i>Sporophila cinnamomea</i>	Chestnut seedeater	EN-DRN
Birds	<i>Sporophila hypochroma</i>	Rufous-rumped seedeater	EN-DRN
Birds	<i>Tryngites subruficollis</i>	Buff-breasted sandpiper	MI

End: Endemic Species / EN: Endangered Species / DRN: Restricted Distribution at National Level / MI: Migratory Species / DRG: Restricted Distribution (neighboring countries).

5. EL ORDEN AND LA CAROLINA

- Location: Tostado, Santa Fe
- Total Area: 15,300 has
- Planted/Transformed Area: 6,400 has
- Area with Natural Habitats: 8,900 has
- Ecoregion: transition from Dry Chaco and Humid Chaco ecoregions
- Area: Central Sub-Humid Chaco
- Biodiversity value defined by the presence of:
 - Western Sub-humid Santa Fe IBA
 - 5 species defining the Critical Habitat.



Chaco eagle.

Taxonomic Group	Scientific Name	Common Name	Criteria
Birds	<i>Gubernatrix cristata</i>	Yellow Cardinal	EN
Birds	<i>Harpyhaliaetus coronatus</i>	Chaco eagle	EN
Birds	<i>Sporophila ruficollis</i>	Dark-throated seedeater	MI
Birds	<i>Porzana spiloptera</i>	Dot-winged crane	DRG
Birds	<i>Pseudocolopteryx dinelliana</i>	Dinelli's doradito	MI-DRN

6. SANTA LUCÍA

- Location: Bandera, Santiago del Estero
- Total Area: 17,900 has
- Planted/Transformed Area: 14,100 has
- Area with Natural Habitats: 3,800 has
- Ecoregion: transition from Dry Chaco and Humid Chaco ecoregions.
- Area: Central Sub-Humid Chaco
- Biodiversity value defined by the presence of:
 - highly endangered ecosystem: Three Quebracho Forest (Bosque de Tres Quebrachos)
 - Red category (Very High Conservation Value)
 - Located 15 km southeast of "Bañados de Añatuya" IBA
 - 5 species defining the Critical Habitat.



Buff-breasted sandpiper.



Dark-throated seedeater.

Taxonomic Group	Scientific Name	Common Name	Criteria
Birds	<i>Pseudocolopteryx dinelliana</i>	Dinelli's doradito	MI-DRN
Birds	<i>Gubernatrix cristata</i>	Yellow Cardinal	EN
Birds	<i>Sporophila ruficollis</i>	Dark-throated seedeater	MI
Birds	<i>Tryngites subruficollis</i>	Buff-breasted sandpiper	MI
Birds	<i>Porzana spiloptera</i>	Dot-winged crane	DRG

End: Endemic Species / EN: Endangered Species / DRN: Restricted Distribution at National Level / MI: Migratory Species / DRG: Restricted Distribution (neighboring countries).

7. LA ROSA

- Location: Ramayón, Santa Fe
- Total Area: 4,100 has
- Sown/Transformed Area: 2,800 has
- Area with Natural Habitats: 1,300 has
- Ecoregion: Espinal
- Area: Humid Plain Pampas (Pampas Llanas Húmedas)
- Biodiversity value defined by the presence of:
 - Red category (Very High Conservation Value)
 - Located 19 km west of San Javier IBA
 - 3 species defining the Critical Habitat.



Bearded tachuri.

Taxonomic Group	Scientific Name	Common Name	Criteria
Birds	<i>Polystictus pectoralis</i>	Bearded tachuri	MI
Birds	<i>Sporophila ruficollis</i>	Dark-throated seedeater	MI
Birds	<i>Tryngites subruficollis</i>	Buff-breasted sandpiper	MI

End: Endemic Species / EN: Endangered Species / DRN: Restricted Distribution at National Level / MI: Migratory Species / DRG: Restricted Distribution (neighboring countries).

BRAZIL ^[304-2]

The Brazilian flora and fauna constitute highly important natural resources for being a set of environmental components that, together, ensure the existence of ecosystems. The resources for our sugarcane, ethanol and energy production come from the soil and from these ecosystems. One of the most efficient ways to ensure the biodiversity preservation of these ecosystems is the maintenance of Legal Reserves and Permanent Preservation Areas in the land we operate, which provide fauna shelter and protect rivers.

We plan for the use of lands by causing the biodiversity areas within the lands we operate to conform to the applicable laws, isolating Permanent Preservation Areas and Legal Reserves as required by applicable laws. We follow several soil management and preservation practices that favor improvements in soil quality, protecting soils and preventing erosion. Besides, we develop Degraded Area Recovery Projects along with the state environmental authorities.

The purpose of these projects is holding ourselves accountable towards the society and the environment for taking care of diversity in the locations where we do business, through good practices and actions.

The Bonsucro certification also addresses this issue by verifying that the areas conform to the applicable environmental legislation (Law No. 20922 dated October 16, 2013). Our Monte Alegre plant is also engaged in reforestation practices, with a seedling nursery in place on site.

The construction of terraces helps to mitigate hydric erosion risks; there are no deforestation or seeding activities in steep areas; the preservation of vegetation in riverbanks, streams, lakes and water springs is encouraged, with adequate road maintenance and conservation. There is also a Reporting Channel available on a 365-7-24 basis to report fires and biodiversity endangering actions. These practices seem to be efficient as there is no erosion or deforestation.



Giant anteater.



Macaw.



SECTION 5

Environment

Nature of potential environmental impacts on biodiversity:

- Changes in the quality of the soil, surface and underground waters, and local ecologic processes caused by the potential excess of waste water or fertilizers, if applied in excess of the uptake capacity of the respective area, or potential excess of hazardous products, chemicals and by-products;
- Biodiversity loss and alteration of wild animal corridors caused by fires that may affect sugarcane crops or permanent preservation areas and legal reserves.
- Changes in air quality caused by atmospheric emissions.

There is no record of direct or indirect negative impacts on local biodiversity; over the years, there was a substantial increase in the wealth and abundance of significant monitored groups, revealing that our operations are being adequately managed and do not cause adverse impacts on local biodiversity.



Monte Alegre Operation Unit

The private natural heritage particular reserve (RPPN) Granja Lagoa is located nearby the operation. This reserve shares borders with some sugarcane fields and is located approximately 2 km far from the operation. In spite of its proximity, the operation activities do not interfere at all with the RPPN. The operation develops its activities in compliance with applicable rules and regulations, including burning control in order to prevent interfering with the reserve.

Operating Unit: Monte Alegre

- Geo-location: 21° 23'08.8" S 46° 14'53.8" W
- Type of Operation: Manufacturing / Production
- Proximity to Protected Areas: Adjacent to a RPPN
- Operating Unit Size: 0.33 km²

Angelica and Ivinhema Operation Units

We have reviewed the evolution of existing species in Permanent Preservation Areas and Legal Areas nearby our operations. Over the years, there was a substantial increase in the wealth and abundance of significant monitored groups, revealing that our operations are being adequately managed and do not cause adverse impacts on local biodiversity. There are no operations within or adjacent to conservation areas of whatsoever nature, or within or adjacent to areas of high diversity value. As concerns waste water, we have noticed an increase in production of drinkable water within the sustainable conservation area categorized as Environmental Preservation Area (APA), approved by the respective competent authorities APA Federal das Ilhas e Várzeas do Rio Paraná (ICMBio).



Operating Unit: Angelica Mill

- Geo-location: 22° 02 '50,50' S - 53° 50 '32,40 "O
- Type of Operation: Manufacturing / Production
- Proximity to Protected Areas: outside of, adjacent to, or covering certain portions of the protected area
- Operating Unit Size: 1,226 km²
- Biodiversity protection status according to IUCN: According to the biodiversity protection status captured in the Environmental Monitoring, species are classified as Least Concern (LC), Near Threatened (NT) and Vulnerable (VU).

Operating Unit: Ivinhema Mill

- Geo-location: 22° 23 '28,21' S- 53° 52 '55,89 "O
- Type of Operation: Manufacturing / Production
- Proximity to Protected Areas: outside of, adjacent to, or covering certain portions of the protected area
- Operating Unit Size: 1,456 km²
- Biodiversity protection status as per IUCN: According to the biodiversity protection status captured in the Environmental Monitoring, species are classified as Least Concern (LC), Near Threatened (NT) and Vulnerable (VU).



SECTION 6
Community



At Adecoagro, we have a strong commitment to our communities and believe our company will be only able to grow and develop if its surrounding communities follow suit. This also reflects our sustainability spirit and drives all our actions in the communities where we operate. In this regard, as our operations are conducted in locations with varying scenarios, our work strategies are devised taking into account each reality to encourage and foster local development. ●

6.1 Development of Local Communities [203-2]

Adecoagro has several social outreach programs in place, many of which are carried out in association with NGOs which have the adequate tools, know-how and experience to optimize their impact. We believe the best way to offer equal opportunities is by making a real contribution to our communities. And one of the best ways to do this is by offering genuine and quality employment opportunities that foster our employees' personal and professional development, impacting on their families and social mobility.

ARGENTINA AND URUGUAY

Our Social responsibility program was renamed in 2018: we decided to call it "Community". This way, we feel better represented. Our actions are based on 3 pillars: nutrition, because it is the starting point and the foundation for people to be able to grow and develop; education, because we want our communities to have access to quality education, offering equal opportunities and local development, and driving our communities to be actively engaged in public and private entities and NGOs.

The NGOs we partner with for each of our pillars are:

Nutrition

CONIN Foundation: a foundation that fights against child malnutrition. We support 9 centers located nearby our operations donating food and funds.

Food Bank: an organization that collects, classifies and distributes food countrywide. We provide support through rice and milk donations, and through volunteering actions.

IMPACT: 34 tons of food donated, benefitting over 2,250 people education.

Education

Cimientos: we offer scholarships and teacher training programs in the communities where we operate.

Conciencia: we offer scholarships to our employees' children engaging the whole family to commit to the children's education.

Food



CENTROS CONIN
9 centers countrywide
13,5 tons of rice donated
4,5 tons of milk donated



FOOD BANK
Collaborating with 7 Food Banks
22 tons of rice donated

Local Development



Education



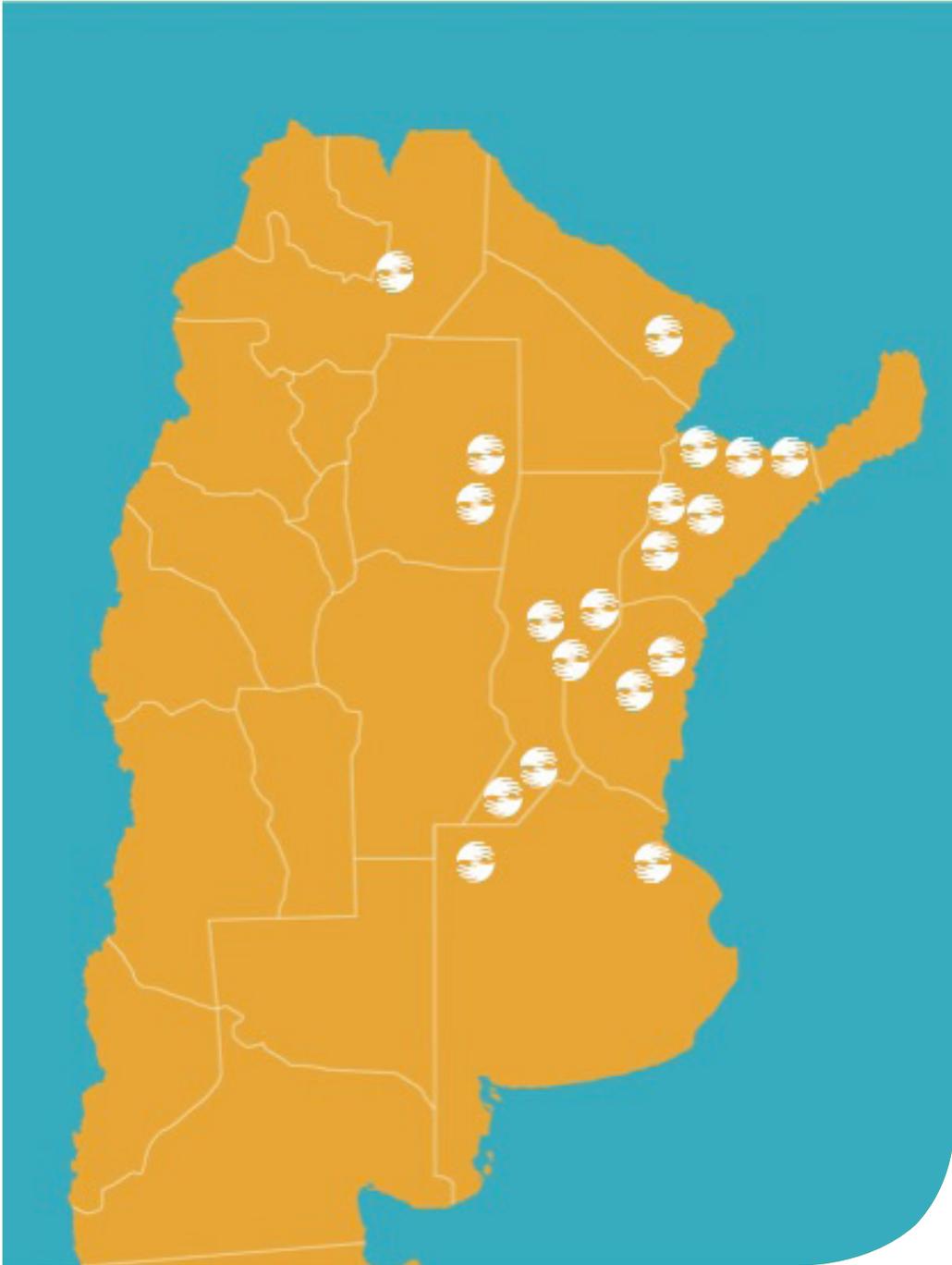
CIMIENTOS
Organization that fosters children education countrywide, seeking to offer equal opportunities



CONCIENCIA
Program that supports our employees' children to finish high-school and contributes to build family bonds

Volunteering





SECTION 6
Community

IMPACT: in 2018, we completed 7 projects at 19 schools, and delivered training to 185 teachers with direct impact on 1829 students.

Local Development

On the one hand, we supported local development through several NGOs such as Club Regatas and Solidagro, Aderid and other local outreach organizations, with rice donations, comprehensive treatments for people with disability in Villegas, and other actions.

We seek to create bonds between our company, public entities and NGOs to address local problems from a comprehensive approach. Often times, this involves contributing to improvements in roads and school infrastructure, flood aid, etc.

We also support firemen and police departments and health centers, providing the necessary supplies for their smooth operation.

On the other hand, we have a Matching Program in place, through which we select organizations that share our core pillars and values. We double our employees' contributions to strengthen the impact. This is our commitment to generate impactful actions together with our employees in our ambitious goal of driving development.

We define budgets and establish management and social impact indicators for the entire Social Responsibility plan. Every year, our social outreach activities have a direct impact on 6,000 people.

The graph shows the places in Argentina where we are developing a social project.

BRAZIL

The activities of Adecoagro companies have indirect economic impacts for the sustainable development of the regions where it operates.

The company also contributes to the regional development directly, with the implementation of works and services, and indirectly with the significant increase in its tax collection through the execution of these actions through the Tax on Services of Any Nature (ISS) collected by the Municipalities of the localities. The actions increase municipal tax burdens and, depending on the value of the works, can be leveraged, providing the leverage of the local economy and social development, as this collection can be reversed in education, health, sanitation, and other public policies.

In the state of MS, the implementation of Adecoagro brought a significant increase in other business generation, promoting a development cycle for the region, something extremely positive for a young state only 40 years old. Thus, as in the Monte Alegre unit, we are the main employer in these regions where we are located.

Social Impact Assessments

We invest heavily in Education, as we believe it is the best way to contribute to the development of the region through a partnership with Fundação Bradesco in the Escola Nota 10 Project.

We generated a salary mass in the year 2018 of US\$ 64,296,396 for the Angelica and Ivinhema units in the state of Mato Grosso do Sul and US\$ 10,690,494 for the Monte Alegre unit in the state of Minas Gerais that feeds a virtuous cycle of the economy.

We can calculate from statistics that on average, we generated 13,257 indirect jobs at the Angelica and Ivinhema units in the state of Mato Grosso do Sul and 3,996 for the Monte Alegre unit in the state of Minas Gerais.



Community relationship in Brazil.

IDEB Index

The IDEB (Basic Education Development Index) is the government's main index for measuring the quality of education.

Escola Nota 10 Project Impacts

Since the implementation of the Escola Nota 10 Project, the municipality of Angelica has had a 12% growth in the IDEB assessment, and the municipality of Ivinhema has grown by 45%. In IDEB 2017 the municipalities of Angelica and Ivinhema maintained the

averages, which should be considered a positive result, compared to the reality of many municipalities in the country. The municipality of Novo Horizonte do Sul, was inserted in the Escola Nota 10 Project in 2017, but presented a 13% growth compared to the last evaluation in 2015, which shows us

that the insertion of the municipality in the Projeto Escola Nota 10 will contribute even more to learning of the benefited students. We are sure that investing in education is the best way for the development of the locations where we operate.

IDEB - Angélica (MS)



IDEB - Novo Horizonte do Sul (MS)



IDEB - Ivinhema (MS)



Escola Nota 10 Project

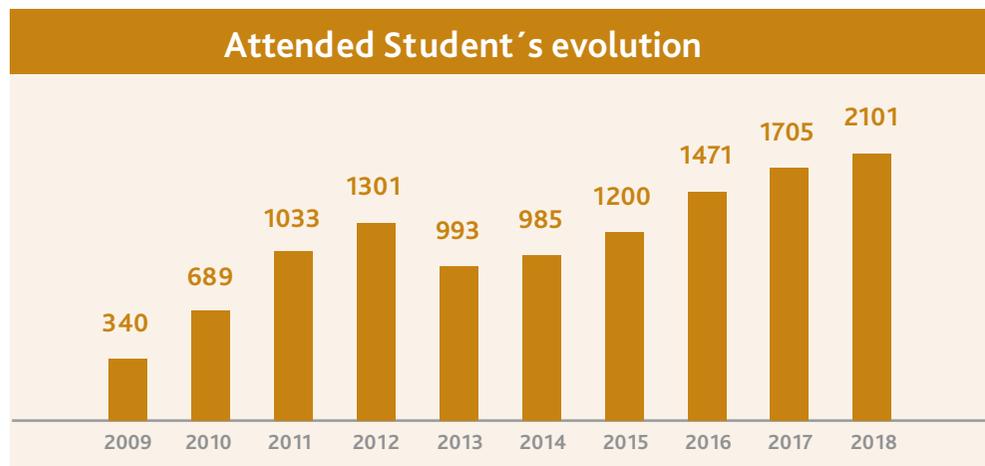
The Escola Nota 10 Project is a partnership of Adecoagro, Fundação Bradesco, Angelica, Ivinhema and Novo Horizonte do Sul city halls, in the state of Mato Grosso do Sul.

The project started its activities in 2009, in the municipalities of Angelica (MS) and Ivinhema (MS), being expanded in 2017 to the municipality of Novo Horizonte do Sul (MS).

The project aims to contribute in a practical way to the goal # 2 of the "Everyone for Education" movement, which says that every eight-year-old should be able to read and write. 3rd year of elementary school, from the municipal schools of Angelica (MS), Ivinhema (MS) and Novo Horizonte do Sul (MS).

Adecoagro makes the financial investment and provides a professional in the area of Quality of Life and Social Responsibility, to be in schools monitoring and gathering information that supports the work of the supervisors of Fundação Bradesco.

Fundação Bradesco prepares the teaching material that will be used by teachers and students, as well as conducts training and technical visits in classrooms, with the aim of passing didactic guidelines that assist teachers in working with the handouts. City halls are responsible for making teachers available and using handouts in the classroom.



The graph above shows the evolution of the number of students served by the Escola Nota 10 Project.

Release of the outcomes of environmental and social impact assessments

Every year, we release a Progress Report on the Environmental Management Program (PGA) Goals. The PGA is a management tool adopted as part of the requirements of the Bonsucro standard, focused on efficiency and effectiveness, providing objectivity and focus to the several activities that we monitor to achieve the desired goals.

Local development programs based on the needs of each community

In 2014, Adecoagro launched a Local Sustainable Development Program in the local communities of Angelica and Ivinhema, State of Mato Grosso do Sul. The projects were developed on the basis of a survey to identify the needs of the several communities, in order to contribute to their local development.

Since 2016, some projects have been extended to Monte Belo and Areado, State of Minas Gerais.

The projects are anchored in three essential pillars: Economic, Social and Environmental.

Economic Pillar

Conocer Project: This project seeks to identify, through socioeconomic research and analysis, the significance and impacts, whether negative or positive, of our operations in directly affected cities.

In order to conduct the socioeconomic study, we partnered with the Research, Study and Culture Support Foundation of the Mato Grosso do Sul Federal University.

The municipalities contributed documentary information and members of the civil society also contributed to the research in the locations where the study was conducted. The study report was completed in 2018.



"Territorios del Saber" Project: library inauguration.



Gender violence material.



Theatre for kids in Mato Grosso do Sul (Brazil).

• **Social Pillar**

Fortalecer Project: The purpose of this project is delivering training to managers at governmental and nongovernmental institutions about legal compliance, sustainability and fund raising. Other area of action of the Fortalecer Project is the social project selection process. Since 2016, we have been launching editions in order to improve private social investment management and select social projects consistent with the action areas of the initiative.

The lines of action are: Education, Improvement of Quality of Life, Combating Abuse and Sexual Exploitation of Children and Adolescents, Moral and Sexual Harassment and the Culture of Rape, Environment and Volunteering.

In 2018, 14 social projects were submitted in AVI. Upon completion of the selection process, we decided to proceed with the 3 following projects:

PROJECT	GOAL	IMPACT
Fundação Nelito Câmara Assistindo ao Futuro	Encouraging culture through the arts and improving school performance, as engagement in the courses is tied to good academic performance.	150 children and adolescents.
Rural Union of Ivinhema and Mato Grosso do Sul: Project Implementation of E-tec Network On-Site Polo in the Municipality of Ivinhema	The objective of this project is to train and educate farmers and their family members quickly and efficiently, providing them with significant information in the distance education modality.	In 2018 started the first class with 30 students, the course has a duration of 2 years.
Children and Adolescent Support and Reintegration Center: Circo do Vale Project	The aim of this project is to provide knowledge and mastery of circus technique for children and adolescents, in the back of school and thus develop the locality where the institution is inserted, through education and culture through which circus arts can provide.	Benefiting 120 children and adolescents.

*Total value of the investment is US\$ 35,575

At UMA, 14 social projects were submitted. After reviewing the projects as required in Technical Specifications, 2 projects were selected:

*Investment value is US\$ 14,108.-

- **Areadense Athletic Association: Rolling Ball Thinking Head Project**
The goal of this project is through sport to develop individual skills that are able to remove children and adolescents from social risk situations.
We are benefiting 220 children and adolescents.
- **Frei Levino State School: Chess Project, right move**
The aim of this project is to insert in the physical education classes the practice of chess game and thus develop potentialities of the mind, through the acquisition of the imagination capacity, logical reasoning, creativity and innovation.
We are benefiting about 750 students.

- **"Territorios del Saber" project:** This project seeks to reveal the importance of encouraging reading at early stages, as an ongoing tool in the teaching-learning process, improving children's intellectual development and fostering healthy forms of leisure, culture and entertainment. The "Territorios del Saber" project has two stages, namely:

"Storytelling" for children education professionals and foundational early-stage educators and "Creating Spaces to Play" within the classroom and/or young libraries (for all ages).

- In 2018, in AVI we delivered training courses to education professionals from Joaquim Gonçalves Ledo State School, in the District of Amandina. 31 educators participated in those trainings. We also delivered training courses to education professionals of the municipalities of Angelica, Ivinhema and Novo Horizonte do Sul. In that case we had 211 trained teachers. In UMA we delivered training courses to education 29 professionals of

kindergarten in Areado - MG. We also conducted training with 31 education professionals from Monte Belo - MG.

Creation of spaces (libraries and mini-libraries).

The "Territorios del Saber" Project opened a library at Joaquim Gonçalves Ledo State School, in Amandina District. The Reynaldo Massi library has a collection of over 230 works, with a modern and welcoming space, encouraging more than 450 students to read.

In Monte Belo - MG, the project opened two new libraries:

- 1 children's library at Hortência Bonelli Bueno Municipal Center for Early Childhood Education, benefiting 257 students;
- 1 children's library at Ormindia Barbosa Vieira Nursery, benefiting 90 students.

• Environmental Pillar

In celebration of Arbor Day, celebrated annually in September 21, Adecoagro carried out another social and environmental action in the municipal schools of the cities of Angelica and Ivinhema.

The objective of the action was to approach in a playful, artistic and creatively varied themes related to the environment, always seeking a regionalized approach, encouraging the participation of children, thus stimulating reflection and involvement on the theme being addressed.

Adecoagro hired and took to the schools a team of actors for theatrical interventions. Complementing the theatrical interventions, all the children were given a seed pencil as a souvenir.

In Angelica 820 children from 1st to 5th grade of elementary school were reached, and in Ivinhema 1,350 children and teenagers from 1st to 9th grade of elementary school were reached.

Total of 2,170 people benefited.

6.2 Impact of our Operations ^[413-2]

Adecoagro strives to understand and take care of all the requests from its surrounding communities, for we believe dialogue helps us to coexist in harmony.

We seek to minimize our negative impacts and contribute to our company's and the region's sustainable growth.

In the regions that we map as areas of direct influence, being in MS - Areado and Monte Belo and MG - Angelica and Ivinhema, we are the largest employer in the region and every change in the organization reflects strongly in the communities, so we use it constantly, dialogue as a relationship tool with our stakeholders. We often hold meetings with key leaders to jointly solve problems and even to consult on a relevant topic.

Our entire operation complies with the sustainability criteria in its production chain, but in the year 2018, our biggest challenges for impact mitigation were:

Social

- Increased demand for day care centers in the educational system of the municipalities of Angelica and Ivinhema, in the state of Mato Grosso do Sul (MS)

- Dismissals occurred in the year 2018 that generated debate with the municipalities that had reduction of employees of Adecoagro (AVI).

Environmental

- Stable fly (AVI);
- Dust (AVI);
- Aerial Spraying (AVI);
- Fires (AVI and UMA).





SECTION 6

Community

Stable Fly

The municipalities of Angelica and Ivinhema, home of two of our mills, were affected by the stable fly. Preventive actions were taken in association with the community, as it is a challenge that should be jointly addressed by cattle breeders and the company.

We monitor the insect population existing in sugarcane areas to assist in the decision-making process.

Producers contact us through our Reporting Channels or get in touch directly with our operating plants. If contacted by a producer, we proceed to assess its rural property, its cattle management practices, and nearby sugarcane areas to find the focus of the reported incident. We provide neighboring producers with fly traps and control products for free. The product we offer is a non-toxic domestic insecticide.

Fires

In recent years, Adecoagro has experienced fire attacks affecting its crops. Therefore, it has conducted prevention campaigns internally and addressed to neighboring

communities. We held meetings with the communities to hand out folders and car stickers with relevant information, as well as releases and communication guidelines, in order to raise awareness among employees and the community at large about how to fight against and report arson attacks.

Aerial Sprays

In order to ensure a socially sustainable and environmentally-friendly application, our aerial and land spray practices are consistent with all applicable laws and regulations. However, we have received claims from the community asserting aerial drift was affecting plantations and impairing crop growth.

We use aerial sprays to apply chemical and biological products on sugarcane crops. The aerial application procedure is carried out by qualified companies, with GPS support.

All prevention and monitoring actions are taken jointly with the communities and the identified opportunities for improvement are review for subsequent development of Action Plans.



Formal Processes, Grievance and Complaints

Adecoagro has a Reporting Channel for employees and stakeholders to express their views on topics covered in the Code of Conduct.

To ensure the confidentiality of the information, the Adecoagro Reporting Channel makes a partnership with the company Contacto Seguro, which has listeners to record the reports. Reports are reviewed by internal committees.

Contact with the Reporting Channel can be made through:

  0800-601-6896
 contatoseguro.com.br/adecoagro

Since the implementation of the platform, we have received 24 reports in the Social / Community Committee.

In addition to the Reporting Channel, we also used a spreadsheet to control communications made directly to the company, and in 2018 in AVI we had 61 reports and 64 triggers.

This type of calls were addressed through the specific action plan.

Meetings with Stakeholders: in 2018 we held 57 hours of meetings with different stakeholders, such as Associations, Governments, Competitors, Suppliers and NGOs.

This is another way in which Adecoagro has been strengthening its relationships with the community. ●

6.3 Social Investment ^[203-1]

ACTIONS AND RESULTS 2018

Argentina

- Partnership with Club Regatas de Corrientes donating 3 kilograms of rice to 4 CONIN centers in Corrientes per each point scored by the basketball team. In 2018, 13,570 kilograms of rice were donated under this program.
- Volunteering Program in the Food Bank of Buenos Aires: we continue participating. We are used to go to the Bank's deposit with several employees and spend time classifying all the food that afterwards go to the different banks of the country.
- Cimientos: We delivered training to teachers in several provinces where we have a footprint. In 2018, we ran 7 projects, who benefitted 19 schools, 185 teachers and 1829 students. We also had 45 scholarship students and offered teacher training in three locations.
- Partnership with Universidad Nacional del Nordeste: we delivered a seminar on rice production which resulted in 27 internships at several facilities.

- Agreement with the Ministry of Education to carry out school internships in the the provinces of Corrientes and Santa Fe.
- We received visits at our plants from schools, universities and other interested parties.

Brazil

- In our operations, infrastructure improvement is part of our investments. These investments are made throughout the year, according to the mapping of the agricultural area, in order to mitigate the impacts of our machinery and truck routes on paved and unpaved roads.
- Positive impacts: Generation of employment and income, development of local commerce, development of surrounding cities where our employees reside.
- In 2018, in Mato Grosso do Sul we invested US\$1,058,103 and in Minas Gerais US\$535,000 in road / bridge improvements, road renovations and landfill construction. This investments were made 100% by the company.



GRI CONTENT INDEX

GRI Standard	Disclosure		Page Reference / Response	Omission
GRI 101: Foundation 2016.				
General Disclosures				
Organization Profile				
GRI 102: General Disclosures 2016	102-1	Name of the organization	9-10	
	102-2	Activities, brands, products, and services	13-18	
	102-3	Location of headquarters	Fondo de la Legua 936, Martinez (Buenos Aires, Argentina)	
	102-4	Location of operations	19	
	102-5	Ownership and legal form	10	
	102-6	Markets served	13-18	
	102-7	Scale of the organization	4, 12	
	102-8	Information on employees and other workers	49-50	
	102-9	Supply chain	13, 44-45	
	102-10	Significant changes to the organization and its supply chain	9, 16. No changes in the owner of the company nor in the supply chain.	
	102-11	Precautionary Principle or approach	24, 30, 39-41	
	102-12	External initiatives	20	
	102-13	Membership of associations	20-21	

GRI Standard	Disclosure		Page Reference / Response	Omission
Strategy				
GRI 102: General Disclosures 2016	102-14	Statement from senior decision-maker	2	
	102-15	Key impacts, risks, and opportunities	2	
Ética e integridad				
GRI 102: General Disclosures 2016	102-16	Values, principles, standards, and norms of behavior	24 - 25	
	102-17	Mechanisms for advice and concerns about ethics	26	
Governance				
GRI 102: General Disclosures 2016	102-18	Governance structure	23	There are no Committees beyond the Board.
Stakeholder Engagement				
GRI 102: General Disclosures 2016	102-40	List of stakeholder groups	28	
	102-41	Collective bargaining agreements	50	
	102-42	Identifying and selecting stakeholders	28	
	102-43	Approach to stakeholder engagement	28	
	102-44	Key topics and concerns raised	7	

GRI Standard	Disclosure		Page Reference / Response	Omission
Reporting practice				
GRI 102: General Disclosures 2016	102-45	Entities included in the consolidated financial statements	10	The scope of companies in the financial statements is the same as the Sustainability Report.
	102-46	Defining report content and topic Boundaries	7	
	102-47	List of material topics	7	
	102-48	Information restatement	52-55, 69	
	102-49	Changes in reporting	N/A for this is our first report.	There were no significant changes in the elaboration of the report.
	102-50	Reporting period	6	
	102-51	Date of most recent report	The last report published is the Sustainability Report 2017.	
	102-52	Reporting cycle	Annual	
	102-53	Contact point for questions regarding the report	6	
	102-54	Claims of reporting in accordance with the GRI Standards	6	
	102-55	GRI content index	113-121	
	102-56	External assurance	This Report has not been subject to external assurance.	

GRI Standard	Disclosure		Page Reference / Response	Omission
Economic Standards				
Economic Performance				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	13-17	
	103-2	Elements of management approach	11, 31-34	
	103-3	Evaluation of management approach	13-17	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	11	
Market Presence				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	48	
	103-2	Elements of management approach	49	
	103-3	Evaluation of management approach	54-60	
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	57	
	202-2	Proportion of senior management hired from the local community	23	
Indirect Economic Impacts				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	103-104	
	103-2	Elements of management approach	105-112	
	103-3	Evaluation of management approach	105-112	
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	111	
	203-2	Significant indirect economic impacts	100-107	

GRI Standard	Disclosure		Page Reference / Response	Omission
Procurement Practices				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	44-45	
	103-2	Elements of management approach	44-45	
	103-3	Evaluation of management approach	44-45	
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	45	
Anti-corruption				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	24	
	103-2	Elements of management approach	25	
	103-3	Evaluation of management approach	26	
GRI 205: Anti-corruption 2016	205-3	Confirmed incidents of corruption and actions taken	We have no record of confirmed incidents of corruption during the period.	
Environmental Standards				
Materials				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	45	
	103-2	Elements of management approach	45, 78	
	103-3	Evaluation of management approach	45, 78	
GRI 301: Materials 2016	301-1	Materials used by weight or volume	45-46	
Energy				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	35-40	
	103-2	Elements of management approach	78	
	103-3	Evaluation of management approach	41-43	

GRI Standard	Disclosure		Page Reference / Response	Omission
GRI 302: Energy 2016	302-1	Energy consumption within the organization	74-75	
Water				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	35-40	
	103-2	Elements of management approach	71, 73	
	103-3	Evaluation of management approach	41-43	
GRI 303: Water 2016	303-1	Water withdrawal by source	77	
	303-3	Water recycled and reused	77	
Biodiversity				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	86-97	
	103-2	Elements of management approach	86-97	
	103-3	Evaluation of management approach	86-97	
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	86-97	
	304-2	Significant impacts of activities, products, and services on biodiversity	86-97	
Emissions				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	84	
	103-2	Elements of management approach	84	
	103-3	Evaluation of management approach	84-85	

GRI Standard	Disclosure		Page Reference / Response	Omission
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	84-85	
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	85	
Effluents and Waste				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	78-80	
	103-2	Elements of management approach	78-80	
	103-3	Evaluation of management approach	78-80	
GRI 306: Effluents and Waste 2016	306-1	Water discharge by quality and destination	78-80	
	306-2	Waste by type and disposal method	82-83	
Environmental Compliance				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	35-40	
	103-2	Elements of management approach	27, 41	
	103-3	Evaluation of management approach	27, 41	
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	27	
Supplier Environmental Assessment				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	44	
	103-2	Elements of management approach	44	
	103-3	Evaluation of management approach	44	
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	44	At present, we do not screen new suppliers using environmental criteria.

GRI Standard	Disclosure		Page Reference / Response	Omission
Social Standards				
Employment				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	48	
	103-2	Elements of management approach	53	
	103-3	Evaluation of management approach	53	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	53-56	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	There are no differentiated benefits for full-timers and part-timers.	
	401-3	Parental leave	59-60	
Occupational Health and Safety				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	66	
	103-2	Elements of management approach	66-69	
	103-3	Evaluation of management approach	61-70	
GRI 403: Occupational Health and Safety 2016	403-1	Workers representation in formal joint management-worker health and safety committees	68	
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	69	Contractor rates are not currently managed; to be implemented in future reports.
	403-3	Workers with high incidence or high risk of diseases related to their occupation	66	

GRI Standard	Disclosure		Page Reference / Response	Omission
Training and Education				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	61	
	103-2	Elements of management approach	61-64	
	103-3	Evaluation of management approach	67-69	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	63-64	
	404-2	Programs for upgrading employee skills and transition assistance programs	61-64	
	404-3	Percentage of employees receiving regular performance and career development reviews	65	
Diversity and Equal Opportunity				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	48	
	103-2	Elements of management approach	49-50	
	103-3	Evaluation of management approach	54	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	23, 51-52	Information not available. The breakdown by gender and age is not reported for the company's total operations. Work will be done to include this detail in the next Adecoagro sustainability reports.
	405-2	Ratio of basic salary and remuneration of women to men	57	

GRI Standard	Disclosure		Page Reference / Response	Omission
Non-discrimination				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	24	
	103-2	Elements of management approach	25	
	103-3	Evaluation of management approach	26	
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	There have been no incidents of discrimination during the period.	
Local Communities				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	100-104	
	103-2	Elements of management approach	102-110	
	103-3	Evaluation of management approach	108-110	
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	100-107	
	413-2	Operations with significant actual and potential negative impacts on local communities	108-110	
Supplier Social Assessment				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	44	
	103-2	Elements of management approach	44	
	103-3	Evaluation of management approach	44	
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	44	At present, we do not screen new suppliers using social criteria.

GRI Standard	Disclosure		Page Reference / Response	Omission
Customer Health and Safety				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	43	
	103-2	Elements of management approach	35-40, 43	
	103-3	Evaluation of management approach	43	
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	43	
Socioeconomic Compliance				
GRI 103: Management Approach 2016	103-1	Material topic description and definition	35-40	
	103-2	Elements of management approach	27, 41	
	103-3	Evaluation of management approach	27, 41	
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	27	

