



Somekh Chaikin
 KPMG Millennium Tower
 17 Ha'arba'a Street, PO Box 609
 Tel Aviv 61006, Israel
 +972 3 684 8000

Independent Limited Assurance Report to the users/readers of Adama Ltd. 2021 ESG Report

We were engaged by the management of **Adama Ltd.** (further referred to as “Adama” or “the Group”) to provide limited assurance on the specified parts as mentioned in the table below (further referred to as “specified parts”), regarding the information presented on Adama’s 2021 ESG for the year ended 31 December 2021 (further referred to as “the Report”).

It should be noted that the assurance refers to the information and data included in the topics listed in this table, regarding the reporting years, only.

The limited assurance was performed regarding the data and information in the specified parts detailed in the table below:

Subject Matter	Units	2021
Quality employment		
Total Employees	#	9,162
Female	#	2,236
Men	#	6,926
Total full-time employees (FTEs)	#	9,145
Female	#	2,222
Men	#	6,923
Total part-time employees	#	17
Female	#	14
Men	#	3
Unionized employees portion of workforce	%	16
Female	%	3
Men	%	13
Employee Retention rate	%	87
Employee Turnover rate	%	13.7
New Hires- Employees	#	2,617
New Hires- Managers	#	191
New hires by gender and age group		
Female <30	#	97
Female 30-50	#	525
Female >50	#	66
Men <30	#	256
Men 30-50	#	1,098
Men >50	#	747
Total new hires <30	#	353
Total new hires 30-50	#	1,623
Total new hires >50	#	813
End of Employment- Employees	#	1,014
End of Employment- Managers	#	135
Leavers by gender and age group		
Female <30	#	24
Female 30-50	#	165
Female >50	#	68
Men <30	#	81

Subject Matter	Units	2021
Men 30-50	#	478
Men >50	#	333
Total leavers <30	#	105
Total leavers 30-50	#	643
Total leavers >50	#	401
Employees participating in performance review	%	95
Employee role distribution		
Manufacturing	#	3,871
R&D	#	250
Sales & Registration	#	1,939
Management & Administration	#	500
Other	#	2,602
Total	#	9,162
Employee age distribution		
Total employees senior managers	#	125
Total employees middle managers	#	810
Total employees non-managers	#	8207
Top management	#	20
Female Top Management	#	2
Female senior managers	#	25
Female middle managers	#	212
Female non-managers	#	1,997
Men Top Management	#	18
Men senior managers	#	100
Men middle managers	#	598
Men non-managers	#	6,210
Total Top managers - under age 30	#	0
Total Top managers - age 30-50	#	2
Total Top managers age - age 50 and up	#	18
Total senior managers - under age 30	#	0
Total senior managers - age 30-50	#	43
Total senior managers age - age 50 and up	#	81
Total middle managers - under age 30	#	4
Total middle managers - age 30-50	#	526
Total middle managers - age 50 and up	#	279
Total non-managers - under age 30	#	591
Total non-managers age 30-50	#	5,172
Total non-managers - age 50 and up	#	2,444
Total employees - under age 30	#	595
Total employees age 30-50	#	5,743
Total employees - age 50 and up	#	2,824
Diversity and gender equality		
Gender Salary Ratio- non-management employees	%	72
Gender Salary Ratio- middle management	%	93
Gender Salary Ratio- senior management	%	114
Gender Salary Ratio- top management	%	112
Community engagement		
Community donations	USD	2,599,000
Donation per pre-tax profits	%	2.8
% of workforce participating in volunteering (Adama Israel only)	%	18.5
Hours of employee volunteering (Adama Israel only)	hours	2,777
Hours of volunteering per employee (Adama Israel only)	hours	11.5
Board of Directors – ADAMA Ltd		
Total number of directors	#	5
Number of Non-Executive Directors on Board	#	4
Number of External Directors	#	2
Number of Independent Directors	#	2
Separate Chair and CEO	claim	yes

Subject Matter	Units	2021
Annual Election of Directors	#	5
Average Age of Directors	#	59
Women directors	#	0
Board meeting held	#	10
Attendance rate- general board meetings	%	100%
Audit Committee - meetings held	#	6
Audit Committee - attendance rate	%	100%
Nomination Committee - meetings held	#	1
Nomination Committee - attendance rate	%	100%
Compensation and Appraisal Committee - meetings held	#	2
Compensation and Appraisal Committee - attendance rate	%	100%
Strategy Committee - meetings held	#	0
Board of Directors – ADAMA Solutions		
Total number of directors	#	7
Number of Non-Executive Directors on Board	#	3
Number of External Directors	#	2
Number of Independent Directors	#	1
Separate Chair and CEO	claim	yes
Annual Election of Directors	claim	no
Average Age of Directors	#	60
Women directors	#	1
Board meeting held	#	7
Attendance rate- general board meetings	%	76%
Audit Committee - meetings held	#	10
Audit Committee - attendance rate	%	97%
Financial Statements Review Committee - meetings held	#	4
Financial Statements Review - attendance rate	%	92%
Remuneration Committee - meetings held	#	5
Remuneration Committee - attendance rate	%	100%
Economic value shared		
Payments to suppliers	million USD	3,410
Employee wages and benefits	million USD	560
Payments to governments (taxes)	million USD	59
Payments to providers of capital	million USD	12
Capital expenditure	million USD	402
Community donations	million USD	2.6
Total Economic value shared	million USD	4,446
Health and safety		
Sites certified to ISO 45001 or to an eqv. Standard	%	43
Environmental management		
Sites certified to ISO 14001 or to an eqv. Standard	%	57
Expenditures on Environmental Protection (not including China)	million USD	41
Investments on Environmental Protection	million USD	54.5
Adama's HSE policy		
Adama's HSE policy	existence	
Adama's Code of Conduct		
Adama's Code of Conduct	existence	

Further information and details, including the scope, content, assumptions, and estimates determined by the Group regarding the specified parts included in the process, can be found in the relevant chapters of the Group's Report.

Adama management is responsible for: A. the preparation and the presentation of the Report in accordance with the Sustainability Reporting Standards of the Global Reporting Initiative (GRI-SRS) as described on the relevant page of the Report site, and the information and assertions contained within it; B. for determining Adama's objectives in respect of sustainable development performance and reporting; C. for establishing and maintaining appropriate performance management and internal control systems from which the information is derived, to be free from omissions and material misstatements whether due to fraud or error; and D. the identification of stakeholders and material issues for reporting.

Our responsibility is to provide a limited assurance engagement and to express a conclusion based on the work performed. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB). That Standard requires that we comply with applicable ethical requirements, including independence requirements, and that we plan and perform the engagement to obtain limited assurance about whether the Report is free from material misstatement.

A limited assurance engagement, regarding data and information in the specified parts on the ESG Report, consists of making interviews, primarily of Adama employees responsible for the preparation of information presented in the Report, and applying analytical and other evidence gathering procedures, as appropriate. These procedures included:

- Examination of the specified parts in the Report, for the purpose of performing a limited assurance, based on public information sources, knowledge of the Group business and other comparative information of similar organizations.
- Interviews of management to gain an understanding regarding the specified parts.
- Interviews with senior management and relevant staff of Adama management concerning corporate responsibility strategy and policies for the specified parts, and the implementation of these across the business.
- Interviews with relevant staff at corporate and business unit level responsible for providing the information in the Report.
- Comparing the information regarding the specified parts presented in the Report to corresponding information in the relevant underlying sources to determine whether all the relevant information contained in such underlying sources has been included in the Report.
- Where relevant, conducting interviews regarding the calculation, aggregation and methods used to collect and report the specified parts in the Report.
- Reading the information presented in the Report to determine whether it is in line with our overall knowledge of, and experience with, the corporate responsibility performance of Adama.

As part of the process of performing a limited assurance, we reviewed the changes made to the draft 2021 ESG Report of Adama and reviewed the final version of the Report to ensure that it reflects our findings.

Limited assurance is less than absolute assurance and reasonable assurance. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Based on the limited assurance procedures performed and the evidence we have obtained, described in this report, nothing has come to our attention to indicate that the specified parts as mentioned in the table above, in Adama's 2021 ESG Report are not presented, in all material respects, in accordance with the GRI-SRS and Adama's reporting criteria.

Our limited assurance report is made solely to Adama in accordance with the terms of our engagement. Our work has been undertaken so that we might state to Adama those specified parts we have been engaged to state in this limited assurance report and for no other purpose or in any other context. We do not accept or assume responsibility to anyone other than Adama for our work, for this limited assurance report, or for the conclusions we have reached.

Somekh Chaikin

Certified Public Accountants

Tel Aviv, Israel

05 July 2022