



Somekh Chaikin
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Independent Limited Assurance Report to the users/readers of Adama Ltd. 2020 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 2020 ESG for the year ended 31 December 2020 (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	2020
Board of directors' meetings (Adama Agricultural Solutions Ltd.)	#	7
Board meetings director's attendance rate (Adama Agricultural Solutions Ltd.)	%	84%
Board meeting external director's attendance rate (Adama Agricultural Solutions Ltd.)	%	100%
<i>Economic Value Generated and Distributed</i>		
Net sales	USD	4,127,751
Other operating income	USD	12,793
Total economic value produced (income):	USD	4,140,544
Operating costs (Including R&D expenses, employee wages and other expenses)	USD	4,057,924
Out of which: Community programs (Donations)	USD	2,807
Tax expenses, net	USD	31,552
Dividends (including to non-controlling interests)	USD	9,162
Total economic value distributed	USD	4,098,638
Total economic value gained	USD	41,906
Total Number of People (Employees)	#	7,505
New Employees Hired	#	749
New Managers Hired	#	65
End of Employment -employees	#	872
End of Employment -managers	#	113
Workforce by Age- Employees <30	#	603
Workforce by Age- Employees 30-40	#	2,386
Workforce by Age- Employees 40-50	#	2,061
Workforce by Age- Employees 50-60	#	1,263
Workforce by Age- Employees >60	#	347
Workforce by Age- Employees - other	#	16
Workforce by Age- Employees - middle management <30	#	4
Workforce by Age- Employees - middle management 30-40	#	167
Workforce by Age- Employees - middle management 40-50	#	293
Workforce by Age- Employees - middle management 50-60	#	163
Workforce by Age- Employees - middle management >60	#	51

Subject Matter	Units	2020
Workforce by Age- Employees - middle management - other	#	2
Workforce by Age- Employees - senior management <30	#	-
Workforce by Age- Employees - senior management 30-40	#	7
Workforce by Age- Employees - senior management 40-50	#	42
Workforce by Age- Employees - senior management 50-60	#	58
Workforce by Age- Employees - senior management <60	#	22
Workforce by Age- Employees - senior management - other	#	1
Workforce by Age- Employees - top management <30	#	-
Workforce by Age- Employees - top management 30-40	#	-
Workforce by Age- Employees - top management 40-50	#	2
Workforce by Age- Employees - top management 50-60	#	9
Workforce by Age- Employees - top management >60	#	8
Workforce by Age- Employees - top management - other	#	-
Women employees (non-management)	#	1,597
Men employees (non-management)	#	5,075
Women middle management	#	176
Men middle management	#	508
Women senior management	#	25
Men senior management	#	105
Women top management	#	2
Men top management	#	17
Ratio (men's base salary divided by women's base salary) – employees (non-management)	%	76%
Ratio (men's base salary divided by women's base salary) – middle management	%	97%
Ratio (men's base salary divided by women's base salary) – senior management	%	105%
Ratio (men's base salary divided by women's base salary) – top management	%	109%
Adama's Anti-Harassment policy	Existence	
Adama's Social Policy in Israel	Existence	
Adama's HSE policy	Existence	
Adama's Code of Conduct	Existence	
Environmental reviews by LUDAN Environmental Technologies during 2020 ¹	Existence	
Material environmental fines and sanctions	#	0
Investment in environmental facilities	Million USD	19
Current environmental costs	Million USD	51

¹This information was approved according to the Ludan Environmental Technologies reports.

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 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 2020 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 2021