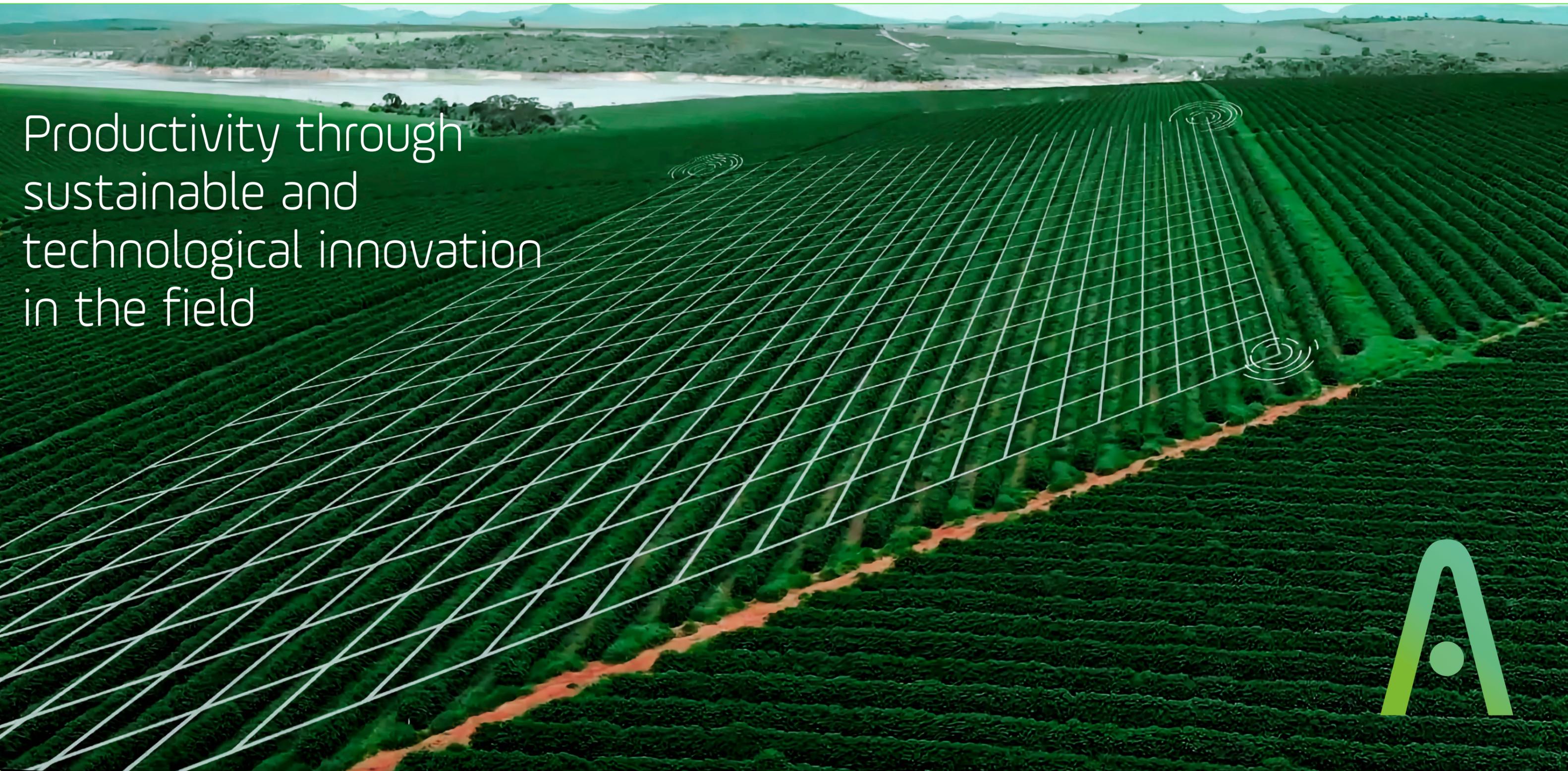


AGRO GALAXY

Annual Report
2021



Productivity through sustainable and technological innovation in the field





CONTENTS

1. POSITIONING

Message from the Chairman of the Board of Directors

Message from the CEO

2. ABOUT THE REPORT

Materiality

AgroGalaxy Materiality

3. VALUE GENERATION PLATFORM

AgroGalaxy

Business model

Business strategy

ESG Journey

Governance and integrity

Risk Management

4. APPROACH A

Qualified support in the field

Digital transformation

5. SOCIAL AND ENVIRONMENTAL COMMITMENT

Employees

Suppliers

Communities

Environment

AgroGalaxy Institute

6. SUSTAINABLE RESULTS

7. GRI ANNEXES

8. GRI CONTENT INDEX

9. CORPORATE INFORMATION/ EDITORIAL STAFF





1. POSITIONING

AgroGalaxy's strategy, anchored in ESG principles, was greatly strengthened in 2021





Message from the Board of Directors

GRI 102-14



Sebastian Popik

Chairman of the Board of Directors

With activities based on a true value proposition, developed and structured to maximize the Company's bottom line and boosting returns for shareholders, its rural producer customers and all employees, AgroGalaxy celebrated its entry into B3 (Brazilian Exchange & OTC) in 2021 at the highest corporate governance segment – the Novo Mercado. Even before the Initial Public Offering (IPO, in Portuguese), we featured such differentials as four independent members on the Board of Directors, three women directors, formal advisory committees – Audit, Sustainability, Finance, and People – reinforcing our commitment to transparency and compliance. The Company also established an Integrity Board during the year, which carried out independent reporting to the Audit Committee and was made responsible for implementing the Integrity Program. Also in 2021, the AgroGalaxy Code of Conduct was unified and updated, and an external company contracted to manage the Integrity Channel, receiving reports that violate the ethical principles and standards of conduct established by the Company.

In an effort to include sustainable development and ESG criteria into strategic planning and all business decisions, the Company looked to revisit its positioning and strengthen sustainability management in 2021 with the support and approval of the members of the Board of Directors. The focus is on the long term and in meeting the demands of the business itself, while

accounting for the expectations of stakeholders.

The result was that it listed key commitments that should be fulfilled based on short-term goals that also contribute to complying with the Sustainable Development Goals (SDGs), mapped as strategic for generating value. As such, the vision is to offer innovative solutions providing the best technical support for farmers to adopt more sustainable protocols, along with increased productivity, profitability and climate resilience. Additionally, the goal is to collaborate for the preservation of biodiversity, support the fight against deforestation, and create an inclusive organizational culture that develops and values talent.

In this way, we have once again assumed our determination of playing a role in the production of food in harmony with the preservation of the environment, creating prosperity and social equity and contributing to a better world for future generations.



Message from the CEO

GRI 102-14

Having actively taken part in the consolidation of the agricultural inputs sector in Brazil, AgroGalaxy sees tremendous opportunities to increase its presence in this industry, anchored in differentials like expert technical support and digital channels that enhance the customer experience. Before being offered in the field, our products, services and technologies are tested and validated according to scientifically based agronomics. In addition to our physical structure, we include Technical Sales Consultants (CTVs – acronym in Portuguese), who work in direct contact with rural producers, and experts in productivity, seeds and application technology.

We are focused on being agribusiness partners that share knowledge and solutions and allow for increased productivity within existing planted areas, resulting in reduced environmental impacts and improving the quality of life in the field. Technology is our ally in generating long-term value.

We introduced the *Produtor* (Producer) app in 2021. In addition to intensifying the relationship between producers and our CTVs, it aggregates relevant information

from the entire rural production cycle. Another new development was the debut of Agrokea, a precision agriculture platform available within the AgroGalaxy App that combines technology and innovation to offer tools for research automation, field monitoring and analysis services.

Our portfolio also features financing and credit solutions according to a special policy that was revamped in January 2022, and includes barter operations, in which the producer purchases inputs for later payment with part of the production, without exposure to bank interest rates. Our support is also expressed in the offer of insurance, providing additional security for farms and rural producers.

2021 was a special year for us, as we reinforced our strategy, which is rooted in ESG principles. We have begun to develop green protocols to analyze, study and test the use of bio-inputs towards the transition to a regenerative agriculture – being fully mindful that the soil is our customers' greatest asset.

In October, the Board of Directors approved the creation of the AgroGalaxy Institute. Implemented in February 2022, the institute is designed to “promote knowledge, education and innovation

applied to sustainable development in the field.” Being active in this sector lets us act in a structured way to facilitate solutions in more sustainable production models, balancing environmental and social demands while linking rural producers with innovation ecosystems. Accordingly, we also became signatories of the United Nations Global Compact in November, committing ourselves to support the initiative and its principles both within the company and in our value chain.

We believe in the value of agribusiness and its role in tackling major global challenges, such as fighting hunger and climate change. We reached our highest ever net revenue of R\$ 6.6 billion in 2021, a 59% growth compared to 2020, and came into 2022 with the incorporation of public targets for our contribution to the SDGs. We will continue our firm commitment to generate value for all our stakeholders.



Welles Pascoal

CEO of AgroGalaxy



2. ABOUT THE REPORT

For the second consecutive year, AgroGalaxy is publishing a Sustainability Report – now called the Annual Report – to disclose the performance of its activities and strategic commitments aligned to the pursuit of sustainability in national agribusiness. This report was compiled in accordance with the Global Reporting Initiative (GRI) Standards, Essential option, and addresses progress made in environmental, social and governance (ESG) aspects adopted in line with the United Nations Sustainable Development Goals (SDG). As such, this document also satisfies the demand of Communication on Progress for companies that are signatories to the Global Compact. [GRI 102-50](#) | [102-52](#) | [102-54](#)

The information provided was obtained through interviews with representatives from key areas of the Company and based on material issues identified in dialogs with key stakeholders and validated by Senior Management.



This second AgroGalaxy Report addresses advances related to ESG criteria



Materiality

GRI 102-46

AgroGalaxy promoted a new materiality process in 2021, which underlies definitions of the content in this document by determining the most relevant topics for AgroGalaxy's strategic audiences, for the Company itself and its industry. The work was conducted by external consultants and included the following steps:

1 Identification

An analysis of documents in order to survey the key themes, 11 of which are internal, including the previous Sustainability Report, Environmental and Social Action Plan, ESG Strategy, Aqua Capital's strategy, KPIs, Environmental Management System, and Risk and Impact Map. There were also 14 external themes, such as relevant studies and research on agribusiness, frameworks and the strategy of other related companies.



2 Prioritization

A workshop that was held with ten leaders to identify and prioritize the stakeholders that need to be engaged (using their influence and dependence as the main criteria), in addition to panels with nine Technical Sales Consultants (CTVs). To list the material themes from the standpoint of the prioritized stakeholders, the consulting firm included interviews with ten executives: a Board Member and member of the Sustainability Committee, two shareholder representatives (vehicles represented by Aqua Capital), four financial market analysts, three suppliers, three customers, one representative of a public agency (Brazilian Agricultural Research Corporation – Embrapa), and two representatives from a sectoral entity. An online questionnaire was also used, which was completed by 23 external and 222 in-house representatives. In all, 290 people were polled. GRI 102-40 | 102-42 | 102-43



3 Analysis

Based on an analysis of external documents – used to map positive and negative, social, environmental and financial impacts related to the business – and the result of the Prioritization stage, the themes were assessed and sorted by relevance. Among other factors, some of the things considered included perceptions of impact, risk and opportunity related to them, the influence they may have on relevant decisions (of the interviewee and AgroGalaxy), the type of consultation (in-depth interviews, workshops, focus groups), and impartiality.



4 Validation

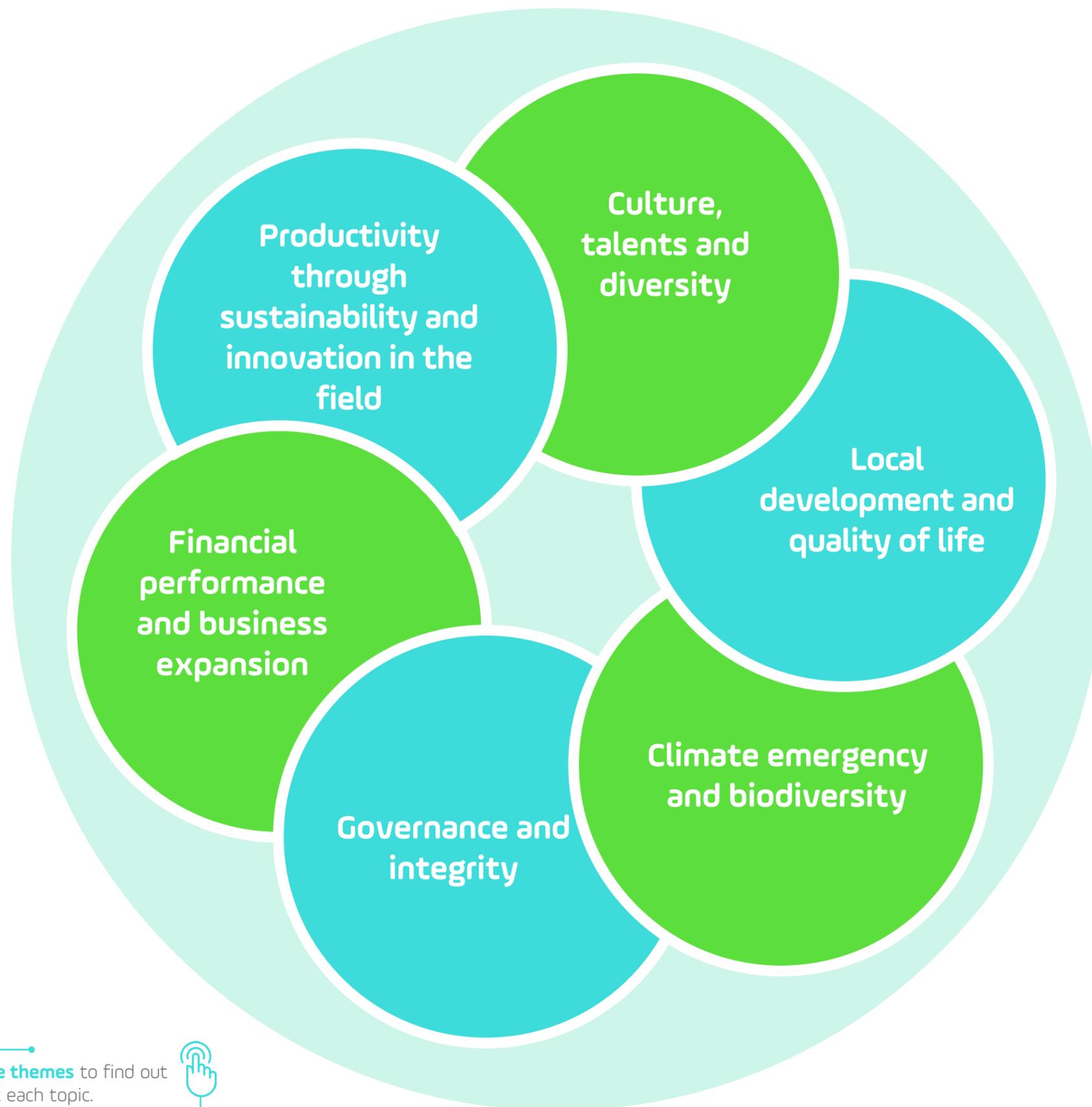
Recognition of the outcomes by the Sustainability Committee and the Executive Board. GRI 102-32





AgroGalaxy Materiality

At the end of the process, six material themes were identified and regarded as raw materials for drafting the ESG Positioning and integration with the AgroGalaxy strategy, which encompasses commitments, goals and priority initiatives..



Click on the themes to find out more about each topic.





3. VALUE GENERATION PLATFORM



Reaching throughout the national territory, AgroGalaxy focuses on being an essential partner for farmers



AgroGalaxy

GRI 102-1 | 102-2 | 102-4 | 102-6 | 102-7 | GRI 103-2, 103-3
 Financial performance and business expansion

Created in 2016 through investment funds represented by Aqua Capital from the acquisition and integration of leading companies in various regions around Brazil, AgroGalaxy is a prominent platform for generating value for national agribusiness. It is active in the marketing and sales of agricultural inputs, seed production, origination, storage and trade in grains, while also providing specialized agricultural services equipped with technology to increase sustainable productivity in the field. With nation-wide coverage and a focus on serving as a key partner for farmers, the Company offers tailor-made solutions based on the needs of each rural property.

As of December 31, 2021, there were 134 stores, including commercial locations (which do not have stock), 28 silos, three proprietary soybean seed plants (states: PR and GO), in addition to five operating in a tooling system (GO, PR, MG, MS, TO and BA), covering nearly 1,000 cities and over 10 million hectares being served in a base of around 23,000 customers. Over the year, the Company opened 21 stores and completed two acquisitions, in addition to Agrocat, where the closing took place in January 2022. This robust capillarity in strategic regions of agribusiness was made available in 2021 to a team of 2,157 employees, which was important for reaching the R\$ 6.6 billion in net revenue and adjusted EBITDA of R\$ 394 million.

Admission to B3

GRI 102-5

On July 26, 2021, AgroGalaxy completed its Initial Public Offering (IPO) in B3, initiating sales of shares under the ticker AGXY3 and helping to increase the representation of agribusiness on the Brazilian stock exchange. The Company has joined the *Novo Mercado*, the highest corporate governance segment, raising gross funds to the tune of R\$ 350 million that will be allocated to working capital, strengthening the capital structure, investment in organic and inorganic growth, digitalization and modernizing production units.

Timeline – Acquisitions with a focus on value generation

GRI 102-10 | 102-2

2016 > 2017 > 2018 > 2019 > 2021 > 2022





Mission, Vision, Values and Purpose

GRI 102-16

Mission:

To help Brazilian farmers continually improve their legacy with the best raw materials, technology and services.

Vision:

To be the largest and most admired omnichannel retailer in Brazilian agribusiness, delivering prosperity to farmers and the communities we are active in, while providing the best returns for investors in the sector and helping to preserve our Planet.

Values:

Simplicity in the deal | Trust in work | Authenticity in essence | Sustainability in commitment.

Purpose:

We are agents of prosperity who are committed to making the chains in agribusiness prosper at all times.



A focus on value generation

From the start of the construction of the AgroGalaxy Culture in 2021, the new positioning and the definition of an ESG strategy focused on generating long-term value. AgroGalaxy will revisit its Mission, Vision, Values and Purposes in 2022. As such, the Company continues down a path that is focused on contributing to the business' sustainable development

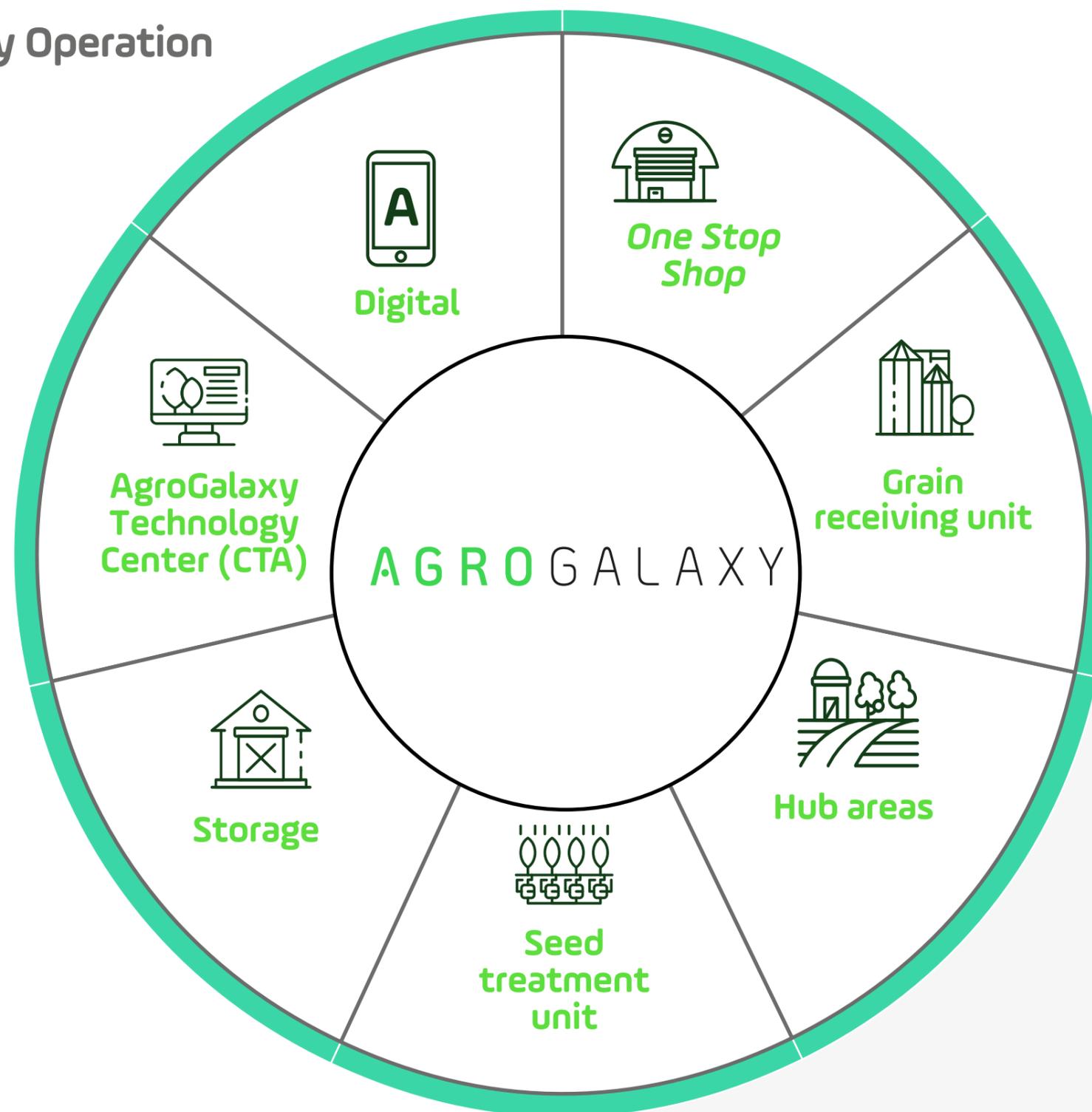


Business model

AgroGalaxy developed a business model that is connected to the sustainable development agenda, it is based on its enormous capacity to access the market, the consistent use of innovative technologies, technical assistance and professional agronomic recommendations and powerful brands with high credibility. The Company is the link between suppliers of raw materials and rural producers, through which it works toward ensuring maximum value generation and providing consistent growth along with gains in synergy, efficiency and productivity throughout its business chain.



AgroGalaxy Operation



Click on the numbers to find out more about each topic. 



Business strategy

GRI 103-2, 103-3 – Financial performance and business expansion

To further reinforce its position as a provider of complete solutions to address the needs of rural producers in Brazil, AgroGalaxy proceeded under a strategy in 2021 that includes four avenues for value generation:

GEOGRAPHICAL EXPANSION THROUGH PHYSICAL AND DIGITAL STORES

– Significant investments in digital channels for the sale of products and services, available on the *Produtor App*, and 41 new stores, 21 of which are already open and another 20 to be opened after the acquisition of Boa Vista, in April, and Ferrari Zagatto, in September, in different regions. At the end of the period, there were 134 stores in the major agribusiness states. With the completion of the acquisition of Agrocat in January 2022, AgroGalaxy now has 145 stores. The growth leverage also includes a franchise pilot to expand the vertical business model. The franchisees' stores are set in a totally ecological container, including a water catchment and solar panels located close to the AgroGalaxy units to ensure the stock and delivery of the items and services sold. At the end of the year, it was a franchisee acting under this model, in addition to five others at the start of 2022.

COMMERCIAL AND MARKETING EXCELLENCE TO INCREASE MARKET SHARE IN THE REGIONS OF ACTIVITY

– Consolidation and integration of the various companies under the AgroGalaxy brand, which began to operate based on standardized tools and procedures, as well as considering the customer segmentation done throughout the year in order to qualify the management of the commercial team.

OPERATIONAL EXCELLENCE TO MAINTAIN THE HIGH LEVEL OF SERVICES PROVIDED TO CUSTOMERS AND IMPLEMENT GROWTH PLANS

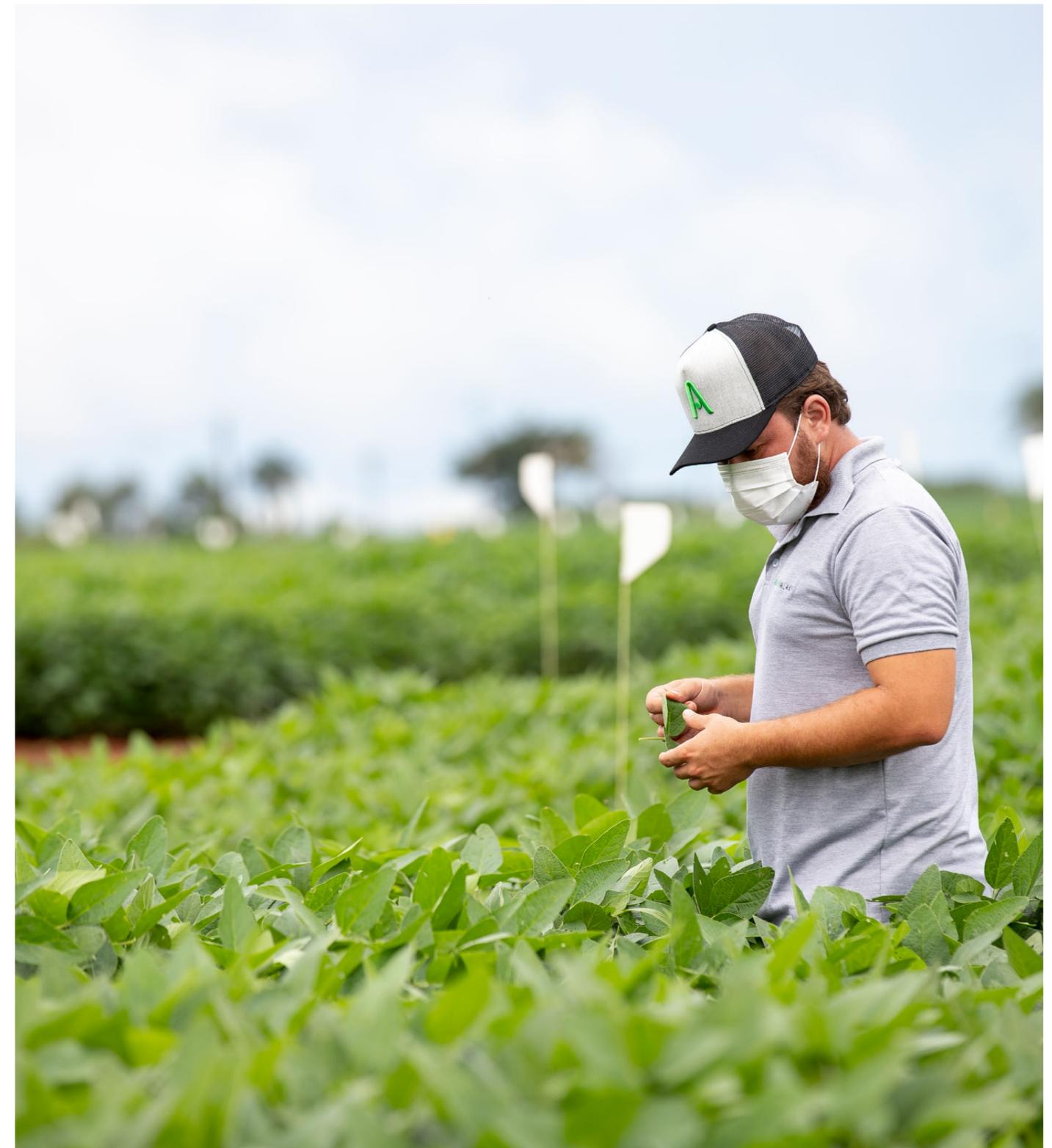
– Increasingly integrated planning between various areas, such as Financial, Marketing and Sales Operations, to offer the right product and at the right time to producers, ensuring the availability of inventories and delivery times.

CONTINUOUS IMPROVEMENT OF DISTRIBUTION CHANNELS

– Investments in the omnichannel journey, particularly in digital channels and strengthening relationships of trust and partnership.

With a view towards ongoing improvements, the Company also listed the priority and strategic themes for its performance in the short term:

- Consolidation of AgroGalaxy Culture and Approach A;
- New operational model;
- Continuity of digital transformation;
- Strengthening the ESG agenda; and
- New catalysts, which include opportunities to operate in new businesses and services that qualify the agribusiness market.





New Operational Model

To support the integration of the companies in the portfolio and the sustainable development of the business, the development of a New Operating Model at AgroGalaxy began in 2021. The project seeks to revise and simplify processes by defining company-wide transactional procedures and roles and responsibilities for their implementation, as well as the adoption and strengthening of technologies such as SAP and Salesforce. One of the end products of the new model may be the rollout of a Shared Services Center to provide more synergy in the transactional and administrative activities performed by different corporate areas, with the expectation for gains in efficiency.

Organizational Culture

The Company kicked-off a project in 2021 to build identity and culture with a view towards integrating and reinforcing the best of each of its units. This journey over the year included the construction of a single language in the various internal and external means of communication, as well as the first AgroGalaxy Convention promoted online. The convention involved all areas and was held to help boost feelings of belonging to a cohesive and strong group

where everyone works towards the same purpose.

Building an identity – the first element for defining the organizational culture – included individual and group interviews with senior leadership, supported by an independent consultancy, as well as workshops with employees who have distinguished themselves as leaders by influence. Based on this process, the new organizational culture narrative and

capabilities expected from each of the professionals were defined. These will be presented to all teams in early 2022 as part of the target plan and to support the construction and strengthening of the organizational culture. Some of the points that had been mapped during the period included the commitment to diversity and inclusion, as well as continuous investments in safety, well-being and professional improvement.





ESG Journey

AgroGalaxy works toward the permanent improvement of ESG aspects in its strategy and to promoting these principles throughout its value chain. The Company maintains an Environmental and Social Management System in accordance with the requirements of the International Finance Corporation's (IFC) environmental and social standards and the World Bank's Environmental, Health and Safety guidelines. Business activities and performance also conform to the internal Social and Environmental Plan. A total of 51 metrics are continuously monitored, which include ESG topics and positive impacts like gender diversity, occupational safety performance, Greenhouse Gas (GHG) emissions, consumption of natural resources (such as water and electricity), and, among others, funds invested in surrounding communities. The results are monitored by the Sustainability Committee and subsidize the development of action plans for improvement. Over the year, a total compliance percentage of 80%¹ was reached to the actions of the Social and Environmental Plan, given the different stages of the companies acquired in recent years.

The Social and Environmental Plan is supported by the Social and Environmental Responsibility Policy, developed in line with the IFC (International Finance Corporation) and SDG performance standards, approved in 2021 by the Board of Directors. The document reconfirms AgroGalaxy's commitment to ensuring the sustainable growth of agribusiness, preserving the resources required to sustain life and upcoming generations on the planet, respecting human rights and helping to generate positive impacts for society overall.

As such, the Company committed to the SDGs (revisited in 2021), with the following outcomes for the year:

¹ - It considers the companies Agro100, Agro Ferrari, Grão de Ouro, Rural Brasil and Sementes Campeã. Boa Vista began its monitoring in June 2021, with 7% compliance in December 2021.

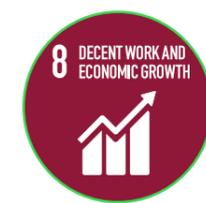
2021 Goals



Implementing an institution to provide financial resources and partnerships to improve scientific research applied to the productivity and sustainability of agriculture in Brazil: The AgroGalaxy Institute was founded in 2021, and its incorporation was concluded in February 2022.



In the recruitment and selection processes, ensuring at least one-third of women are included among the candidates for any senior position at the Company: In 2021, AgroGalaxy directed its efforts towards building an increasingly structured and professionalized selection process through the design of a more efficient flow, defining a Staff Recruitment and Selection management tool and implementing practices such as a blind CV. In addition to this, the positioning and strategy of the Company's Diversity, Inclusion and Belonging Program was defined. It converges towards the creation of best practices for the inclusion of professionals while valuing, above all, their uniqueness.



Investing in the local community, as well as addressing the 2021 budget with respect to salaries and benefits and employee training: Economic value was distributed to the tune of R\$ 232 million (referring to salaries and benefits, but resources in training were not computed in the year) and new processes were initiated to better manage investments in communities.



Decreasing by 5% up to December 2021 (compared to the volume sold in 2019), zeroing the sale of products allowed in Brazil by 2025, but classified by the WHO as extremely or highly dangerous, while increasing the commitment to the mix and boosting the volume of biological products: In 2021, the themes were reinforced in the review of the materiality matrix and included in the corporate goals for 2022. AgroGalaxy has updated the list of products considered highly dangerous by the WHO and implemented bolder targets for their total ban by 2025, reversing the increase in sales that occurred in the period of 2021 by 12% while including in the corporate targets a 33% increase in revenue from biosolutions.



Consolidating the GHG emissions inventories for all portfolio companies by December 2021 with an independent third-party audit, and perform a study of the best alternatives and define public targets for reduction commitments in scopes 1, 2 and 3 in the short, medium and long term: The companies' inventories were consolidated, with the exception of Ferrari Zagatto and Agrocat, with consolidation starting on September 1, 2021 and January 1, 2022, respectively - the progress in this report is one of the goals assumed for 2022.



Taking action today to create value in the future

Based on a process involving a review of materiality, including a consultation with stakeholders, AgroGalaxy revisited its ESG positioning and its commitments to sustainable development, and established a new cycle aimed at positioning the Company into a stage of growth anchored in innovation. Accordingly, a reflection on sustainability management was promoted with a long-term view and focus on fulfilling the expectations of stakeholders and the business itself, with the definition of key commitments correlated to material themes and the 2030 UN Sustainable Development Goals (SDGs).

In this vein, AgroGalaxy plans to strengthen its contribution to ESG issues by listening to stakeholders in an effort to provide feedback on the strategy and promote continuous engagement. In order to do this, the company has defined a new stance, with key commitments broken down into a set of ten ESG goals that are validated by the Board of Directors and which will be used in employee performance evaluations, part of them corporate and part distributed by distinct areas in the company.



Short-term goals for generating value in the future

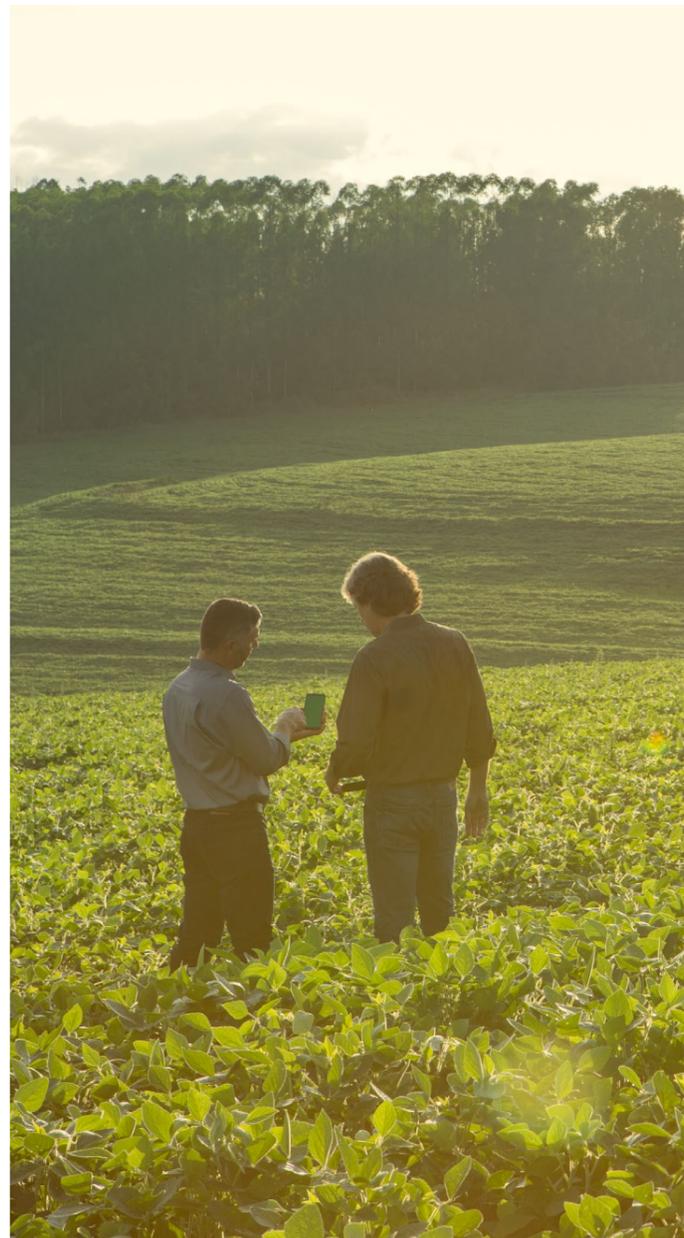
Based on this long-term view and strategic objectives with short-term goals, the perspective is to generate shared value with innovative solutions geared towards helping the business attain the SDGs listed as priorities.





AgroGalaxy ESG positioning

We have been working towards being the Brazilian farmer's best partner in adopting sustainable production models that maximize productivity and profitability, allied to environmental preservation and socioeconomic development.



Key commitments and targets for 2022

1. Offering innovative solutions with the best technical support so that farmers can adopt more sustainable protocols, with gains in productivity, profitability and climate resilience for the rural property.

1
To increase revenue with biosolutions **by 33%** compared to 2021

2
To reduce the volume of sales **by 20%** of products considered by the WHO to be highly dangerous, but allowed in Brazil, to zero by 2025

3
To initiate two challenges by the AgroGalaxy Institute for innovative solutions with a positive social and environmental impact in the field

2. Collaborating for the preservation of biodiversity, supporting the fight against deforestation, with actions geared towards the recovery of degraded areas with farmers, including through education, financing and models to get paid for

4
To join the Brazilian GHG Protocol Program at a Gold level: GHG inventory completed and verified by a third party

5
To ensure monitoring in social and environmental criteria of **100%** of the active customer portfolio in 2022

6
To implement the Sustainable Purchasing Program

7
To introduce a sustainable financing line for rural producers committed to zero deforestation

3. Creating an inclusive organizational culture that develops and values talent based on the pillars of Diversity, Integrity, Innovation and Sustainability, expanding the reach of AgroGalaxy for human development in the field and quality of life for rural communities.

8
To implement the Diversity & Inclusion Program

9
To train at least **50%** of employees on ESG best practices

10
To define the ESG Risk Matrix integrated with Corporate Risks

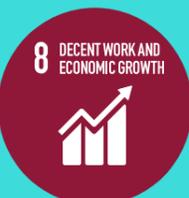


In order to achieve key commitments, AgroGalaxy is committed to short-term (until 2022) and long-term actions, with a horizon up to 2030. In this sustainable aim by the Company, we should underline the commitment to global challenges, such as increasing diversity in the workforce (including senior management positions) and, in addition to supporting the use of biosolutions, completely excluding products banned by the WHO from the portfolio, even if their sale is permitted in Brazil. As such, AgroGalaxy seeks to positively encourage national agribusiness with voluntary actions linked to ESG aspects.



Material Themes	Key Commitments	Strategic Initiatives	Perspective through 2030	Actions in 2022	Contribution to the SDGs
Productivity through sustainability and innovation in the field	Commitments 1 and 2	To offer the best protocols to customers in order to facilitate the transition to regenerative agriculture	To Increase the share of biosolutions in the Company's sales mix To Expand the supply of tools and services for precision agriculture and sustainable soil management	- To introduce the AgroGalaxy Regenerative Manifesto - To certify the AgroGalaxy technical group in sustainable protocols - Expand the generation of demand for biosolutions in the field through green PTAs	
		To Exclude products considered highly dangerous by the WHO, but accepted in Brazil, from the portfolio by 2025	- To develop alternatives in the product mix to replace products that are considered highly dangerous - Expand partnership with input manufacturers and other links in the chain to find large-scale solutions		
		To introduce the AgroGalaxy Institute with the purpose of promoting knowledge, education and innovation for sustainability in the field	- To promote two challenges in 2022 – one focused on innovative solutions in the field (environmental impact) in the first half of the year and, in the second half, addressing rural worker education (social impact) - Coordinate institutional partnerships for special projects through a Fundraising Plan		



Material Themes	Key Commitments	Strategic Initiatives	Perspective through 2030	Actions in 2022	Contribution to the SDGs
Climate emergency and biodiversity	Commitment 2	To improve reporting related to the operation's climate commitments and the value chain	To assume science-based targets (SBTi) aligned with the material aspects of the business to reduce climate change	<ul style="list-style-type: none"> - To produce studies that can improve and prioritize initiatives for Net-Zero - To publicly report GHG Inventory - To identify projects aimed at reducing emissions in the value chain (customers and suppliers) 	  
		To leverage practices for transition in regenerative agriculture through sustainable finance	To offer financing lines to customers aligned with ESG commitment to combat deforestation	<ul style="list-style-type: none"> - To design the Carbon and Regeneration protocols with a mix of tested and approved products - To establish partnerships to enable both the financial operation and the protocols for sustainable financing 	
		To make advancements in Credit Policy with ESG analysis	To ensure traceability in the customer chain with a focus on combating deforestation and material ESG criteria	<ul style="list-style-type: none"> - Update the Credit Policy, with an analysis of ESG aspects - Introduction of Agrotools Safe solution for social and environmental monitoring of customers - Coordination of partnerships to support producers in the social and environmental aspects of their production - To join the moratorium on soy 	
		To implement the Sustainable Purchasing Program	To ensure traceability in the suppliers' chain with a focus on combating deforestation and material ESG criteria	<ul style="list-style-type: none"> - To implement the Sustainable Purchasing Policy - To publish the Code of Conduct for Suppliers - To train purchasing teams on ESG criteria for the supply chain 	
Culture, talents and diversity	Commitment 3	To implement the Diversity & Inclusion Program	To foster an inclusive corporate culture that values diversity and respects human rights	<ul style="list-style-type: none"> - To develop and publish the Diversity & Inclusion Policy - To make all employees aware of the theme of Diversity - To develop the Diversity Census at the Company - To create panels and affinity groups - To plan specific actions for racial and gender equity and for the inclusion of people with disabilities 	 
Governance and integrity		To include ESG in leadership training and employee education	To ensure the knowledge required for the cross-cutting nature of the ESG theme among employees	<ul style="list-style-type: none"> - To include ESG goals impacting employee compensation - To include ESG in the integration of new employees - To foster ESG dialogs with benchmarking and experts 	
		To define an ESG Risk Matrix integrated into the Corporate Risk Matrix	To increase the perception at the Company, especially those related to ESG	<ul style="list-style-type: none"> -- To develop and analyze the ESG Risk Matrix in conjunction with the areas of People & Management, HSE, Integrity and Legal - To define which risks will go to the scope of the Corporate Risk Matrix 	



Governance and integrity

GRI 102-20 | 102-27 | GRI 103-2, 103-3 – Governance and integrity

Listed on B3's Novo Mercado, AgroGalaxy has adopted high standards of corporate governance that are aligned with its commitment to ESG criteria and to the objective of acting with a view towards generating permanent value for the national agribusiness. The Company operates its business based on the provisions of its Bylaws and Policies on Compensation, Social and Environmental Responsibility, Credit, Corporate Risk Management, Disclosure of Material Act or Fact, Securities Trading, Appointment of Managers, and Related Party Transactions – all created and/or updated in 2021.nadas – todas criadas e/ou atualizadas em 2021.

Governance Structure GRI 102-18

The internal governance structures are the Board of Directors, supported by the Fiscal Council, and the Executive Board on a non-permanent basis. The Board of Directors is supported by formal Audit (independent), Sustainability, Financial and People committees, whose duties are outlined in the internal regulations.

Board of Directors (BD) - The highest governance body, it is responsible for establishing the general direction of the business, defining the Company's and its subsidiaries' strategies, and monitoring and evaluating the management, performing the activities within its competence established in the applicable legislation and regulations, in the Bylaws and in the internal rules.

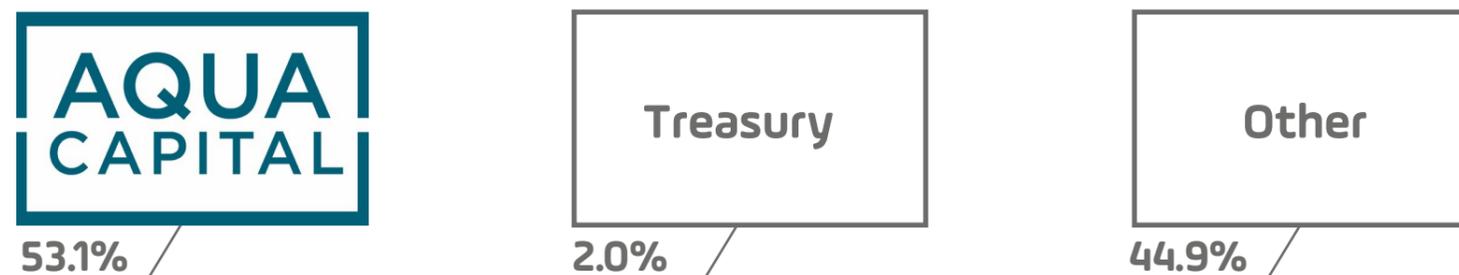
- **Made up of nine members, with four independent and three women members.**
- **Positions of Chairman of the BD and CEO held by different professionals. GRI 102-23**
- **Members with a wide range of experiences and skills, seeking a plural, flexible, modern and innovative decision-making environment.**

Executive Board - This entity is responsible for actively and passively representing the Company, as well as to perform all necessary or convenient acts for the social business management, respecting the limits provided by law and bylaws.

- **Includes eight officers, with five statutory and two women members.**

The updated composition of the BD, the Executive Board and the Committees, with the qualifications of its members, can be seen on AgroGalaxy's Investor Relations website. GRI 102-22

Corporate structure





Integrity

GRI 102-16 | 103-2, 103-3 – Governance and integrity

Focusing on an ethical and transparent performance, AgroGalaxy began structuring a robust Integrity Program in 2021. The work began with the identification of any distinctions in the management and compliance processes of the companies integrated into the portfolio for the consolidation of best practices and the mapping of the need for new structures. Based on this assessment, the Company revised its Code of Conduct, which compiles the principles and values that need to be observed by all employees and stakeholders, using simple and objective language and focusing on steering the actions and behaviors expected in relationships with the various agents in the business chain.

There was also an independent company hired over the year to manage the Integrity Channel, which is available to receive complaints on violations or non-compliance with the Code of Conduct, internal values and applicable legislation. The reports received are classified into the following categories: Misappropriation, theft, robbery or embezzlement of assets; Physical assault; Psychological Harassment (bullying); Sexual harassment; Corruption; Covid-19; Breach of internal rules and policies; Destruction or damage to AgroGalaxy's assets; Misbehavior; Discrimination; Favoritism or conflicts of interest; Management using insults; Sexual intimidation; Improper payments or receipt of payments; Intimate relationship with direct report; Use or trafficking of prohibited substances; Leakage or misuse of information; Violation of environmental laws; Violation of labor laws; Violation of regulatory standards; and Violation or breach of traffic laws. Any contacts

can be made anonymously, with a guarantee of non-retaliation and a proper investigation handled by an in-house, independent Integrity Commission created in 2021 and consisting of five members, two of whom are from the Integrity Area, two from the Legal Area and one a Human Resources employee. At the same time, an Investigation and Review Policy was developed and approved by the BD, which establishes the procedures for handling demands with transparency, justice and equity. The process is also monitored by the Audit Committee, composed of independent members of the management and to whom the Integrity Committee reports. In 2021, 22 reports were logged in the Integrity Channel, all verified by the Integrity Commission, and 16 of which were resolved during the period.

Mechanisms for advice and concerns about ethics

GRI 102-17

	2020	2021
Total number of complaints received in the reporting period	37	22
Total number of complaints processed in the reporting period	37	21
Percentage of complaints and claims processed	100%	95%



In 2021, AgroGalaxy published and released the Anti-Corruption Policy and the Policy of Internal Investigations and Verification of Reports. A campaign was also held to raise awareness about receiving and offering gifts and freebies at the end of the year. The issues of sponsorship and donations, conflicts of interest and conduct during election periods are addressed in the Code of Conduct and will be the focus of specific internal regulations that are to be enacted in 2022. [GRI 102-16 | 102-25](#)

In 2021, with the support of independent consultants, AgroGalaxy mapped out corruption risks it is exposed to in all operations. The chief risks identified were related to the opening of branches,

relationship with public officials, interaction with public entities through third parties, and donations and sponsorships – all of which are expressly addressed in the Code of Conduct and which, in 2022, will include specific regulations and a work plan for the adoption of mitigation processes and controls. [GRI 205-1](#)

The Company held no training during the year for its employees on policies and/or procedures to combat corruption, but this should take place in 2022. Over the last three years, there have been no confirmed cases of corruption involving AgroGalaxy.

[GRI 205-2 | 205-3](#)

By 2022, all employees need to declare their understanding of the Code of Conduct and the Anti-Corruption Policy and undergo mandatory training. Other actions planned for the next cycle are the inclusion of ESG aspects in the Credit Policy, with an approach to social and environmental risks, and the creation of a sustainable procurement program together with the Procurement Area. Both of these are focused on a positive, proactive agenda that contributes to the ethical improvement and solid reputation of not only AgroGalaxy, but of the entire national agribusiness.

Integrity Week

The introduction of the Integrity Program, Code of Conduct and the Integrity Channel took place during the Integrity Week, held in December. It included a presentation by the third-party company responsible for the platform that receives complaints and lectures on anti-corruption practices and against any type of harassment, both psychological and sexual – all of which are strongly rejected at AgroGalaxy. At that time, roundtable discussions were also held where practical cases were discussed and the culture of integrity was reinforced.



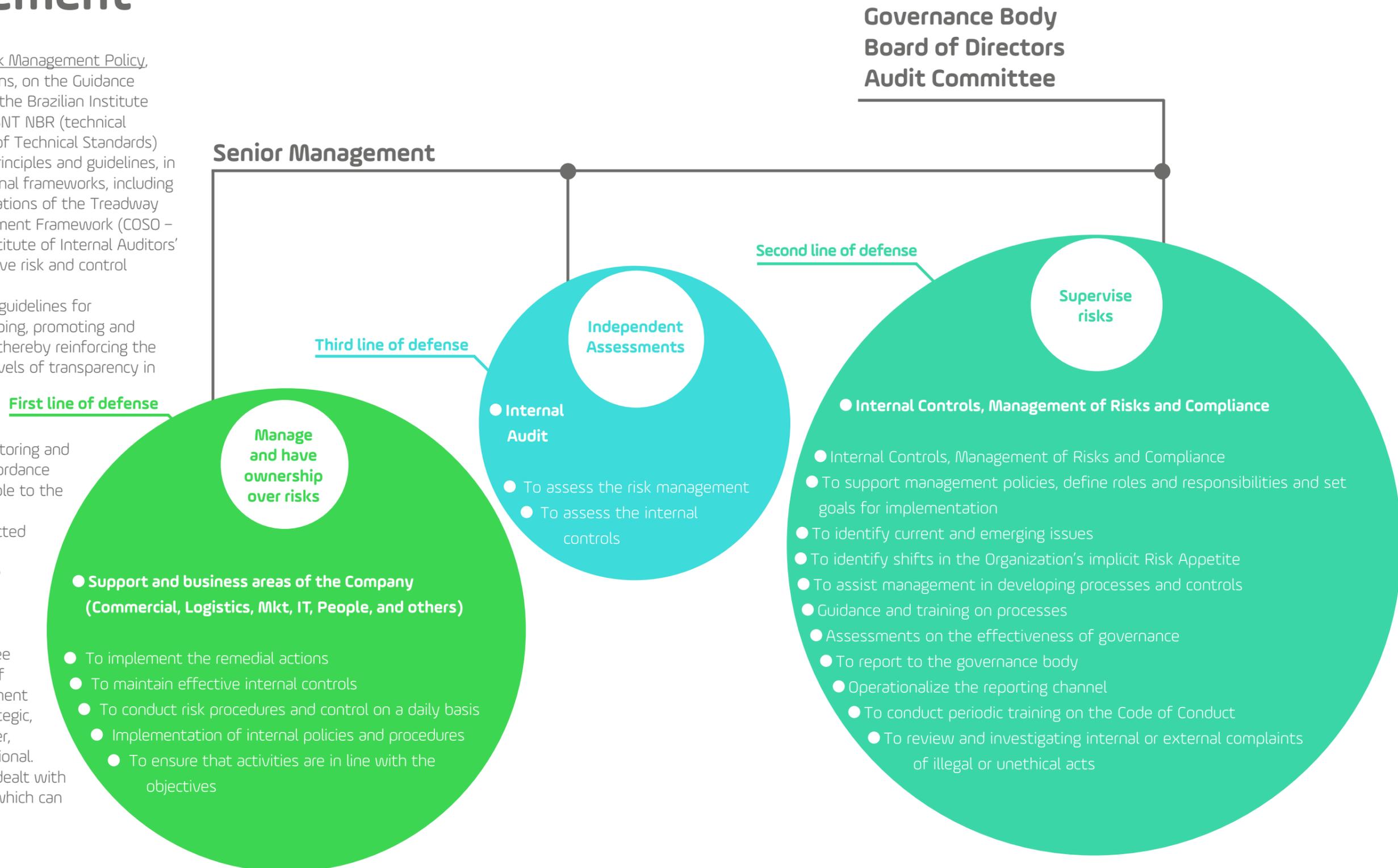
Risk Management

GRI 102-11

In 2021, the Company issued its *Risk Management Policy*, based on B3's *Novo Mercado* regulations, on the Guidance for Corporate Risk Management, from the Brazilian Institute of Corporate Governance (IBGC), on ABNT NBR (technical standard by the Brazilian Association of Technical Standards) ISO 31000/2009: Risk Management – Principles and guidelines, in the Code of Conduct, and in international frameworks, including the Committee of Sponsoring Organizations of the Treadway Commission – Enterprise Risk Management Framework (COSO – ERM). The process adheres to The Institute of Internal Auditors' (IAA) three lines of defense for effective risk and control management.

The policy is designed to establish guidelines for corporate risk management by developing, promoting and implementing a management culture, thereby reinforcing the corporate governance structure and levels of transparency in relationships and communications with stakeholders. The policy encompasses guidance, analysis, assessment, treatment, monitoring and communication of risk activities in accordance with the laws and regulations applicable to the business.

A general risk assessment is conducted each year, headed by the Board of Directors, with the participation of the members of the Executive Board, the Audit Committee and the Internal Controls, Risk Management and Compliance areas. The Audit Committee also conducts a specific assessment of the effectiveness of the risk management structure every year, classified as Strategic, Financial, Operational, Regulatory, Cyber, Social and Environmental and Reputational. Some of the actions that need to be dealt with include the defined appetite for risk (which can be extreme, high, medium or low).





4. APPROACH A

GRI 103-2, 103-3 – Financial performance and business expansion

AgroGalaxy's chief mission is to help rural producers feed the world with increased productivity and sustainability, generating value for communities, employees and shareholders. For this purpose, the Company operates on three fronts: inputs (raw materials), with the sale of pesticides, seeds, fertilizers and specialty products (foliar fertilizers, inoculants, biopesticides, soil conditioners, etc.); grain logistics and origination; and credit services and financial solutions. The major difference is the offer of technical assistance and support, providing the information and training needed to increase productivity in the field in an effort to minimize deforestation and reduce impacts on the environment (bearing in mind that the acquisition of additional bags by hectare represents less pressure on the growth of deforested area) and people, as well as food security.

**AgroGalaxy
operates
on three fronts:
inputs; logistics and
grain origination; and
financial solutions**





Qualified support in the field

GRI 103-2, 103-3 – Productivity with innovation and sustainability in the field | 203-2

With a focus on the assertiveness of the recommendations provided to customers, AgroGalaxy maintains three research centers in the field. They are known as AgroGalaxy Technological Centers (CTAs, in Portuguese) – located in Alfenas (Minas Gerais), Londrina (Paraná) and Jataí (Goiás), with the last one opened in 2021 – in which all products, services and technologies are tested and approved before being offered in the field. The Minas Gerais and Paraná units also have a water analysis center, to verify, for instance, the purity of the raw materials. Research and tests are conducted by a staff of 60 experts in productivity and Seeds and Application Technology, and the results are further integrated into the AgroGalaxy Technology Portfolios (PTAs, in Portuguese) – which covered recommendations in 2021 for various crops, such as soybean, corn, wheat, coffee, beans, cassava, cotton and peanuts.

The PTAs are the guides for the 468 Technical Sales Consultants (CTVs) – professionals who maintain direct contact with rural producers to offer and provide advice on the best inputs and services, according to the needs of each crop and property. Furthermore, using georeferencing tools, the Company monitors the effectiveness of PTAs in the field, analyzing and comparing productivity in more than 2,100 areas side by side (verifying a product or a variety) and 180 hub areas (considering the entire crop cycle), which add up to 20,000 hectares of experiments and side by side in the field. The results are again studied with a focus on continuous improvement, closing a virtuous circle of value generation.



AgroGalaxy
promotes the use of
technology to increase
productivity in the
field

Recognition

One highlight from the period was the registration of the CTAs at Alfenas and Londrina in the Brazilian Ministry of Agriculture, Livestock and Supply (MAPA). Based on this recognition, the tests performed can result in the inclusion, validation or cancellation of a product's registration, plus the discovery of new uses, demonstrating the strength of the Company's intellectual capital and its role in the sustainable development of national agribusiness.

The CTVs also provide information for the correct use of products and equipment in the field and conduct specific training for the teams of rural producers. For example, through the Acerte A program in 2021, the focus was on the efficient use of sprayers, with a free service for training and calibrating the equipment to prevent waste (with a consequent financial savings) and to ensure that the activity is safer.

The same care is devoted to the Seeds Unit, where AgroGalaxy employs an agronomist who takes care of a maximum of 4,000 hectares, providing information and the proper technical guidance on topics such as fertilization, sanitation and harvesting. Over the year, Cooperative Day was also created – an event designed to publicize best practices.

By promoting technology as an ally of the field, the Company sells an automatic and online meteorological station. It provides farmers access to climatological information on their properties in a quick and reliable manner. It is therefore possible to trigger alerts from sensors for rain, wind, squalls, humidity, sunlight, dew point and temperature, as well as monitoring the occurrence of pests and diseases in the field. Moving towards a regenerative and increasingly sustainable agriculture, the year saw the onset of the development of green PTAs to analyze, study, and test the use of bio-inputs.



Credit and insurance

GRI 203-2

The Company has a range of credit and installment-payment sales solutions, including an assessment of a customer's risk to define the limits to be set and the counterpart guarantees. There is an express guideline, which was made formal in the Credit Policy, of not financing inputs, not promoting and not receiving grain from illegally deforested areas. Accordingly, the Company uses monitoring processes based on georeferenced technologies and the actions of specialized partners, plus analyzing the registration of properties at the Brazilian Institute of Environment and Renewable Natural Resources (IBAMA). To finance its customers, lines are taken out with financial institutions and Certificates of Agribusiness Receivables (CRAs, in Portuguese) are used.

An additional distinction is the barter deals, in which the producer purchases inputs in exchange for part of the production as a form of payment, without needing to be exposed to bank interest rates. This arrangement lowers the risk of delinquencies for AgroGalaxy because it guarantees direct access to the customer's production. It is also advantageous for the producer, who can anticipate the purchase of inputs by using the grain of the future harvest as currency.

The service portfolio also includes the offer of insurance, which was certified in 2021 through two major partnerships: with Alper in agro insurance (plantations, equipment, machinery, storage, infrastructure and cargo transport) and with BB Seguridade, in collective life, agricultural and rural property insurance.

Value relationship

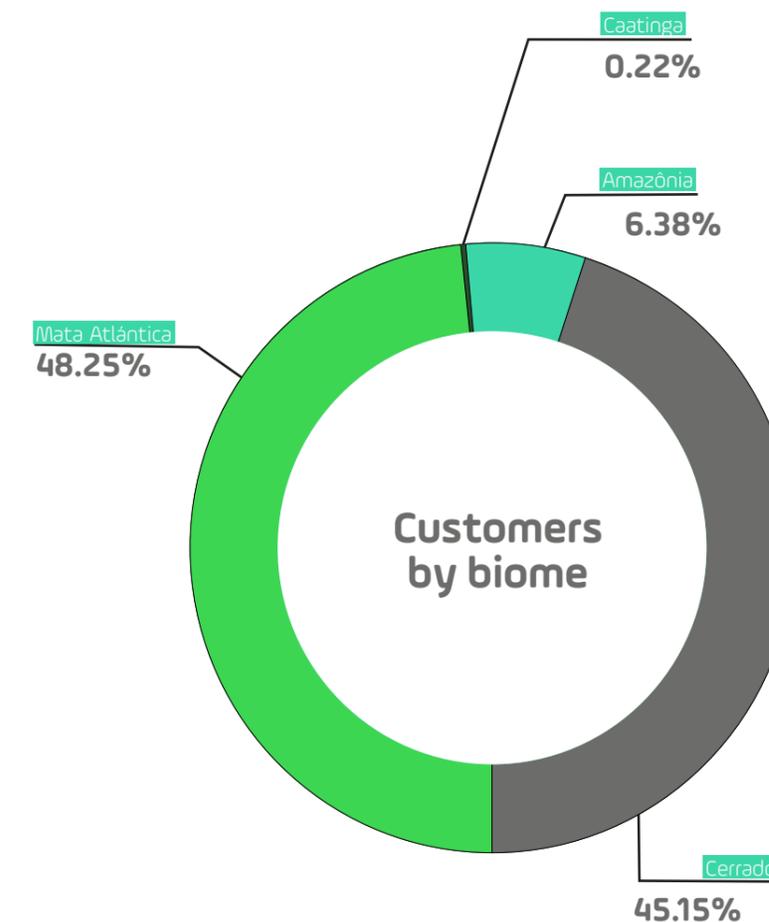
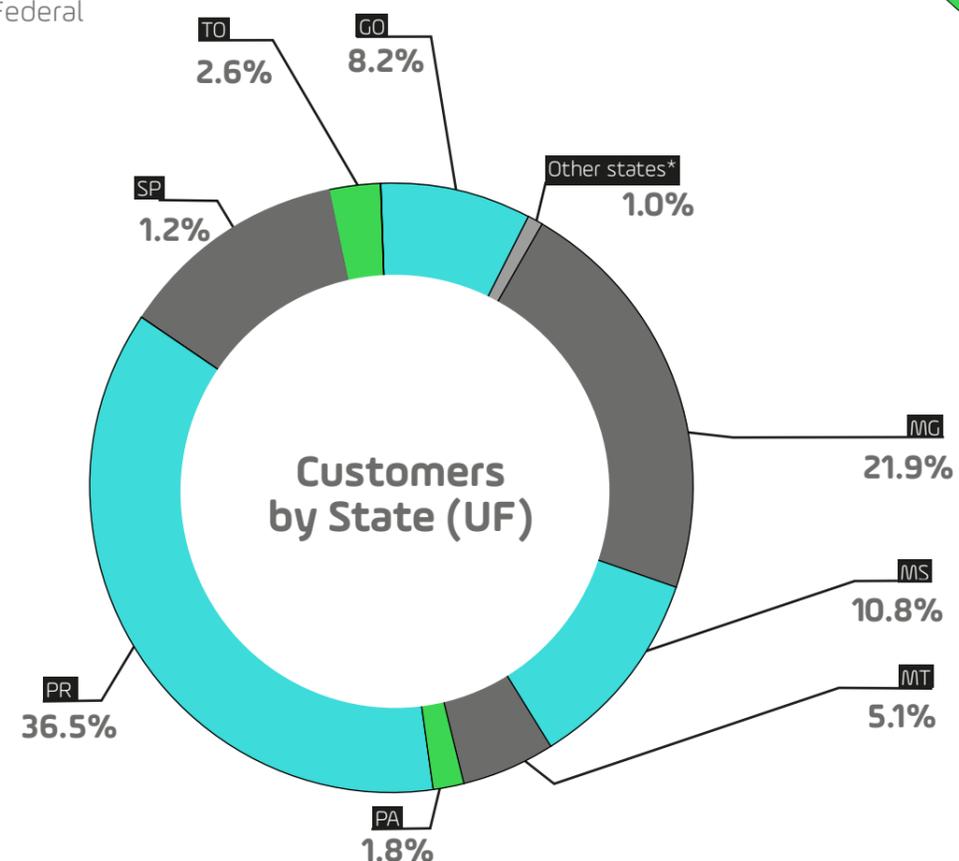
Customers can also rely on the services provided by Technical Sales Consultants at AgroGalaxy's 145 one-stop-shop stores (21 opened and 20 acquired in 2021, with 11 acquired from Agrocatt in January 2022). In order to enhance the relationships and support provided, AgroGalaxy undertook a customer segmentation study in 2021, which led to the creation of the Agronomist on Demand pilot project. The goal is to support small farmers, in some of the most remote and isolated locations, for the sustainable increase of production with in-store activities, lecture series and virtual events for promoting information and the transfer of technology. **GRI 103-2, 103-3 – Local development and quality of life | 103-2, 203-3 – Productivity with innovation and sustainability in the field**

The year also featured a series of campaigns. Some of these included *Junho biológico* (June organic), to publicize organic products; *Universo*

tecnológico (Technological universe), with information on how innovation can be a partner for farmers; *Controle com menos glifosato* (Control with less glyphosate), for using the proper amount of herbicide and bearing in mind that there was a shortage of the product throughout the year; and *Safra nutritiva* (Nutritious crop), focused on specialties, micronutrients and organics. The four campaigns were successful, accounting for 37% of AgroGalaxy's specialty sales. Acknowledgment of the partnership with customers is also made through the AgroGalaxy Clube, one of the first loyalty programs dedicated to rural producers. Purchases through this generate points to be exchanged for exclusive services and products.

Customer segmentation

At the end of 2021, AgroGalaxy boasted a customer portfolio made up of 22,820 rural producers, with properties divided between 17 states (Unidades Federativas, or UFs – Federal Units), and a producer can have more than one property, and in more than one state. Most of it was in the Atlantic Forest Biome. By state, the highest concentration was in Paraná, followed by Minas Gerais. In terms of size, the most significant portion was small farms – this definition also varies depending on the type of crops and geographic location.



*(AP, BA, DF, PI, RJ, RN and RR)



Digital transformation

Since its establishment as a holding company, AgroGalaxy has adopted a digital transformation strategy to enhance relations with customers and the activity conducted by the CTVs and, consequently, the technical support and technologies offered to rural producers. Focused on increasing productivity, safety and efficiency, the company launched the Producer App in 2021, which combines features such as stock management, demand and purchase planning with suppliers, billing information and order scheduling, freeing up CTVs from a lot of bureaucracy.

Digital support is not merely limited to supporting the sales force, but also empowering the entire omnichannel journey based on the shared view of properties. As such, it allows customers to have important information on the entire production cycle in the palm of their hand, including being able to monitor the progress of the harvest via satellite, data on weather conditions, productivity per plot – there were more than 3.5 million plots mapped in the App in 2021 – product delivery, daily updated commodity prices, credit and financing indicators, and notifications on campaigns and products offered by the Company.

This entire journey is supported by a proprietary digital assistant, Gi, which facilitates communications between the CTV and customers, managing the entire logistics process: from purchase to delivery and billing for orders. At the end of the year, there were about 5,000 producers registered on the App, with individual use at four to five times a month. Thanks to this performance, subsidies will be added in 2022 to the digital environment for even broader financial management by producers, in addition to information on the insurance offered in partnership by AgroGalaxy.

Innovations on the Producer App, such as Agrokea, are intended to promote precision agriculture



Sustainability in the field

GRI 103-2, 103-3 – Productivity with innovation and sustainability in the field

The company's activities are dedicated to promoting the transition to regenerative agriculture, and it invests in the digital transformation of agriculture and the development of green AgroGalaxy Technical Protocols (PTAs), in which the effects of the use of bio-inputs and biological products are studied (with an emphasis on reducing the use of fossil fuels and chemical sources) of low impact throughout the production cycle. In 2021, this pilot project involved eight PTAs that were under testing at the AgroGalaxy Technological Centers (CTAs) and at various farms and locations for a careful assessment of performance based on the outcome of climatic, physical and, as a consequence, productivity, in addition to financial viability. Green PTAs are being created and studied based on a combination of products now used by producers, but with varying frequency,



sequence and quantities, considering the reduction of chemical and fossil inputs. The goal is to find a point of balance aligned with the AgroGalaxy proposal to promote regenerative agriculture.



Innovations were introduced over the year in the Producer App to promote precision agriculture. It now includes AgroKea, a digital solution that combines various tools to simplify and automate agricultural production. The product permits detailed weather information to be viewed via satellite and radar in each of the plots, with personalized recommendations to help track the development of the crops. AgroKea also makes it possible to make varying analyzes of the soil (chemical, physical and biological), and its interpretations facilitate complete planning of future crops and the purchase of inputs and varieties that are most appropriate in each property's environment. The tool also includes maps for the variable-rate application of additives and fertilizers, pest infestation, georeferenced observations and comparisons between plots based on yields and profitability data.

**In 2021,
AgroGalaxy
joined the UN Global
Compact as a company
participating in the
Brazilian Network**

Commitments and recognitions

GRI 102-12

In November 2021, AgroGalaxy made its entry formal into the Brazil Network of the Global Compact, an initiative by the United Nations (UN) to rally the business community in adopting and promoting 10 universally accepted principles in their business practices related to the areas of human rights, labor, environment and anti-corruption. Upon reviewing the materiality and ESG Strategy, the Company also re-evaluated its priority SDGs, assuming its role of engagement and contribution to this agenda.

Over the year, AgroGalaxy also commemorated the recognition by the market of its differentials towards a perennial contribution to a more sustainable, equitable and ethical future.

GPTW: Agro100 was certified in December 2020 by Great Place to Work (GTPW) with 86% of employees stating that the company is an excellent place to work..

Women on Board (WOB): Women on Board (WOB): In keeping with its commitment to diversity, AgroGalaxy became the first Brazilian

agribusiness company in 2021 to be certified with the Women on Board (WOB) seal, awarded to companies that have at least two female directors on their Boards of Directors or Advisory Boards. The independent initiative is supported by UN Women for highlighting and promoting corporate environments that improve gender equity..



Selo Ecovadis: EcoVadis Seal: In 2020, Aqua Capital began an independent analysis of the ESG performance of its portfolio. The AgroGalaxy companies (AgroTotal, Grão de Ouro and Rural Brasil) were placed in the bronze level in the EcoVadis assessment, a global platform that internationally recognizes the social and environmental practices that integrate the corporate social responsibility (CSR) performance of companies. The methodology is based on international sustainability standards, including the Global Reporting Initiative (GRI), the United Nations (UN) Global Compact and ISO 26000. The sustainability scorecard evaluates performances in 21 indicators that are divided into four themes: Environment, Labor Practices and Human Rights, Ethics and Sustainable Purchasing. The EcoVadis seal is valid annually, remaining valid for AgroGalaxy companies up to December 2021.





5. SOCIAL AND ENVIRONMENTAL COMMITMENT





Employees

GRI 103-2, 103-3 – Culture, Talents and Diversity |

GRI 102-8 | 401-1

Created from the acquisition of leading companies in their regions, AgroGalaxy underwent an important integration process in 2021 with the start of its organizational culture and the reorganization and unification of its support structures. In addition to its reinforcement as a single company, the changes are effected in order to increase efficiency and productivity, along with the strengthening of management. There was also the standardization of a range of people management policies, such as Compensation,

Talent Management, Internal Recruitment and Flexibility at Work, with the implementation of models suited to each situation.

The year was also notable for the organic and inorganic growth of the workforce. At the end of 2021, it totaled 2,157 professionals (28% women and 72% men), about 50% more than in 2020, with operations based on a sense of ownership, transparency, trust, and customer focus. There were 385 hires in the period, with 132 female professionals (34%). **GRI 102-8 | 401-1**

Work model

Given the situation with Covid-19 throughout 2021, AgroGalaxy maintained a work from home model during most of the period for all possible positions and, in cases where a person's presence was required, all necessary care was extended to avoid contamination. As vaccinations became available up to the third quarter, the Company

began to authorize a return to work at offices and headquarters in an elective and controlled manner (initially with 20% capacity, reaching 50% at the end of the year). Thanks to the effectiveness of the experience, a flexible system will be adopted as of 2022, with three days of remote work and two on-site.

Total number of employees by type of employment¹ **GRI 102-8**

	2020	2021
Full-time	1,291	2,088
Part-time ²	166	69
Total	1,457	2,157

1. 2020 data does not include Boa Vista. In 2021, all employees hired under the Consolidation of Labor Laws (CLT, in Portuguese) system of the following companies were considered: 91 S. Campeã; 517 Rural; 683 Agro100; 119 Agro Ferrari; 144 Boa Vista; 288 GDO

2. Part-time employees include: Employees under the CLT system: S. Campeã: 2; Rural: 15; Agro100: 17; Agro Ferrari: 2; Boa Vista: 7; GDO: 21. Interns: Rural: 3; Agro 100: 2. Young Apprentices: Rural: 14.w

Total number and percentage of employees by gender¹ **GRI 102-8**

	2020		2021	
	Absolute number	Percent	Absolute number	Percent
Female	386	26%	582	27%
Male	1,071	74%	1,575	73%
Total	1,457	100.0%	2,157	100.0%

1. 2020 data does not include Boa Vista. In 2021, all employees hired under the CLT (Consolidation of Labor Laws) system of the following companies were considered: 91 S. Campeã; 517 Rural; 683 Agro100; 119 Agro Ferrari; 144 Boa Vista; 288 GDO.

2021 was highlighted by the organic and inorganic growth of the staff





Diversity

GRI 405-1 | 405-2

Promoting diversity and inclusion is an AgroGalaxy commitment and one of the pillars of building its new organizational culture. The goal is to have all people management actions take this aspect into account. This has already been expressed in 2021 by maintaining

three directors at the highest level of management: one on the Board of Directors, and two women on the Executive Board. The challenge for 2022 is to increase the number of women in leadership at the third level.



With a commitment to diversity, the Company maintains three board members and two executive directors

Percentage of women in management positions¹

	2020	2021
Board of Directors	n/d	33%
Executive Board	0%	25%
Directorships, heads and area management	9%	10%

¹ The 2020 data does not include the Boa Vista company.

Other diversity indicators¹

	2020	2021
Total employees promoted	178	114
Total women promoted	44	24
Promotion rate by gender	0.3	0.2

¹ The 2020 data does not include the Boa Vista company.

The Company is also working towards playing a role in increasing gender diversity in agribusiness, which is why it raises awareness of its entire production chain on the issue, covered in the training and capacity building.

In 2021, the mathematical ratio between women's and men's salaries was 0.9 in the Board of Directors and 1.7 in Management positions that report directly to the CEO (C²).

Ratio of salary paid to women and men in management positions¹

	2020	2021
Executive Board (reports to the CEO)	n/d	1.46
Officers and managers (who do not report directly to the CEO)	1.1	0.82

¹ The 2020 data includes only the Campeã company. Rural and Agro Ferrari did not have employees in these positions. The 2021 data includes Rural and Campeã. Agro Ferrari and Grão de Ouro did not have employees in these positions and Agro 100 did not have the available data.

Compensation and benefits

GRI 102-35 | 401-3

To ensure improved equity and competitiveness versus market salary curves and bonus targets, AgroGalaxy rewrote the guidelines on its Compensation Policy in 2021. The Company monitors and is active in salary studies by renowned consulting firms for fair compensation for each employee category. Additionally, for promotions and bonuses, the performance and individual contributions of each professional are taken into account.

It also offers benefits that are unique to each sector, expressed in a Flexibility Policy that seeks a balance between professional and personal activities and a better quality of life. Employees can take a day off on their birthday and, one Friday a month, take a half day to devote themselves to personal commitments. Extended maternity/paternity leave (of six months and 30 days, respectively) is also granted, valid for same-sex relationships and in cases of adoption. In 2021, 17 women took maternity leave. Of these, ten returned to work at the end of the period – the rate of return for the year was 59%. At the same time, a Christmas Benefit was introduced during the year, with vouchers given out for the purchase of products.

Maternity Leave¹

	2021
Total number of employees who took maternity leave	17
Total number of employees who returned to work after maternity leave ended	10
Total number of employees who returned to work and remained for 12 months after maternity ended	7
Rate of return – maternity leave	59%
Rate of retention – maternity leave	90%

¹ The indicator began to be monitored in 2021, so data from previous years are not available. The data for the first half of 2021 do not include Agro Ferrari. The retention rate was not applicable for Agro Ferrari and Sementes in the period. The rate of return is calculated by the total number of employees who left and returned from maternity leave over the total number of employees who used the benefit. The retention rate is calculated by the total number of employees who remained employed 12 months after returning from maternity leave over the total number of employees who returned at the end of the leave.



Training and development

GRI 404-3

In 2021, AgroGalaxy initiated a restructuring of its Corporate University in an effort to ensure uniform training and make sure that staff are equipped with the tools needed to achieve strategic objectives. The launch is scheduled for the first quarter of 2022.

In parallel, throughout the year, the company prepared and implemented an ‘across the board’ training and development journey for its leaders, employees considered to have high potential and the sales team. It lasts 18 months and emphasizes personal and professional improvement, including executive coaching sessions and participation in a

social project, reinforcing the commitment to the sustainable development of the surrounding areas.

Another high point was the Training Program for improvements in management aspects for branch and store managers, as well as employees from areas directly related to the business, such as Marketing and Supplies.

In 2021, 409 employees were subject to performance evaluations, which was equivalent to 22% of the workforce. Through a strategic decision, the process includes the positions of specialist/coordination on upwards.

Percentage of total employees, broken down by gender and employee category, who received regular performance and career development assessments

GRI 404-3

	2020			2021		
	Men	Women	Total	Men	Women	Total
Executive Board	75%	25%	100%	75%	25%	100%
Management	66%	34%	100%	66%	34%	100%
Specialist/coordination	65%	35%	100%	65%	35%	100%
Technical/supervision	0%	0%	0%	0%	0%	0%
Administrative	0%	0%	0%	0%	0%	0%
Operational	0%	0%	0%	0%	0%	0%
Trainees	0%	0%	0%	0%	0%	0%
Total	25%	36%	28%	20%	27%	22%



Health and safety

GRI 403-9

Safety is the #1 priority in AgroGalaxy’s activities. In 2021, the company invested in strengthening this culture. All employees abide by policies and procedures that adhere to legal requirements and are compatible with the main risks. These include, in warehouse activities for example, working at heights and confined spaces, transport safety and required Personal Protective Equipment (PPE). The Workplace Health, Safety and Environment (HSE) sector, which reports to the Operations Department and is responsible for managing HSE issues. It ensures compliance with legal requirements, regulatory standards, and the prevention of risks related to health, workplace safety and the environment, in addition to raising awareness and promoting the HSE culture among employees. In 2021, the HSE team was composed

of a manager, two coordinators, an occupational physician and six occupational safety technicians – physically allocated in different states – in order to serve and provide the necessary support to the branches. The plan for 2022 is to hire six more occupational safety specialists in an effort to ensure even more quality in providing assistance to affiliates and legal regulations.

Internal Accident Prevention Commissions (CIPAs, in Portuguese) are also maintained and, in the locations with the lowest number of employees, a Cipa designee. Each year, AgroGalaxy runs awareness campaigns, like the Workplace Accident Prevention Week (SIPAT, in Portuguese), which, in 2021, discussed accident prevention, addressing mental health, defensive driving and risks in driving vehicles in an educational and



entertaining way. The year also featured training related to environmental and occupational safety issues. These trainings are based on legislation and regulatory standards (NRs, in Portuguese) applicable to the business (such as NR-06 PPE's, NR-07 PCMSO, NR-09 PPRA, NR-33 Confined Space, NR-35 Work at Heights, NR-11 Transport of Materials, etc.). In addition, all employees undergo HSE integration before beginning their activities at the Company and, according to their position and duties, go through specific training.

Throughout 2021, in an effort to address health, AgroGalaxy promoted awareness campaigns covering topics such as Covid-19 Prevention, Yellow May (for traffic precautions), mental health, prevention of work accidents, Pink October (for breast cancer awareness), and Blue November (for prostate cancer prevention). Most of these campaigns were held digitally, with lectures given by professionals in the field, so that the greatest number of employees could be reached. Some campaigns were done in person at the grain plants with the team of operational employees, and instructions on the risks of the operation and the importance of safety in the activities were provided.

Employees directly take part in the preparation of operational procedures, and any accidents are thoroughly investigated to avoid a recurrence. For this purpose, tools such as the "5 Whys" are adopted (ask "why five times" to delve into the process and causes that preceded the accident) and the Ishikawa Matrix, to detail all potential causes. Furthermore, throughout the year, the Safety Minute was also adopted, designed to address and reinforce the topic at key corporate events, in addition to holding weekly Safety Calls so that teams can plan their activities safely and carefully.

In 2021, the Company posted a frequency rate of lost-time accidents of 3 and a frequency rate of non-lost-time accidents of 0.4. The severity rate in the period was 20.9, and no deaths were reported.

Workplace safety rates and numbers¹

GRI 403-9

	2021
Number of fatalities	0
Frequency rate - lost time accidents²	3
Frequency rate - non-lost time accidents³	0.4
Severity rate⁴	20.9

1. The indicator began to be monitored in 2021, so data from previous years are not available. Accident rates include only company employees.

2. Amount related to 12 accidents with lost time during the year. Lost time accidents are those that took place during the workday and resulted in injuries in which the employee needed to take time off from their activities for medical treatment for a period longer than one day. The rate is calculated as follows: $TF = N \times 1,000,000/H$.

3. Value related to two lost-time accidents during 2021. Accidents without lost time are those accidents that occurred during work hours that resulted in injuries that only required first aid care. The rate is calculated as follows: $TF = N \times 1,000,000/H$.

4. Value related to 97 days lost due to work accidents for 2021. The severity rate includes accidents that resulted in loss of working days as a result of occupational accidents and is calculated as follows: $TG = T \times 1,000,000 /H$.

Prevention of Covid-19

The Company continued its actions in 2021 to minimize the risks of spreading Covid-19 among employees, with working groups that monitor all operations, maintain contact with local public authorities, instruct employees and track indicators of contamination cases in the regions of activity. For most of the year, working remotely was maintained for compatible activities; exemptions, without

loss of pay, for apprentices, interns, people over 60 years of age and employees from risk groups who could not work remotely; and tracking cases with suspected or confirmed Covid-19. Communication and awareness campaigns were stepped up to promote the physical and mental health of employees and their families after an in-house occupational physician was hired for this purpose.





Suppliers

GRI 102-9 | 204-1

AgroGalaxy actively seeks long-term partnerships with suppliers that operate based on the same standards and commitments that govern their own business in an effort to influence a positive agenda in national agribusiness. Accordingly, the partner base of the main inputs on the market is made up of companies consolidated in the industry.

Thanks to this close bond, the delivery of products to customers could be guaranteed despite a shortage of some inputs, especially given the context of scarcity and the infrastructure challenges caused by the Covid-19 pandemic.

In 2021, the Company had more than 16,000 suppliers in its database*, including agricultural input companies, services, banks, registration, direct and indirect purchases. Over the period, the amount earmarked for commercial partners was about R\$ 8.1 billion.

* There may be duplication in the supplier count, as some provide good or services to more than one AgroGalaxy operation

Community

GRI 103-2, 103-3 – Local development and quality of life

Before the start of the portfolio integration process under the same organizational culture, each AgroGalaxy Business Unit (BU) had the autonomy to be active in the communities under a decentralized community support model, where each manager defined the focuses and entities that would receive the Company's private social funding and sponsorships.

In the second half of 2021, the corporate areas of Integrity and ESG designed a workflow to support initiatives, implementing a form to analyze requests for donations and sponsorships in line with the Integrity and Social and Environmental Responsibility policies. As such, the new control recognized the lack of traceable data in 2021, understanding that the results will be felt and measured in 2022.

The assumptions that help guide AgroGalaxy in managing the topic are the Social and Environmental Responsibility Policy and the UN Global Compact, to which the Company has been a signatory since November 2021. The creation of normative instructions for Private Social Investment, sponsorships and donations is already planned for 2022. The work performed by the AgroGalaxy Institute will also reflect these numbers, given that the allocation of AgroGalaxy resources to the institution is already defined in a budget that has been approved by the Board of Directors.



Support measures

AgroGalaxy operates as an organizer of campaigns and local partnerships to provide actions that support the communities around the dealers. In 2021, the Company collected donations for the Cancer Hospital of Londrina, with the Sacas do Bem (Sacks of Goodness), in addition to supporting Santas Casas (Charity Hospitals) and the Association of Parents and Friends of the Exceptional (APAEs, in Portuguese), among other philanthropic entities.





Environment

GRI 103-2, 103-3 – Climate emergency and biodiversity

AgroGalaxy published a Social and Environmental Responsibility Policy in 2021. Its guidelines were the basis for the Sustainability Committee to address the climate and biodiversity agenda internally, with an especially salient look at the customer portfolio. Given that the Company's main impact on climate issues is indirect and is related to land use by rural producers who purchase the products it sells, the Company decided to prioritize in 2021 by updating the Credit Policy, through the inclusion of ESG aspects and incorporating the social and environmental risk analysis of the properties. As such, it began adopting tools to expand this analysis in an easier and more complete way, with the acquisition of Safe, from the company Agrottools, which continuously monitors customers in fifteen pre-selected aspects.

The company's Credit and Receivables area, which is responsible for the process, also created a specific structure to speed up the flow with the support of the ESG and Legal areas during the design phase, with initial tracking and internalization of the new procedures. The Credit and Sales teams will be trained to implement the new Credit policy in 2022. Likewise, AgroGalaxy will intensify an open dialogue with other links in the agricultural chain, for the convergence of commitments in the agenda to combat deforestation. The Company is also hoping to monitor 100% of the portfolio's customers through the Safe tool by December 2022, and to structure a financial instrument with favorable conditions for customers who commit to zero deforestation and who adhere to more sustainable production protocols.

Biodiversity

GRI 304-2 | GRI 103-2, 103-3 – Climate emergency and biodiversity

Prior to the construction/opening of any store, AgroGalaxy performs a careful environmental inventory to ensure that its activities do not impact the environment. In order to carry this out, an environmental checklist is done to determine potential contaminated areas arising from previous activities conducted on the land of the new property and, if necessary, soil and water samples are taken. The sewage network is evaluated, or the need to adapt septic tanks, and the municipal master plan is studied, to make sure that the installation will not harm the surrounding population. In addition, to promote a harmonious coexistence with the communities, the Company intends to inaugurate large-scale Distribution Centers in order to concentrate the products in the same place, thereby ensuring the operation, delivery to customers and its organic growth.

Some of the major impacts of activities, products and services on AgroGalaxy biodiversity include:

- **Indirect pollution:** related to sales of phytosanitary products and any possible inadvertent and incorrect application by the end user that can lead to an accumulation of pesticides in the biota and may contaminate water and soil, and the uncontrolled dispersion of pesticides in the environment, which can cause an ecological imbalance in the natural interaction between two or more species.

- **Introduction of invasive species:** the displacement of harmful organisms or exotic invasive species from one region to another may occur as a result of the sales, transport, transit of products (biological invasion, bioinvasion or bioglobalization of pests referring to the displacement of living organisms from one region to another, inadvertently or intentionally).

- **Reduction of species:** the indiscriminate use of pesticides by the end consumer can lead to contamination of water and soil and cause effects on non-target species (bees, plant species, etc.), affecting biodiversity, food networks and aquatic and terrestrial ecosystems.

- **Conversion of habitats:** indirectly, with the horizontal increase of crops and pastures and, as a result, the removal of natural vegetation cover, habitat modification and fragmentation may occur, with modifications in the aquatic and terrestrial ecosystems.

The primary species affected by these impacts are bees, butterflies, birds (like sparrows and partridges) and aquatic insects, which come into contact with the soil or irrigation system contaminated with pesticides. The impacts linked to the simplest products evaporate within a

relatively brief period of time (6 months). But products applied in a disorderly and careless way can take up to 30 years to completely dissipate. Considering that environmental resources cannot always be replaced, reversibility or irreversibility of the impacts of removal of the original plant cover and disorderly application of pesticides can, therefore, become irreversible impacts when they cannot be mitigated. For the most part, however, they are replaceable or compensable or reversible, provided that they are treated and corrected within a reasonable time.





Waste

GRI 306-1 | 306-3 | 306-4 | 306-5

Under a commitment to mitigate environmental impacts and in compliance with the Brazilian Solid Waste Policy (PNRS), AgroGalaxy works in partnership with farmers for the proper and safe disposal of agrochemical packaging and Personal Protective Equipment (PPE). The Company maintains agreements with a number of associations registered with the Brazilian Institute for Packaging Processing (inpEV) to receive these items, subsequently incinerated or recycled. Before any store is opened, a mapping of possible delivery points is performed. Information is also made available to customers so that the material can be sent to AgroGalaxy’s own accredited receiving stations or centers.

Through these actions, the Company looks to mitigate the main impacts caused by waste that are linked to the packaging of commercialized products – it is estimated that approximately 4,375 tons of

packaging will be sold each year. According to the associations for the collection of packages of plant protection products, 7% of the packages that are part of the reverse logistics cycle are incinerated due to damage or because they are highly contaminated due to lack of proper washing (triple washing) at the time of return.

In addition, a by-product is generated during the production process of AgroGalaxy seeds that, after treatment, cannot be sold for reasons such as lack of germination level, defects in the grain and treatment quality. While it is a by-product, these seeds are reused through donations to small farmers or provided as a bonus to customers and cooperative members.

In 2021, AgroGalaxy generated 5,545 tons of waste, 79% of which was hazardous. Of the total, 82% were reused, reclaimed and/or recycled.

Disposal of waste by type of final disposal ¹

	2021	
	Weight (t)	Percentage (%) ⁴
Hazardous waste reused, reclaimed and recycled ²	4,089	93.5%
Non-hazardous waste reused, reclaimed and recycled ³	470	40%
Total Hazardous waste reused, reclaimed and recycled	4,559	82%
Hazardous waste intended for final disposal ²	286	6.5%
Non-hazardous waste intended for final disposal ³	700	60%
Total waste intended for final disposal	986	18%

1. The indicator was first monitored in 2021, so data from previous years is not available. It is based on estimates from the Campo Limpo System, a Brazilian program for reverse logistics for empty crop protection packaging, in which inpEV acts as an intelligence center.

2. The data does not include the Boa Vista company.

3. The data includes only the Campeã company. The other companies do not monitor the data.

4. The percentages are calculated by the total waste of the category (hazardous and non-hazardous) arranged on the total waste of the category generated.

Energy

GRI 302-1 | 302-3

Since 2020, following an economic feasibility study at the units that consume the most electricity – such as silos – the raw material is purchased from the free market. In 2021, this led to an estimated reduction of 191.52 tons of GHG. For the year, the Company consumed 422,464.04 GJ (including electricity), and 76% came from renewable fuels. Energy consumption in the year totaled 117,351, 17% lower than what had been consumed in 2020..

Total energy consumed (GJ)

GRI 302-1

	2021
Fuels from non-renewable sources¹	91,543
Fuels from renewable sources²	286,230
Energy consumed	44,690
Energy sold	0
Total	422,464

Data in accordance with the premises of the Brazilian GHG Protocol Program.

1. Fuels from non-renewable sources include those used in stationary and mobile sources of their own and mobile sources of third parties.

2. Fuels from renewable sources include firewood for direct burning.

Energy intensity, on the other, saw a 66% reduction compared to 2020.

Energy Intensity¹

GRI 302-3

	2020	2021
KWh/R\$	53,794	17,833
KWh/t of sold products	244	134

1. The 2020 data does not include the Boa Vista company.





Emissions

GRI 305-1 | 305-2 | 305-3 | 305-4 | GRI 103-2, 103-3 – Climate emergency and biodiversity

In an effort to reduce the direct impacts of its operations and contribute to the reduction of Greenhouse Gas (GHG) emissions, AgroGalaxy reports its emissions annually in accordance with the parameters of the GHG Protocol. In February 2022, the Company joined the Brazilian GHG Protocol Program for the publication of its data, undergoing specialized external auditing. Given that it is a retail operation with a low volume of emissions compared to other economic sectors, AgroGalaxy will focus its initiatives on reducing emissions from fuel consumption, based on the Programa Frota Carbono Neutro (Carbon Neutral Fleet Program), which will be introduced in the first half of 2022. There is a target to reduce emissions by up to 37% from the substitution of ethanol in the light vehicle fleet, which contains approximately 700 cars, in addition to proposing compensation actions in order to eliminate the carbon emissions from its own fleet. AgroGalaxy emitted approximately 8,723 tCO₂e in 2021, with 88% of emissions coming from Scope 1, which is direct emissions. There was an absolute increase over 2020, explained by the inclusion of companies in the 2021 portfolio.

Greenhouse Gas Emissions (tCO₂e)¹

	2020	2021
Scope 1	7,056	7,683
Scope 2	694	585
Scope 3	112	377
Total	7,862	8,644

1. The gases included in the above calculations were CO₂, CH₄, N₂O and HFCs. The inventory was calculated using the GHG estimation tool for cross-sector sources of the GHG Protocol. The emission factors in 2020 were defined by the Brazilian Ministry of Science, Technology and Innovation. The base year chosen for the inventory was 2021 because of the reliability of the data, after training by an independent consulting company. The consolidation approach chosen for emissions includes equity and operational control. The 2020 data is not segregated by type, as monitoring in this way was not done in 2021 and it does not include the Boa Vista company.

Direct Greenhouse Gas Emissions (Scope 1) by Type (tCO₂e)¹

	2020	2021
Generation of electricity, heat or steam	3,526	2,534
Transport of materials, products, waste, employees and passengers	3,522	5,134
Fugitive emissions	2	16
Total gross CO₂ emissions	7,056	7,683
Biogenic CO₂ Emissions (Scope 1)	40,808	29,298

1. The gases included in the above calculations were CO₂, CH₄, N₂O and HFCs. The inventory was calculated using the GHG estimation tool for cross-sector sources of the GHG Protocol. The emission factors in 2020 were defined by the Brazilian Ministry of Science, Technology and Innovation. The base year chosen for the inventory was 2021 because of the reliability of the data, after training by an independent consulting company. The consolidation approach chosen for emissions includes equity and operational control. The 2020 data is not segregated by type as monitoring in this way was not done in 2021 and it does not include the Boa Vista company.

Indirect emissions from energy acquisition (Scope 2) (tCO₂e)¹

2020	2021
694	585

1. The gases included in the calculations above were CO₂. The inventory was calculated using the GHG estimation tool for cross-sector sources of the GHG Protocol. The emission factors in 2020 were defined by the Brazilian Ministry of Science, Technology and Innovation. The base year chosen for the inventory was 2021 because of the reliability of the data, after training by an independent consulting company. The consolidation approach chosen for emissions includes equity and operational control. The 2020 data does not include the Boa Vista company.

Other Greenhouse Gas Emissions (Scope 3) (tCO₂e)¹

	2020	2021
Upstream		
Waste generated in operations	14	61
Business travel	23	61
Employee transportation	38	50
Subtotal	75	173
Downstream		
Downstream transportation and distribution	37	205
Subtotal	37	205
Total	112	377
Biogenic CO₂ Emissions (Scope 3)	13	51

1. The gases included in the calculations above were CO₂. The inventory was calculated using the GHG estimation tool for cross-sector sources of the GHG Protocol. The emission factors in 2020 were defined by the Brazilian Ministry of Science, Technology and Innovation. The base year chosen for the inventory was 2021 because of the reliability of the data, after training by an independent consulting company. The consolidation approach chosen for emissions includes equity and operational control. The 2020 data is not segregated by type, because it began to be monitored in this way in 2021. The data for 2020 and 2021 does not include the Boa Vista and Agro Ferrari companies. AgroGalaxy does not monitor emissions derived from upstream transportation and distribution.

Intensity of Greenhouse Gas Emissions¹

GRI 305-4

	2020	2021
Scopes 1, 2 and 3 (tCO₂e/R\$)	2.95	1.26
Scopes 1, 2 and 3 (tCO₂e/t of products sold)	0.013	0.009
Scopes 1 (tCO₂e/R\$)	2.7	1.2
Scopes 1 (tCO₂e/t of products sold)	0.01	0.01
Scopes 2 (tCO₂e/R\$)	0.3	0.1
Scopes 2 (tCO₂e/t of products sold)	0.001	0.001
Scopes 3 (tCO₂e/R\$)	0.04	0.06
Scopes 3 (tCO₂e/t of products sold)	0.0002	0.0004

1. The 2020 data does not include the Boa Vista company.



AgroGalaxy Institute

GRI 103-2, 103-3 – Local development and quality of life | 103-2, 103-3 – Productivity with innovation and sustainability in the field

One of the milestones in 2021 was the creation in November of the AgroGalaxy Institute after approval by the Board of Directors. The purpose of the Institute is to promote knowledge, education and applied innovation for sustainable development in the field. Inaugurated on February 10, 2022, the entity will act as a link between the solutions, rural producers and field workers in a way that promotes and integrates knowledge, training and the innovation ecosystem for sustainable agribusiness. Plus, because it is legally constituted as a Private Non-Profit Association, the Institute will receive 1% of the net revenue of the companies that make up AgroGalaxy.

The entity has a robust management and governance model, including the voluntary participation of AgroGalaxy professionals and an on-staff analyst exclusively dedicated to the Institute. The governance includes 54% women in leadership; a General Assembly as the highest decision-making entity, made up of a member of Aqua Capital and founding and benevolent associates; Independent Fiscal Council, with the Company's officers from the Legal and Controllershship areas, including a member of the Audit Committee from AgroGalaxy; Board of Directors with renowned professionals in the market; an Executive Board, with AgroGalaxy leaders; and Working Groups, with employees from various areas. There is also strategic support from the Stracta consulting firm and communication from Zum Brazil.

Purpose of AgroGalaxy Institute

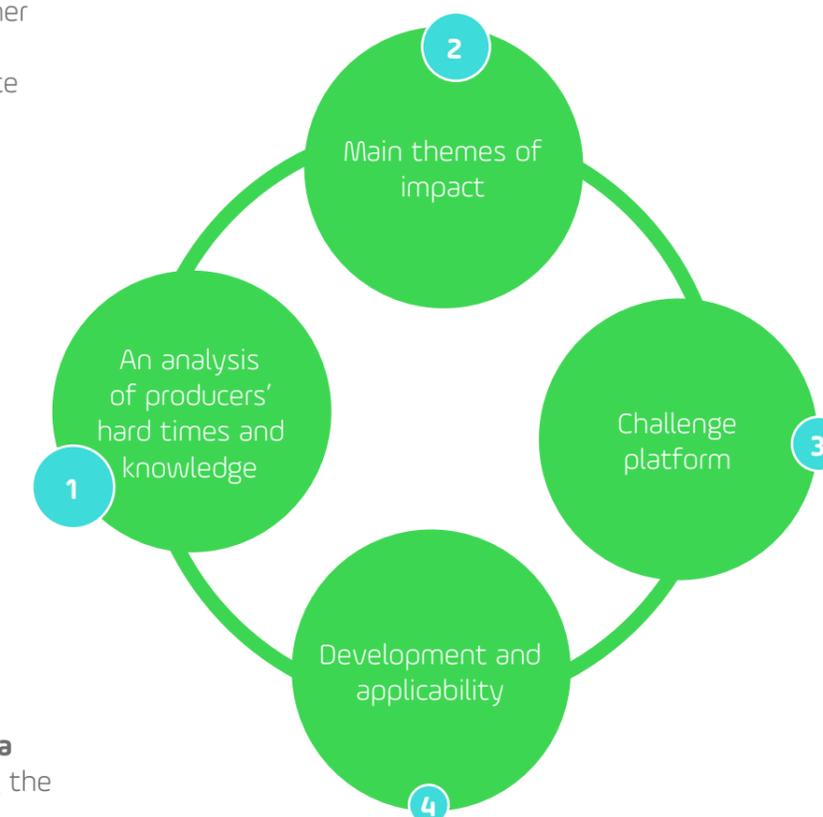
To promote knowledge, education and applied innovation for sustainable development in the field.

High-quality governance, with five renowned directors in the market who are all independent and voluntary, with three women.

Guiding Principles

- The Institute's activities are geared towards **generating a public benefit**
- For the Institute, it does not matter whether the origin of the solutions is academic or entrepreneurial as long as they demonstrate conditions to be applied in the field and **potential to be adopted by the rural producer.**
- The Institute **addresses the social and environmental agendas in a balanced way** that are of importance to agribusiness, both in the semiannual challenges and in the digital platform of content and knowledge
- The Institute includes farmers equally, no matter if they are AgroGalaxy clients or not, and **keeps an eye on the development of small-scale farmers.**
- Different formats of **partnerships** with customers and suppliers will be defined in a **transparent and careful manner**, following the statute and internal rules of the Institute

Business model



instituto



agrogalaxy

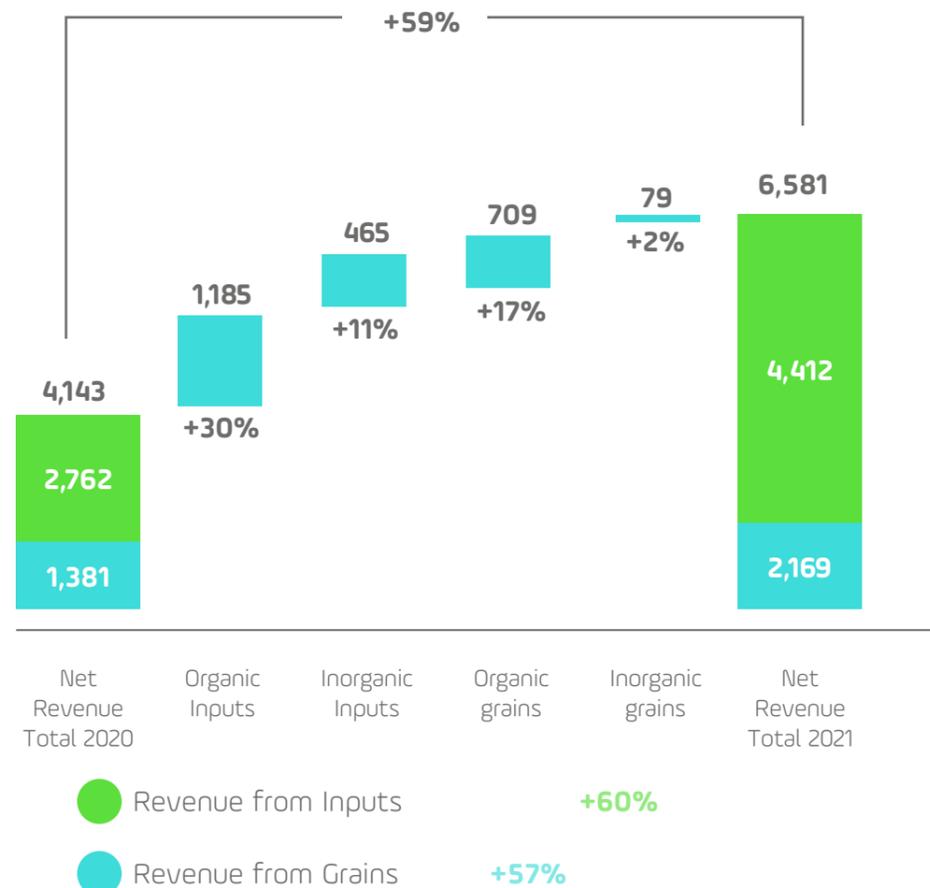
Inovação que brota,
educação que transforma



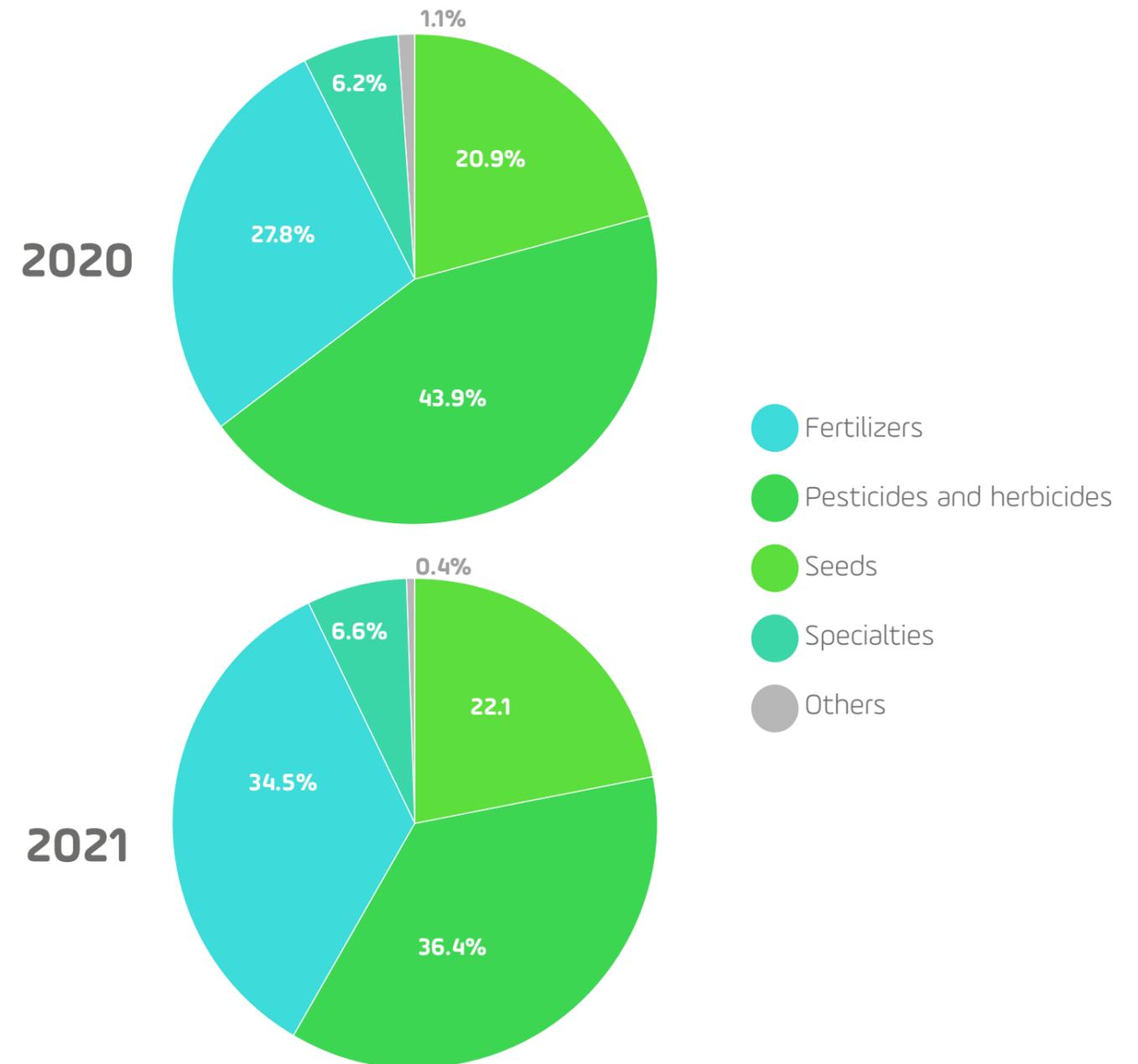
6. SUSTAINABLE RESULTS

GRI 201-1 | GRI 103-2, 103-3 Financial performance and business expansion

With a significant growth in revenues of Inputs, particularly due to the acquisitions of companies (M&A) and high in corn and soybean prices during the period (from +65% and +37%, respectively, at the market average between 2020 and 2021), AgroGalaxy posted consolidated net revenue of R\$ 6,581 million in 2021, 59% above the previous period. The outstanding results are also due to an increase in the Company's mix and its sales and price performance over the period. This included fertilizers, due to the increase in prices; seeds, due to an increase in prices and volume, aligned with the strategy of increasing the sale of its own products; and specialties, also due to an increase in volume and the strategy of promoting the use of biological products and other specialties.



Mix of Net Revenue from Inputs



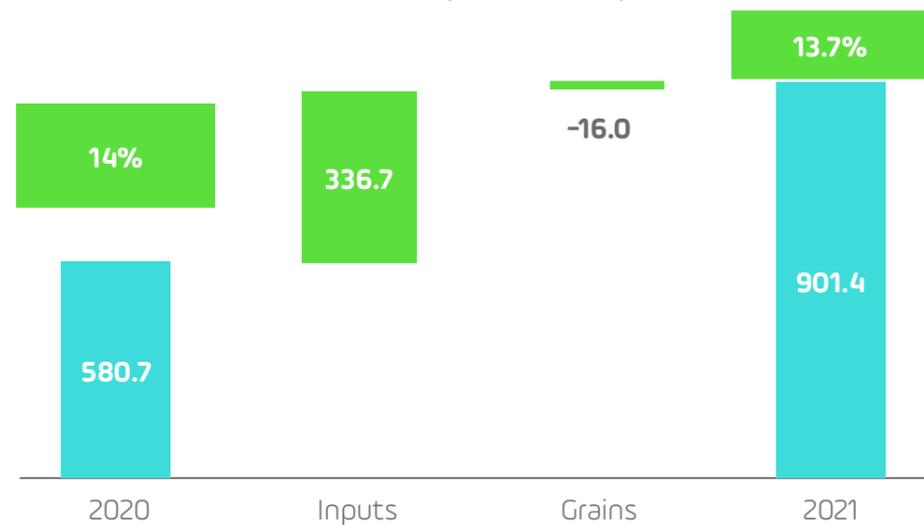


Adjusted gross profit came to R\$ 901.4 million, with R\$ 835.4 million in the Inputs industry, an increase of 67%, with a margin of 18.9% (+0.8 p.p compared to 2021). The variation is primarily due to the higher share of seeds and specialties in the mix, plus a slight improvement in the margin for chemicals and fertilizers.

Over the period, expenses increased 54.9% due to the expansion of the sales structure, with the addition of 41 new stores. There was also an expansion of commercial backoffice to support the strategy over the coming years, an increase in IPO expenses, high inflation and climbing fuel prices. However, there was a dilution of expenses from 8.6% in 2020 to 8.4% of net revenue in 2021.

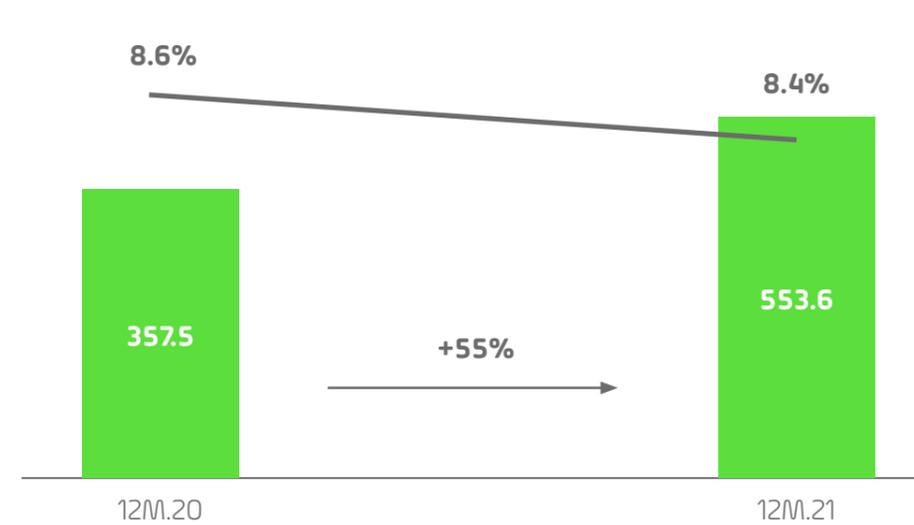
Adjusted EBITDA reached R\$ 394.1 million, an increase of 55.3%, with adjusted EBITDA margin at a stable level. The amount stems mainly from the growth in revenue from Inputs, both organic (R\$ 80.3 million in EBITDA) and inorganic (R\$ 60.0 million). The accumulated adjusted net income for the year was R\$ 150.6 million, an improvement of R\$ 44.7 million (or 42.2%) compared to the previous year.

2020 x 2021 Gross Profit (R\$ million)



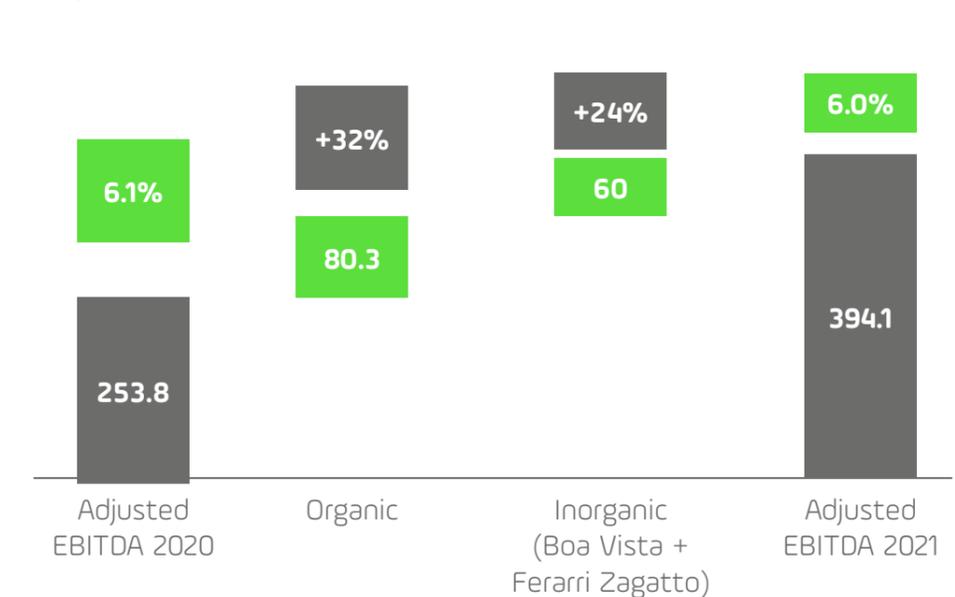
● Inputs **-0.3 p.p.**
 ● Grains **+55%**

Administrative, Sales and General Expenses



● Expenses (sales and adm)
 ● SC&A/ROL

Adjusted EBITDA



● Adjusted EBITDA Margin **-0.1 p.p.**
 ● Adjusted EBITDA **+55.3**



Economic and financial results (in R\$ thousand)*

	2020	2021	2020/2021 Variation
Net income for the period	4,142,648	6,580,618	58.9%
- Inputs	2,761,658	4,411,585	59.7%
- Grains	1,380,990	2,169,033	57.1%
(-) Cost of goods sold	-3,561,957	-5,679,242	59.4%
- Inputs	-2,262,959	-3,576,229	58.0%
- Grains	-1,298,998	-2,103,013	61.9%
Gross profit for the period	580,691	901,376	55.2%
% Net Revenue	14.0%	13.7%	-0.3 p.p.
% Net Revenue Inputs	18.1%	18.9%	+0.8 p.p.
% Net Revenue Grains	5.9%	3.0%	-2.9 p.p.
(-) Expenses from sales	-182,997	-275,481	50.5%
(-) Administrative expenses	-144,176	-225,680	56.5%
(-) Other operating income and expenses	273	-6,117	n.m
(-) Depreciation and amortization (b)	-30,594	-46,358	51.5%
Total expenses (SG&A)	-357,494	-553,635	54.9%
Profit before financial result (a)	223,197	347,741	55.8%
% Net Revenue	5.4%	5.3%	-0.1 p.p.
(-) Financial result	-94,222	-207,463	102.2%
(-) Income tax and social contribution	-23,319	10,287	n.m
(=) Adjusted net income for the period	150,856	150,564	42.2%
% Net Revenue	2.6%	2.3%	-0.3 p.p.
(+) Depreciation and amortization (b)	30,594	46,358	51.5%
EBITDA (a) + (b) adjusted	253,791	394,098	55.3%
% Net Revenue	6.1%	6.0%	-0.1 p.p.



*Data independently audited by PricewaterhouseCoopers.



Investments

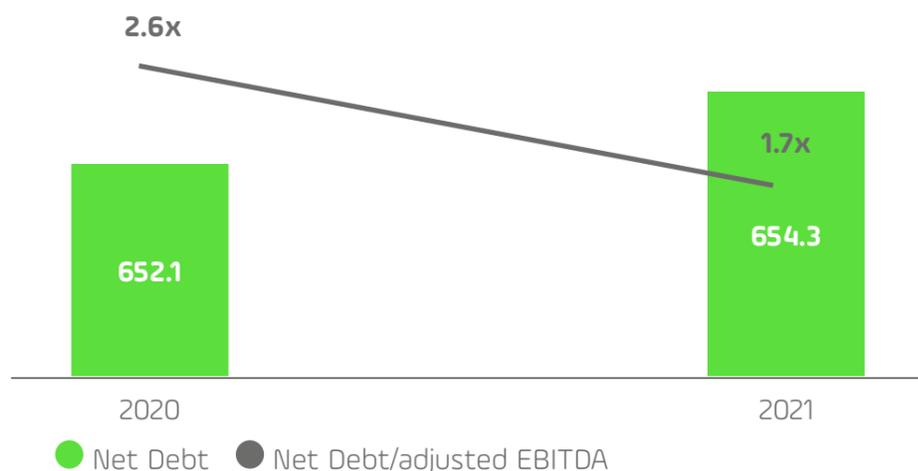
The operating investments in property, plant and equipment (fixed assets), intangible assets (including investments in company acquisitions) came to R\$ 336.7 million in 2021, with an emphasis on:

- R\$ 219.4 million generated from goodwill and capital gains (fair value) in the acquisitions of Boa Vista, Ferrari Zagatto, and the remaining 30% of Sementes Campeã (total disbursement of R\$ 127.6 million);
- R\$ 21.5 million in furnishings/refurbishments for opening new stores and improving existing branches (R\$ 13.8 million in 2020);
- R\$2.3 million in silo upgrades (R\$ 12.8 million in 2020);
- R\$ 4.9 million in improvements to industrial seed plants (R\$ 4.5 million in 2020);
- R\$ 16.1 million in vehicles, trucks and operational machines (R\$ 12.4 million in 2020);
- R\$ 13.0 million in usage rights for real estate related to the expansion of subsidiary offices (R\$ 10.3 million);
- R\$ 33.6 million in digital, process systems/ERP and software (R\$ 30.8 million in 2020).

Net Debt

In December 2021, AgroGalaxy's adjusted net debt¹ was R\$ 654.3 million, stable compared to the previous year..

Net Debt (R\$ million)



Distribution of Added Value

For the year, AgroGalaxy posted a direct distributed economic value of R\$ 6,401,77 thousand, 55% higher than in 2020².

Distributed direct economic value (R\$ thousand)* GRI 201-1	2020	2021
Operational costs	3,838,852	5,794,354
Employee salaries and benefits	195,910	232,268
Payments to capital providers	102,105	305,493
Payments to government (taxes and fees)	30,175	69,640
Investments in the local community	80	0
Total	4,136,947	6,401,775

* - The 2019 data does not include the Sementes Campeã company and the 2020 data does not include Boa Vista. The 2020 data has been updated.

1 - Adjusted net debt, comprising loans and financing less cash and cash equivalents and short-term investments, as well as obligations with securitized CRAs – Agribusiness Receivables Certificates – which are classified as debt in current liabilities and refer to customer securities offered on the market to finance rural producers. In the same way that there is a liability obligation upon the issuance of CRA bonds, the Company has acquired securities, classified in non-current assets, as subordinated shares that will support potential unpaid securities of the obligation recognized in liabilities. As such, the two sides are presented: active and passive and lease liabilities for vehicles and others (machinery).

2 - The outlook for investments in communities was revised in 2021 to incorporate the creation of the AgroGalaxy Institute into the strategy and a focus on community support by the business units in 2022.



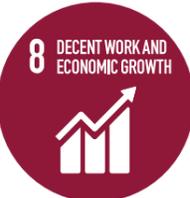
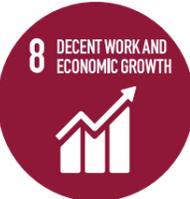


7. GRI ANNEXES



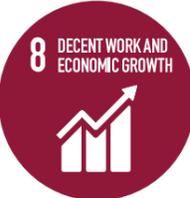
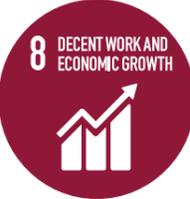


Material Themes GRI 102-44 | 102-47

Theme	Justification <small>GRI 103-1</small>	Limit of the material theme and relevance in the links of the value chain <small>GRI 103-1</small>	GRI Topics related to the theme	Correlated SDGs
<p>Productivity through sustainability and innovation in the field</p>	<ul style="list-style-type: none"> • Continuous technical assistance (on-site and remote) for rural producers to maximize productivity by minimizing negative social and environmental impacts. • Includes a reduction in the use of agrochemicals and a transition to sustainable agriculture, increasing the sale of bio-inputs, as well as all the technology required to develop sustainable practices in the field, such as innovation and precision agriculture. • Includes training, qualification and relationships with rural producers on the benefits of adopting the best agricultural practices for transforming the productive model. • Some of the impacts include increased productivity and greater income generation, the efficient use of inputs with specific knowledge for the region. There is a potential negative impact: rural producers' dependence on CTVs and inputs sold in AgroGalaxy stores. 	<p>High relevance: Rural Producers Disposal of inputs and reverse logistics Technical Agronomic Protocols (PTAs) specialty sales</p> <p>Medium relevance: Input Suppliers AgroGalaxy Operations (stores, CTA and seed unit) Transportation and logistics</p> <p>Little relevance: End consumer</p>	<p>GRI 304: Biodiversity GRI 305: Emissions GRI 306: Waste</p> <p>Includes other topics related to products, protocols and digitization</p>	  
<p>Culture, talents and diversity*</p>	<ul style="list-style-type: none"> • People management, spreading a unique culture throughout the Company, promoting diversity and inclusion, including the health and safety of employees and third parties with a focus on protecting human rights. • Some of the impacts linked to the topic include: accessibility, equitable compensation and promoting a gender and race balance; labor risks associated with suppliers and/or rural producers when granting credit; developing a unique organizational culture based on common principles for the holding companies; employee training, especially CTVs, with a focus on propagating best sustainability practices and the correct use of agrochemicals, using PPEs, and other practices associated with occupational health and safety that promote the health and well-being of employees. The topic of mental health has also been gaining ground since the onset of the pandemic, and it may become a major theme in the coming year. 	<p>High relevance: Operations Employees AgroGalaxy (stores, CTA and seed unit)</p> <p>Medium relevance: Suppliers of inputs Transportation and logistics Disposal of inputs and reverse logistics Rural producers</p> <p>Little relevance: End consumer</p>	<p>GRI 401: Employment GRI 403: Health and Safety at work GRI 404: Training and education GRI 405: Diversity and equal opportunities GRI 406: Non-discrimination</p>	 

*Topics that are not considered material through the outcome of the process, but elevated to material by the Executive Board in the final validation.



<p>Local development and quality of life</p>	<ul style="list-style-type: none"> • Investment in the regions where AgroGalaxy does business for the economic, technological, social and cultural development of communities, particularly traditional ones (indigenous peoples, quilombolas, extractivists, riverside communities, artisanal fishermen, and others). • Creation and/or stimulus to generate employment and income, investments in infrastructure and Private Social Investment projects (a tremendous opportunity for the development of small rural producers). • It includes improving the HDI (Human Development Index) in the regions where it operates, training the local workforce, reducing the unemployment rate in the various regions, boosting the local economy through the generation of indirect jobs and contributions that help prevent the exodus of populations to other regions. • A relevant aspect of the theme is the significant income inequality in regions where there is extensive agricultural activity and the opportunity to reduce this imbalance, especially in the poorest regions of the country. 	<p>High relevance: AgroGalaxy Operations (stores, CTA and seed unit) Employees Rural producers</p> <p>Medium relevance: Transportation and Logistics</p> <p>Little relevance: End consumer Suppliers of inputs Disposal of inputs and reserve logistics</p>	<p>GRI 202: Market presence GRI 203: Indirect economic impacts GRI 204: Purchasing practices</p>	
<p>Climate emergency and biodiversity</p>	<ul style="list-style-type: none"> • Encouraging the management and monitoring of biodiversity (fauna and flora) and soil conservation in customer and supplier businesses. • A clear commitment to combat the deforestation of native forests, including, but not limited to, legal compliance, particularly in the Amazon and Cerrado biomes, and granting credit conditioned to the management of the issue. • Contribution to climate change mitigation from short-, medium- and long-term goals for reducing energy use and GHG emissions within the Company's processes, as well as in agricultural production. • Adopting public commitments aligned with the global agenda against climate change. • Strategic action in the carbon market and transition to a low-carbon economy. • There is a tremendous business opportunity, whether in the carbon market or with ecosystem services. 	<p>High relevance: AgroGalaxy Operations (stores, CTA and seed unit) Producers</p> <p>Medium relevance: Suppliers of inputs Transportation and logistics Disposal of inputs and reverse logistics</p> <p>Little relevance: End consume</p>	<p>GRI 302: Energy GRI 304: Biodiversity GRI 305: Emissions</p>	
<p>Governance and integrity</p>	<ul style="list-style-type: none"> • Covers compliance-related risks across the value chain, from purchasing inputs to sales to rural farmers. • Inserting ESG criteria into AgroGalaxy's strategic planning and the development of an organizational culture for the holding companies. • Particularly challenging themes due to the risks associated with the lack of formalizing agribusiness, ensuring that a robust integrity program is a priority of the Company. • It also includes adherence to best governance practices aligned with Aqua Capital, B3's Novo Mercado and rating agencies, as well as indexes such as DSJI, MSCI and Sustainalytics. • Includes transparency in accountability to various <i>stakeholders</i>. 	<p>High relevance: AgroGalaxy Operations (stores, CTA and seed unit) Employees Rural producers</p> <p>Medium relevance: Transportation and logistics Suppliers of inputs</p> <p>Little relevance: Disposal of inputs and reverse logistics End consumer</p>	<p>GRI 205: Combating corruption GRI 206: Unfair Competition GRI 307: Environmental compliance GRI 419: Social and Economic Compliance</p>	
<p>Financial performance and business expansion*</p>	<ul style="list-style-type: none"> • Ensuring short-, medium- and long-term results to provide the best return in the industry to investors, considering that the environmental and social impacts are as relevant as the operational and financial results in the decision-making process. • Organic and inorganic growth through M&A, physical stores and digital platforms, ensuring commercial and operational excellence and the strategic position of AgroGalaxy in Brazil. • Solid management of the topic facilitates an expansion of revenue and cash diversification, in addition to allowing the expansion of robust, professional management with ESG criteria for the sector, which has become more in demand in relation to this agenda. 	<p>High relevance: AgroGalaxy Operations (stores, CTA and seed unit)</p> <p>Medium relevance: Rural producers Input suppliers Rural producers</p> <p>Little relevance: End consumer Input disposal and reverse logistics Transportation and logistics</p>	<p>GRI 201: Economic Performance</p>	

*Topics that are not considered material through the outcome of the process, but elevated to material by the Executive Board in the final validation.



8. SUMMARY OF CONTENT GRI GRI 102-55

GRI Standards	Promotion	PDF Page/Direct Reply	Omission	Global Compact Principles	SDGs	
GRI 101: Founded 2016						
GRI 102: 2016 General Disclosures						
GRI 102: 2016 General Disclosures	102-1	Name of the organization	10			
	102-2	Activities, brands, products and services	10			
	102-3	Location of headquarters	50			
	102-4	Location of operations	10			
	102-5	Ownership and legal form	10			
	102-6	Markets served	10			
	102-7	Scale of the organization	10			
	102-8	Information on employees and other workers Data by region are not reported	29	Data by region are not reported.		8.5, 10.3
	102-9	Supply chain	33			
	102-10	Significant changes to the organization and its supply chain	10			
	102-11	Precautionary principle or approach	22			
	102-12	External Initiatives	27			
	102-13	Membership in associations	In 2021, AgroGalaxy participated in the Brazilian Association of Distributors of Agricultural and Veterinary Inputs (Andav).			
	102-14	Statement from Senior Decision Maker	4, 5			
	102-16	Values, principles, standards and norms of behavior	11, 21			16.3
	102-17	Mechanisms for advice and concerns about ethics	21			16.3
	102-18	Governance Structure	20			
	102-20	Executive-level responsibility for economic, environmental and social topics	20			
	102-22	Composition of the highest governance body and its committees	20			5.5, 16.7
	102-23	Chair of the highest governance body	20			16.6
102-25	Conflicts of interest	21			16.6	
102-27	Collective knowledge of highest governance body	20				
102-32	Role of the highest governance body in suitability reporting	7				
102-35	Remuneration policies	30				
102-40	List of <i>stakeholder</i> groups	7				
102-41	Collective bargaining agreements	In 2021, 100% of employees had a collective bargaining agreement filed in a union.			8.8	



GRI Standards	Promotion	PDF Page/Direct Reply	Omission	Global Compact Principles	SDGs
GRI 102: 2016 General Disclosures	102-42	Identifying and selecting stakeholders	7		
	102-43	Approach to stakeholders Engagement	7		
	102-44	Key topics and concerns raised	43		
	102-45	Entities included in the consolidated financial statements or equivalent documents	All companies are covered in both the DF and the ESG reports. Exceptions are noted in the footnotes.		
	102-46	Defining report content and topic boundaries 7	7		
	102-47	List of material topics	8, 43		
	102-48	Restatement of information	Any restatements of information are pointed out in the footnotes.		
	102-50	Report period	6		
	102-51	Date of most recent report	2020.		
	102-52	Reporting cycle	6		
	102-53	Contact point for questions regarding the com.br	ri@agrogalaxy.com.br		
	102-54	Claims of reporting in accordance with the GRI standards 6	6		
	102-55	Summary of Content GRI	45		
102-56	External verification	This Report has not undergone external verification.			
Material theme: Productivity through sustainability and innovation in the field					
GRI 103: Management forms 2016	103-1	Explanation of the material issue and its Boundary	24, 25, 26, 37, 43		9
	103-2	The management approach and its component			
	103-3	Evaluation of the management approach			
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	35	7, 8, 9	3.9, 6.3, 11.6, 12.4, 12.5
	306-3	Waste generated	35	7, 8, 9	3.9, 11.6, 12.4, 12.5
	306-4	Waste diverted from final disposal	35	7, 8, 9	3.9, 11.6, 12.4, 12.5
	306-5	Waste directed to final disposal	35	7, 8, 9	3.9, 11.6, 12.4, 12.5



GRI Standards	Promotion	PDF Page/Direct Reply	Omission	Global Compact Principles	SDGs
Material theme: Culture, talents and diversity					
GRI 102: 2016 General Disclosures	103-1	Explanation of the material issue and its Boundary	29, 43	1, 6	4, 5, 10
	103-2	Evaluation of the management approach			
	103-3	The management approach and its components			
GRI 401: Employment 2016	401-1	Rates of new employee hires and employee turnover	29	The total number of employees dismissed and the turnover and new hiring rates are not reported.	5.1, 8.5, 8.6, 10.3
	401-3	Maternity / Paternity Leave	30	Data on paternity leave is not reported.	5.1, 5.4, 8.5
GRI 403: Occupational health and safety 2018	403-9	Work-related injuries	31, 32	Health and safety data are not reported by region nor by gender.	3.6, 3.9, 8.8, 16.1
GRI 404: Training and Education 2016	404-3	Percentage of employees receiving regular performance and career development reviews	31		5.1, 8.5, 10.3
GRI 405: Diversity and equal opportunity 2016	405-1	Diversity in governance bodies and employees	30	Other diversity indicators are not monitored, such as by race or People with Disabilities (PwDs).	5.1, 5.5, 8.5
	405-2	Ratio of basic salary and compensation of women and men	30		5.1, 8.5, 10.3
GRI 406: Non-discrimination issues 2016	406-1	Cases of discrimination and corrective measures applied	We did not receive reports on discrimination in the Integrity Channel in 2021		1, 2, 3, 4, 5, 6 5.1, 8.8
Material theme: Local development and quality of life					
GRI 103: Management forms 2016	103-1	Explanation of the material issue and its boundaries	25, 33, 37, 44		1, 2, 5, 8, 9, 11
	103-2	The management approach and its components			
	103-3	Evaluation of the management approach			
GRI 203: Indirect Economic Impacts 2016	203-2	Indirect Economic Impacts	24, 25		1.2, 1.4, 3.8, 8.2, 8.3, 8.5



GRI Standards	Promotion		PDF Page/Direct Reply	Omission	Global Compact Principles	SDGs
GRI 204: Purchasing practices 2016	204-1	Percentage of spending with local suppliers	33	AgroGalaxy still does not monitor the percentage of expenses with local suppliers, but it is implementing a system to control this information. The indicator will be reported next year.		8.3
Material theme: Climate emergency and biodiversity						
GRI 103: Management forms 2016	103-1	Explanation of the material issue and its boundaries	34, 36, 44		7, 8, 9	3, 9, 12, 13
	103-2	The management approach and its components				
	103-3	Evaluation of the management approach				
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	AgroGalaxy does not have its own units, managed and/or leased within or adjacent to protected areas or with high biodiversity value.		8, 9	6.6, 14.2, 15.1, 15.5
	304-2	Significant impacts of activities, products and services on biodiversity.	34		8, 9	6.6, 14.2, 15.1, 15.5
GRI 305: Emissions 2016	305-1	Direct greenhouse gas emissions (Scope 1)	36		7, 8, 9	3.9, 12.4, 13.1, 14.3, 15.2
	305-2	Indirect greenhouse gas emissions (Scope 2)	36		7, 8, 9	3.9, 12.4, 13.1, 14.3, 15.2
	305-3	Other indirect greenhouse gas emissions (Scope 3)	36		7, 8, 9	3.9, 12.4, 13.1, 14.3, 15.2
	305-4	Intensity of greenhouse gas emissions	36		7, 8,	12.4 13.1, 14.3, 15.2
Material theme: Governance and integrity						
GRI 103: Management forms 2016	103-1	Explanation of the material issue and its boundary	20, 21, 44		10	16
	103-2	The management approach and its components				
	103-3	Evaluation of the management approach <i>dagem de gestão</i>				



GRI Standards	Promotion	PDF Page/Direct Reply	Omission	Global Compact Principles	SDGs	
GRI 205: Anti-corruption 2016	205-1	Operations evaluated for risks related to corruption	AgroGalaxy cannot affirm that 100% of the operations are covered in this mapping, since it was done based on an interview with the key owners of the processes.	10	16.5	
	205-2	Communication and training on anti-corruption policies and procedures	21	Employee training data is not reported by region and employment category, nor is communications data for employees, members of senior governance and business partners reported.	10	16.5
	205-3	Confirmed cases of corruption and actions taken	21		10	16.5
GRI 307: Environmental compliance 2016	307-1	Non-Compliance with environmental laws and regulations	In 2021, AgroGalaxy paid R\$ 12,099.52 due to a lack of registration with CREA (Regional Association of Engineering and Agronomy) in eight units of Agro 100.	7, 8, 9	16.3	
GRI 419: Socioeconomic compliance 2016	419-1	Non-Compliance with laws and regulations in the social and economic area		10	16.3	
Material theme: Financial performance and business expansion						
GRI 103: Management forms 2016	103-1	Explanation of the material issue and its boundary	10, 13, 23, 38, 44		8, 9	
	103-2	The management approach and its components				
	103-3	Evaluation of the management approach				
GRI 201: Economic performance 2016	201-1	Direct economic value generated and distributed	38, 41		8.1, 8.2, 9.1, 9.4, 9.5	



9. CORPORATE INFORMATION/ EDITORIAL STAFF

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A large, solid green circle occupies the right half of the page. Inside the circle, the word "AGROGALAXY" is written in a white, uppercase, sans-serif font, centered horizontally and vertically.

AGROGALAXY